

R2T4 Calculation

Withdrawal and Determination of Withdrawal

Students no longer interested in attending the College should discuss the withdrawal process with their Program Director. Students who find it necessary to withdraw from the program (that is, from all classes) must complete a Program Withdrawal Form indicating the intent to withdraw; that form is provided to the Registrar, who notifies the Financial Aid Office of the withdrawal. The student is also encouraged to discuss the implications of withdrawal with both the billing office and the Financial Aid Office.

Absent extenuating circumstances, any student not attending classes within 14 days will be considered withdrawn and the last date attended will be used to calculate financial aid eligibility.

Using attendance reports as a resource, the College will make a determination that a student has withdrawn within 14 days of the student's last date of attendance absent exceptional circumstances.

The withdrawal date used by the College is always last date of academic attendance, defined as the last date on which the student participated in an academically related activity as determined from attendance records, which are reviewed weekly. The Financial Aid Office will document the withdrawal date determined in accordance with College policies and federal requirements and maintain the documentation as of the date of the College's determination that the recipient withdrew, as defined in this section. The attendance record as reported in SONIS will be printed off to document the last date of attendance. A letter will be sent to the student notifying them of their R2T4 calculation results and what their required responsibilities are, i.e. Exit Counseling.

1. Earned Aid

Students "earn" financial aid in proportion to the percentage of a term they complete. The percentage of the term completed (and the percentage of aid earned) is calculated as follows:

The number of days of the term completed by the student

The total number of days in the term

The calculation uses calendar rather than business days; and the number of days in the term includes the first day of classes through the last day of scheduled exams, includes weekends and holidays, but excludes any break of five days or more.

Students who withdraw after the 60% mark have earned all of their financial aid for the term. Students who withdraw on or before the 60% mark will be subject to Returns.

2. Calculation of Dollar Amount Returned

Once the percentage of earned and unearned aid is determined, the College will calculate the dollar amount of unearned aid to be returned. The Return amount is calculated by multiplying the unearned aid percentage by the total amount of all Title IV federal aid received.

3. Funds and Costs Included in Return Calculation

The calculation of earned Title IV federal aid includes the following Title IV grant and loan funds if they were disbursed or could have been disbursed to a student for the period of time for which the calculation is being performed (payment period or period of enrollment).

- Pell Grant
- Direct Loans (Subsidized and Unsubsidized)

The College will calculate actual (not rounded) institutional costs when conducting R2T4 calculations. The College includes book charges posted to student accounts as institutional costs, as well as other costs as appropriate. The calculation for R2T4 purposes are based on initial charges at the beginning of the semester.

Example

This is an example of a student who withdraws during the fourth week of the fall semester. It is not intended to represent the current term or a particular student.

Number of days attended: 22

Number of days in the semester: 105

Earned Financial Aid: 20.9%

Unearned Financial Aid: 79.1%

Type of Aid	Financial Aid Disbursed	Earned Aid (student keeps)	Unearned Aid (returned to Title IV program)
Unsubsidized Stafford Loan	\$1,000	0	\$1,000
Subsidized Stafford Loan	\$1,800	0	\$1,800
Federal Pell Grant	\$2,200	\$1,045	\$1,155
Total	\$5,000	\$1,045	\$3,955

Repayment Responsibility

The responsibility to repay unearned Title IV aid is shared by the College and the student. For example, the Return calculation may require the College to return a portion of federal funds to the Federal Title IV programs. In addition, the student may also be required to return funds based on the calculation. A student returns funds to Title IV federal Direct Loan programs based on the terms and conditions of the promissory note of the loan (in other words, by paying the loan when it goes into repayment).

Funds returned by the College may become a balance on the student's College account. This can occur when a student withdraws after the College's refund period but before completing more than 60% of the term.

Procedure

Returns to financial aid programs will be made within 45 days of the date the student officially withdraws, is expelled, or takes a leave of absence. In the case of a student who unofficially withdraws, refunds will be made within 45 days of the determined withdrawal date.

The order of return of funds by the College is as follows:

- Unsubsidized Direct Loan
- Subsidized Direct Loan
- Direct PLUS Loans
- Federal Pell Grants

Notification sent to student will include the following:

- Documentation of R2T4 calculation
- Amount of Title IV funds required to be returned by the student (if there are any)
- Requirement of Exit Loan Counseling and web address where it can be accessed
- Reminder that the loan servicer will be in touch with the student and/or parent (Parent Plus Loan)
- Reminder to contact Business Office to discuss remaining balance on student's account (if applicable)

Leaves of Absence

The College does not utilize "leave of absence" for financial aid purposes. The student who takes an academic leave of absence is considered withdrawn for financial aid purposes and a Return of Title IV funds calculation is performed on the student's account.

The College's Leave of Absence Policy, including information about Financial Aid consequences can be found in the Student Handbook and the College Catalog.

Prior to being granted a LOA, the student is required to meet with the Financial Aid staff to discuss effects that the student's failure to return from an LOA may have on the student's loan repayment terms, including expiration of the student's grace period.

Treatment of Title IV Credit Balances when a Student Withdraws

When a student withdraws during an enrollment period, a Title IV credit balance created during the period is handled as follows:

1. No portion of a Title IV credit balance is released to the student nor is any portion returned prior to performing the R2T4 calculation. The College will hold these funds even if, consistent with the 14-day credit balance payment requirements, it would otherwise be required to release them.
2. Title IV credit balance allocation is as follows:

- a. any Title IV credit balance is allocated first to repay any grant or loan overpayment owed by the student as a result of the current withdrawal;
- b. in accordance with the cash management regulations to pay authorized charges at the institution;
- c. with the student's authorization, to reduce the student's Title IV loan debt (not limited to loan debt for the period of withdrawal); or
- d. as a post-withdrawal disbursement to the student (or parent for a Direct PLUS Loan).

If the College cannot locate the student (or parent) to whom a Title IV credit balance must be paid, the College will make determinations that are in the best interest of the individual student. The College will apply refund policy before allocating a Title IV credit balance.

Crediting Post-Withdrawal Disbursements Containing Title IV Loan Proceeds and Borrower's Cancellation Right

Post-withdrawal disbursements are always first credited to the student's account. SEHCON's Financial Aid Office notifies the student or PLUS borrower within 30 days of withdrawal by mail of their right to a post-withdrawal disbursement to the student account, including the need to approve disbursement, the disbursement date and amount, and the loan cancellation right.

The financial aid administrator who sends this notification monitors if a response is received within 45 days.