

WITHDRAWALS AND RETURN OF TITLE IV AID

If a student ceases attendance from all his or her courses within a period of enrollment, the student will be considered a withdrawal for Title IV purposes. Students who elect to withdraw from courses must follow MTSA's official withdrawal process. If a student withdraws from the program, they may be required to return federal Title IV aid. The R2T4 calculation for the return of awarded funds may result in the student owing a balance to MTSA and/or their loan servicer if the amount of the return exceeds the school's portion. MTSA will notify the student if a repayment is owed via written notice. If the R2T4 calculation results in a credit balance on the student's account, MTSA will refund the student no later than 14 days after completing the R2T4 calculation.

The amount of federal aid a student earns, in their 17-week payment period, is determined on a pro rata basis (for example: if you complete 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive). Students who withdraw prior to completing 60% of the payment period will have a Return of Title IV fund calculation performed to determine the amount of unearned funds, that will be returned to the appropriate Title IV program. After the 60% point, the student is deemed to have earned 100% of the Title IV funds. Federal funds will be returned based on the percentage of period completed.

The effective withdrawal date is used to determine the point in time that the student withdrew or ceased to attend so that the percentage of the enrollment/payment period completed can be determined. MTSA has 45 days from the date that it determines a student withdrew to return all unearned funds for which it is responsible.

The withdrawal date for the R2T4 calculation of return of the Title IV funds and outside sources of aid is determined by the Program Administrator and is based on the following:

- The date the student officially notifies MTSA of his/her intent to withdraw or is dismissed from enrollment in the program or
- The date determined by MTSA as the administrative withdrawal date, if the student left unofficially, based on a determination of the last academically related activity. If a date of last academically related activity cannot be determined, as a non-attendance taking institution, MTSA would use the mid-point as the last day of attendance.

In rare cases, a student may be eligible to receive a late disbursement of Title IV funds (post-withdrawal disbursement) that were not disbursed before a student withdrew but which the student has earned based on a Return of Title IV Funds calculation. This must be offered within 30 days of the student's withdrawal date. In such cases, the Financial Aid Office will notify the student of the "post-withdrawal" disbursement via an award notification. The school will advise the student that they have 14 calendar days from the date of the award notification to accept a post withdrawal disbursement.

Federal regulations stipulate how the return of Title IV Funds is calculated for students who have received federal assistance. If the student did not attend 60% of the payment period, the aid must be return to the appropriate program in the following order:

- Unsubsidized Federal Direct Loan
- Federal Grad PLUS Loan