



# Universidad Católica Nordestana UCNE

## POLICY OF RETURN TITLE IV FUNDS.

This policy applies when a student recipient of Title IV funds, ceases attending all classes before the completion of the semester. Specifically applies:

1. Due official semester retirement completing the procedures of the Registrar's Department. This procedure is known as official withdrawn.
2. At the time that the institution becomes aware that the student is not attending any of his classes, not applying reasons for leave of absence, making with this action an unofficial withdrawn.

For purposes of this policy is necessary to know:

***Percentage of Earned Funds:*** This is the equivalent percentage of the semester completed by the student.

Ex.: Student "A" starts its semester and removes all clases after completing 10% of the time the period. Student "A" has won 10% of their Title IV funds.

***Percentage of Unearned Funds:*** This is the percentage of Title IV funds the student has not earned and is determined to complement the earned percentage.

Ex.: The amount of funds that the student "A" has not earned, is the complement of the 10% earned. In this case the student has not earned 90% of Title IV funds.

### **R2T4 Policy VS Institutional Refund Policy.**

The scope of this policy is *independent from the Institutional Refund Policy*, which determines the amount of university charges to be returned to the student's account at the time of his official withdrawal. However, the Institutional Refund Policy only will apply to those students that doesn't receive Tittle IV Funds.



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## **Calculating Return of Title IV Funds.**

At UCNE, the calculation is made when a student withdraws of a payment period, this is informed by the Registrar's Office to the Financial Aid Department.

If after the calculation is made, the institution has disbursed more financial aid than the student has earned, will return the unearned funds corresponding to the institutional charges and will inform the student by written about the amount that has to return. If the student has earned 60% or more of the funds, will be consider that has earned 100% and the institution will not need to return.

## **Determination of the date of withdrawal of the student.**

UCNE is an institution not required to take attendance. For determining the Last date of attendance (LDA) will use the following criteria:

- ***When the student withdraws officially***, the date used is the one established on the Registrar's office form. If by any reason the date is not specified in the form, will be used the date that the registrar's office process the withdrawn.

*To consider that the student has officially withdrawn must complete the following process:*

1. *Present at the registrar's office with the original enrollment evidence and payment receive.*
  2. *Present a copy of ID (with picture) (Generally Passport).*
  3. *Complete form with required information (one original and two copies).*
- ***When the student makes and unofficial withdrawn***, it will be considered the last date of attendance, the date of last examination and / or academic work that shows any evidence this. If any of this date can be obtained, will use the date that the institution is aware that the student ceases attendance. This should not exceed 30 days from the end of the semester in which the return of funds applies.

If the student fails to return from an approved leave of absence (LOA) the first day of the permission, will be taken as the LDA.



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## Procedures for the calculation.

Calculating the Return of Title IV, cannot exceed 30 calendar days from the date of determination; will be used the Form A, for credit-based programs "Treatment of Title IV funds when a student withdraws".

Also the calculation can be made online at: <https://faaaccess.ed.gov/FOTWWebApp/faa/faa.jsp>.

1. In both has to be completed the students' information:
  - Name, Social Security Number.
  - The date that the form is completed and the date that the university determine the withdrawn.
  - Check on payment period as the one used for calculation.
2. On the step 1, is completed the students loans information: The one disbursed and the one that could have been disbursed (if applies).
3. On the next step is completed with the start date, date scheduled that the semester ends and the date that the student withdraws, this one determined as mentioned before. With this information is determined the percentage earned by the student:
  - Counting the days completed by the student, since the date that the semester started, until the date of the withdrawal (excluding scheduled breaks of five days or more; and days that the student was on an approved leave of absence if returned)
  - Counting the days that the semester has in total.
  - Dividing the calendar days completed in the period by the total calendar days in the period.
4. On step 3 is determined the percentage of aid earned by the student by multiplying the aid disbursed with the percentage earned.
5. In the following steps are determined: if apply a post-withdrawal disbursement, and the amount to be disbursed and returned, following the steps established in the form. When the process is made online, is just necessary to complete with the information and it calculates automatically.



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## **Post-Withdrawal Disbursement:**

If a student withdraws before the funds will be delivered, may apply a post-withdrawal disbursement depending percentage of funds earned in the calculation of return on funds.

For this, the Financial Aid Office will notify the student in writing to the student in the 30 days after the determination date that the funds are available. The student has to response in a period of 14 calendar day to get the disbursement. If the student fails to respond, will be ineligible for the post-withdrawal disbursement.

## **Returning the Funds.**

The procedure to return funds from the institution should be as soon as possible after it has been determined the withdrawal, but cannot exceed 45 calendar days from this date. The institution is responsible to return the unearned portion corresponding to the tuition and fees incurred by the student on the payment period.

The process is made through the Accounting Department, which performs the cash management. Financial Aid Department will calculate and specify to accounting the amount, award year and student who corresponds the return.

The portion of Title IV funds unearned that the student is responsible to return, can be paid back under the terms of the Promissory Note or Master Promissory Note (MPN) or immediately. This will be to be informed to the student through a written notice.

The institution has the responsibility-but not delimited, to notify the student (or parent, if applicable) in writing (paper or electronic) of the following situations:

- Implications of the return of funds if he plans to continue studying.
- The amount returned by the institution and the amount that has to return.
- If the student applies for a post-withdrawal disbursement.



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## **Reporting and making adjustments.**

Any change on students' enrollment, has to be reported on the National Student Loan Data System (NSLDS). For this reason, the report of the withdrawal will be included in this process.

The amount returned by the institution, will be accredited to the students' loan through the Common Origination Disbursement System (COD).

The amount adjusted will be credited to the loans in the following order:

- Unsubsidized Direct Loan
- Subsidized Direct Loan
- Direct Grad PLUS Loan
- Direct Parent PLUS Loan

## **Change in Enrollment Status but still attending classes.**

In the cases of a change in a student's enrollment status to less than half time as a result of the failure to begin attendance but continues attending, the institution will not perform an R2T4 Calculation and would not affect the student's eligibility for any federal education loan funds previously received because at the time the previous disbursements were made, the student was still scheduled to attend on at least a half-time basis. (Of course, a student may not receive as a late disbursement any second or subsequent disbursement of the loan.)

This will affect the Satisfactory Academic Progress, and may affect his future eligibility for future loans.



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## Attachment A

### Institutional Refund policy due to Academic Semester Withdrawal

Detail	Percent to return%
First day of class	100%
First week	90%
Second Week	80%
Third week	70%
Fourth week	60%
Fifth week	50%
Sixth week	40%
Seventh week	0%

1. Once the student has withdrawn the semester or discharged, is proceed to perform the calculation of the percentage (%) according to the parameters described above, based on the total of the tuition (total of the semester), according the week in which the withdrawal is formalized. The date of the withdrawal form is taken as a parameter.
2. If the calculated amount is positive result or balance in favor, this is reimbursed to the student; or if the result is negative, the student must pay the amount or debt, this in the case of a Dominican (National) student.
3. The Student (National) has the right to decide if he has a balance in favor, for further compensation on services or tuition (cost of semester), or he also can choose to receive a check by his name as reimbursement.



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4. If it is foreign student paying with his own resources or has any other alternative (private) loan, is given the same treatment as a Dominican student.
5. When the student has federal loans, is done the same withdrawal process; but with the difference that instead of reimbursing the amount the student, it returns to the Department of Education of the United States. To return purposes of Title IV funds is done by the polity of the Federal Funds Department.