



PROVIDENCE

RETURN TO TITLE IV (R2T4) POLICY

Providence University College and Theological Seminary
Rev. 2021-01-12

The law specifies how Providence University College & Seminary must determine the amount of Title IV program assistance (Direct Loans, Parent Plus Loans and Grad Plus Loans) that students earn if they completely withdraw from school. See section on Withdrawals for specific information regarding the withdrawal process. The Office of Financial Aid together with the Registrar's Office is responsible for calculating R2T4 and the Business Office is responsible to actually transfer the funds. All funds must be returned to the Department within 45 days of the date of determination through G5. If there are any questions about the Title IV program funds, students can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on *Student Aid on the Web* at www.studentaid.ed.gov.

The institution policy for refund is that the payment period is the semester for which the loan was certified. Each week for the first four weeks following the start of term, there is a 10% reduction of potentially refunded tuition. Following the four weeks, there is no refund. For example, if the student withdraws in the second week following the start of term, they will receive 80% of tuition. Please see the academic calendar for the refund schedule for room & board. Providence will automatically use all or a portion of your postwithdrawal disbursement (PWD) for tuition, fees, and room and board charges. A PWD is offered to the student — or parent in the case of a Parent PLUS loan — if, prior to withdrawing, the student earned more federal financial aid than was disbursed for the payment period. The amount earned is determined as part of the required federal Return of Title IV Funds calculation.

When a student withdraws during a payment period, the amount of Title IV program assistance that has been earned up to that point is determined by a specific formula: the number of calendar days completed in the payment period or period of enrolment as of the student's withdrawal date is divided by the total number of days in the payment period or period of enrolment. The date of withdrawal is either the date the student notified the Registrar of their intent to withdraw or the date the student submitted the withdrawal form, whichever is earlier. If the student received (or the school received on the student's behalf) less assistance than the amount earned, the student may be able to receive those additional funds. If the student received more assistance than was earned, the excess funds must be returned by the school and/or the student, or the student may receive those funds through a PWD.

Providence University College & Seminary is not required to take attendance although all professors require a student to attend in order to receive a passing grade. Students who are

not in regular attendance are reported to the Registrar. The Registrar will consult with the student's faculty to determine if the student never attended classes or to verify the last date of attendance. Without an official Withdrawal Form, the Institution will assume a 50% attendance to compute the R2T4 formula.

In the case where a student notifies the Registrar's Office that he or she intends to withdraw, the student must be informed of the need to complete the Official Withdrawal Form and document the date. Should the student fail to file the Withdrawal Form or there is a lag between the notification and the filing of the form, the earlier date of notification will be used in calculating the R2T4 formula. In the event a student receives all failing grades for a semester, the Registrar will contact the faculty members to determine if the "F" grades were earned or represent a lack of attendance. In the event it is determined that those grades were the result of lack of attendance, the Registrar and faculty will attempt to determine the last day of attendance and use that date in the R2T4 calculations. If the exact date cannot be determined, the Institution will assume a 50% attendance, and use that date as the last date of attendance. Students who do not attend even one class are ineligible for Title IV funds and all of the loan proceeds will be returned to the Department.

Please see the academic calendar for the refund schedule for room & board.

Providence will automatically use all or a portion of the student's post-withdrawal disbursement for tuition, fees, and room and board charges. A letter will be sent to the student if funds are still coming. The institution must obtain the permission of the student to request the additional earned aid. Students may decline some or all of the loan funds. Loans will be offered to the student within 30 days, and the student will have 14 days to respond asking for funds to be drawn down. If there is no response within 14 days, Providence will not draw down funds. The University need to perform an R2T4 calculation within 30 days from the date of determination and should send notify students of any earned DL funds that have not been disbursed. All post-withdrawal disbursements are applied to student account first, and any resulting credit balance is disbursed to the student within 14 days of the Return calculation.

The school must return any refunded amounts of the Title IV program funds. The student must return the remaining amount from the original loan amount. Any loan funds that must be returned, the student repay in accordance with the terms of the promissory note. That is, scheduled payments are made to the holder of the loan over a period of time. Students who have received a refund of their loan proceeds before withdrawing may be required to return part or all of those funds to the Department. If the amount to be returned exceeds the school's portion, the student must return the remaining amount. Any loan funds that the student returns, the student — or parent in the case of a Parent PLUS loan — repays in accordance with the terms of the Promissory Note.

For example:

The total number of days attended divided by the total number of days in the payment period is equal to the percent of Title IV aid returned. So, $50/100 = 50\%$ returned.

In the case where the student registered but did not commence attendance for the payment period, the student will be considered not having established eligibility for any Title IV funds, and Providence will return all Title IV funds credited to the student's account to the Department. If funds were disbursed directly to the students or to the parent borrower, Providence will notify Debt Resolution Services so they can start the collection process.

Title IV funds will be returned in the following order:

1. Unsubsidized Direct loans
2. Subsidized Direct loans
3. Parent Plus loans
4. Grad Plus loans

Student may view the refund Policy in the appropriate academic calendar.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on *Student Aid on the Web* at www.studentaid.ed.gov.

Withdrawals

Definitions:

Official Withdrawal

A "withdrawal" refers to a student's intent to completely terminate studies at the institution with no expectation of return. Students who subsequently decide to return to their studies, must re-apply for admission through the Admissions Office.

Unofficial Withdrawal

An unofficial withdrawal is one where the school has not received notice from the student that the student has ceased or will cease attending the school

Note:

Students who withdraw from courses after the first 2 weeks will receive a grade of "W" on their transcript. The grade is considered the same as an "F" grade in calculating the quantitative aspect of the Satisfactory Academic Progress standards and may affect the student's future eligibility for Financial Aid.