



Converse University Return of Title IV Funds Policy

Effective Date: May 23, 2023

Last Revision Date: May 23, 2023

Responsible Party: Associate Vice President for Student Financial Services
Associate Director of Student Financial Services

1. Policy and Purpose

To establish the guiding principles, basic terms, and administrative authority for compliance with federal regulations for returning Title IV financial aid when a student withdraws or takes a leave of absence during an academic term in accordance with federal rules, regulations, policies, and procedures (*34 CFR §668.43, 34 C.F.R. §668.22; 34 C.F.R. §668.164*)

2. Policy Statement

The U.S. Department of Education requires a return of Title IV financial aid if the student received federal assistance in the form of a Pell Grant, Supplemental Educational Opportunity Grant (SEOG), Federal Direct Student Loan or PLUS Loan and withdrew from all classes on or before completing 60% of the semester. This return is based on a federally mandated formula. The percentage of Title IV aid to be returned is equal to the number of calendar days the student completed prior to the date of withdrawal divided by the number of calendar days in the semester. Scheduled breaks of more than four consecutive days are excluded.

3. Procedures

If any funds are to be returned after the Return of Title IV aid calculation, they will be used to repay Converse institutional funds, state funds, other private sources and the student in proportion to the amount received from each non-federal source as long as there is no unpaid balance at the time of withdrawal. If there is an unpaid balance, then all aid sources will be repaid before any funds will be returned to the student.

NOTE: If funds are reversed/return after a financial aid refund has been issued or if the R2T4 results in a balance due to the University, the student will be responsible for repaying any balance due. Any student who owes a repayment to the University will have a hold placed on all academic records which prohibits graduating, obtaining an academic transcript or diploma, or registering for future terms. The student is also prohibited from receipt of any further disbursement of Title IV aid until the debt is paid. Delinquent accounts will be sent to collections sixty (60) days after default.



Students who have borrowed at any time from the federal direct student loan program will be required to complete the federally required Federal Direct Loan Exit Counseling. The Student Financial Aid Office **will not** sign or clear any withdrawals without a student completing this requirement. If a student leaves the institution without completing the required Exit Counseling, the Student Financial Aid Office will place a hold on all student records.

4. Determination of Withdrawal Date

4.1 Official Withdrawals

The date of withdrawal for a student who officially withdraws from the University will be determined by the last date of attendance at an academically related event as noted by the student on the University Withdrawal Form.

4.2 Unofficial Withdrawals

Title IV financial aid recipients who fail to withdraw but stop attending classes (or do not successfully complete at least one class) are considered **unofficial withdrawals**. The Return of Title IV Funds Policy requires Converse to calculate “earned” financial aid based on the last date of attendance at an academically related event. This date is determined by the latest attendance date entered by the student’s faculty members during the final grading period. If the student unofficially withdrew prior to the 60% point of the term, the student will be billed for any outstanding charges due as a result of the Return of Title IV Funds. Unofficial withdrawals are processed **no later than 45 days** of determining that a student was an unofficial withdrawal.

4.3 Return of Funds to the Federal Title IV Programs

All Title IV funds will be returned to the financial aid program(s) no later than 45 days after the University determines that a student has withdrawn.

5. Credit balances when a student withdraws from the University

The University must determine the correct Title IV credit balance, considering the results from both the Return of Title IV calculation and the institutional refund calculation. If after the Return of Title IV Funds and the institutional refund calculations are applied to a student’s account a credit balance exists, the credit balance will be disbursed to the student as soon as possible but no later than 14 days after the date that the Return of Title IV calculation is performed.

6. Post-Withdrawal Disbursements

A student who receives less Title IV financial aid than earned will be offered a disbursement for the amount of earned aid that was not received. Any post-withdrawal disbursement made must meet the required conditions for late disbursement.



When processing a Return of Title IV funds, grant funds that were not disbursed but could have been disbursed are considered “aid that could have been disbursed.” Loan disbursements that ***have been originated***, but not disbursed are considered as “aid that could have been disbursed.” For Title IV Loan aid, the student must have completed the required Federal Direct Loan Entrance Counseling and Federal Direct Loan Master Promissory Note.

6.1 Disbursement of Title IV Grant Funds

Post-withdrawal grant disbursements will be credited to a student’s account for outstanding allowable current semester charges or paid directly to the student if a credit balance is due. The University is permitted to credit any Title IV financial aid grant funds to the student’s account without the student’s permission. The University will disburse the Title IV grant financial aid to current charges to the student’s account no later than 45 days after the school’s determination that the student withdrew.

6.2 Disbursement of Title IV Loan Funds

Post-withdrawal loan disbursements will be credited to a student’s account for outstanding allowable current semester charges or paid directly to the student (or parent for a Direct Parent PLUS Loan). Prior to making any disbursement, the student/parent must be notified in writing within 30 days of the University’s determination that the student withdrew. The post-withdrawal notification will identify the type and amount of the funds. If loan funds are available, the University will explain in the post-withdrawal notification that the student/parent has the option to accept/decline all or part of the loan. The post-withdrawal notification will also inform the student/parent that a response must be received within 14 days of the date of notice. If the University does not receive a response, no further disbursement will be made. If the response is received in a timely manner, the funds will be disbursed within 30 days.

7. Treatment of Non-Federal Financial Aid

Non-Title IV financial aid such as University grants and scholarships, SC State Financial Aid, and outside private financial aid will be adjusted based on the University’s tuition refund policy and schedule (see each term’s Academic Calendar). For example, if a student withdraws during the 25% refund period, 25% of all institutional aid will be reversed from the student’s account. SC State Aid will be recalculated based on the rules, regulations, policies and procedures of the SC Commission on Higher Education. Private grant/scholarship aid will be reversed based on the policies of the donor of the private financial aid funds (some donors may require the return of 100% of their financial aid).



8. Administrative Authority

8.1 Basic Terms and General Management Procedures

8.1(a) Basic Terms

The Associate Vice President for Student Financial Services has the authority to establish and modify the basic terms for the Return of Title IV Funds in accordance with federal regulations.

- 8.1(b)** The Associate Vice President for Student Financial Services has the authority to develop and maintain general management procedures terms for the Return of Title IV Funds in accordance with federal regulations.