

Carnegie Mellon University

Student Financial Services

Return to Title IV Funds Policy and Procedural Statement (*effective 7.1.2021*)

Policy Reason

The U. S. Department of Education requires that the university determine the amount of Federal Title IV aid earned by a student who withdrawals or fails to complete the period of enrollment. The university must determine the earned and unearned portions of Title IV aid as of the date the student ceased attendance based on the amount of time the student has spent in attendance. Unless the student meets one of the exemptions below in items 1 – 4, up through the 60% point in the period of enrollment, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the period of enrollment a student has earned 100% of the Title IV funds they were scheduled to receive. For a student who withdraws after the 60% point-in-time, there are no unearned funds.

Effective July 1, 2021, there are four ways in which a student enrolled in a program delivered in modules** is exempt from the normal rules for return of Title IV funds (R2T4) mentioned above, and thus is not considered to be a withdrawal. **Even though a student may meet one of the exemptions for R2T4, a student's cost of attendance and financial aid may need to be reduced if the student does not attend all periods of enrollment for which Title IV aid has been determined.** The 4 exemptions are:

1. If the student has completed all requirements for graduation within the payment period or period of enrollment;
2. If the student successfully completes Title IV-eligible coursework in one module or a combination of modules that equals 49% or more of the number of countable days** in the payment period or period of enrollment; or
3. If the student successfully completes Title IV-eligible coursework equal to or greater than what the school considers to be half-time enrollment (18 units) for the payment period or period of enrollment.
4. If a student who has dropped all classes except for classes in a future module within the semester has provided written confirmation to the school of their intention to return within 45 days within the same semester. **Pre-registration does not constitute written confirmation.**

*A student is considered to be enrolled in a program delivered in modules in any semester in which the student is enrolled in any class that does not span the entire semester.

**Countable days for calculating the 49% exemption include the first day of classes up to and including the last day of classes in the student's individual enrollment period (semester or mini), including days between modules and excluding breaks of 5 or more days. All

courses for which the student is registered AND courses for which the student has begun attendance are considered when determining the 49% exemption, even those courses that have been dropped.

Federal regulations can be found at:

Federal Student Aid Handbook, Volume 5

Chapter 1 Withdrawals and the Return of Title IV Funds;

34 CFR 668.22

Policy and Procedural Statement

At Carnegie Mellon, Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive.

If a recipient of Title IV grant or loan funds withdraws from a school after beginning attendance, the amount of Title IV grant or loan assistance earned by the student must be determined. Additionally, if a recipient of Title IV grant or loan funds who is enrolled in a program delivered in modules does not attend all scheduled modules or withdraws from a module, the school must determine whether the student is considered to be a Title IV withdrawal and must determine the amount of Title IV grant or loan assistance earned by the student. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, the student is eligible to receive a Post-withdrawal disbursement of the earned aid that was not received.

Carnegie Mellon determines the Withdrawal Date and Date of Determination to complete the return of funds calculation. A student's withdrawal date and date of determination varies depending on the type of withdrawal. When a student provides official notification to Carnegie Mellon through the Student Leave of Absence and Withdrawal Process, the withdrawal is defined as an official withdrawal. When the student does not complete the Student Leave of Absence and Withdrawal Process and no official notification is provided by the student, it is considered an unofficial withdrawal.

Leave of Absence/Withdrawal Process

A student may leave Carnegie Mellon by either taking an academic leave of absence (leaving the university temporarily with the firm and stated intention of returning) or by withdrawing from the university (leaving the university with no intention of returning). In accordance with the provisions of CFR 668.22, regardless of the reason for taking an academic leave of absence, both academic leaves and withdrawals at Carnegie Mellon University are considered withdrawals for Title IV purposes. That is, the student begins any applicable grace period for loan repayment as of the date of the academic leave or withdrawal, regardless of the reason for leaving school or the intention to return. Students

choosing to take an academic leave of absence should first contact their academic advisor to discuss their plans while on leave and to work out any conditions that may be necessary for a smooth return to Carnegie Mellon. A student deciding to leave the university should take the following steps:

- Complete a Leave of Absence or Withdrawal Form.
- The form must include all necessary signatures or the process will not be completed.
- Return the completed form to the University Registrar's Office, 5000 Forbes Ave., Warner Hall A12, Pittsburgh, PA 15213.

Determination of Withdrawal Date

Official Withdrawals (Notification Provided by the Student)

Those withdrawals defined as official are processed in accordance with federal regulations. The Office of the Registrar provides information that identifies which students have processed a Student Leave of Absence and Withdrawal Form for each semester. This information includes the Date of Withdrawal, the Date of Determination, Withdrawal/Leave Status (LA, LS, & W2) and the semester of attendance. This information is maintained in the student's academic file and in the university's Student Information System. For students who notify the university of their intent to withdraw or take a leave of absence, the official date of withdrawal or leave of absence is the earliest of:

- Date the student began the withdrawal or leave of absence process;
- Date the student notified his or her home department;
- Date the student notified the associate dean of his or her college; or
- Date the student notified the dean of students.

Unofficial Withdrawal (No Official Notification Provided by the Student)

For a student who withdraws without providing notification to Carnegie Mellon, the institution determines the withdrawal date using defined criteria. This category of withdrawals includes students that drop out and students that do not earn a passing grade.

To identify the unofficial withdrawals the Registrar develops a preliminary list of students that did not complete the semester by reviewing the final student grade reports. The list includes all students with: a) semester units carried, b) 0 semester units passed, c) 0 quality points earned, and d) 0.0 QPA. The Registrar contacts the academic divisions about each student to determine if the student actually completed the semester and earned the grades (0.0) or failed to complete the semester and did not notify the university of their status. For students who do not notify the university of their intent to withdraw or take a leave of absence, the official date of withdrawal or leave of absence is:

- The midpoint of the semester or;
- The last date the student attended an academically-related activity such as an exam, tutorial or study group, or the last day a student turned in a class assignment.

Date of Determination that the Student Withdrew

Carnegie Mellon is not required to take attendance and the Date of Determination that a student withdrew varies depending upon the type of withdrawal:

Official or Unofficial

1. For withdrawals where the student provided Official Notification the Date of Determination is:
 - a. The student's withdrawal date,
 - b. or the date of notification, whichever is later.
2. For withdrawals where the student did not provide Official Notification the Date of Determination is:
 - a. The date the institution becomes aware the student has ceased attendance.
 - b. For a student who withdrawals without providing notification to the institution, the institution must determine the withdrawal date no later than 30 days after the end of the enrollment period.

Calculation of Earned Title IV Assistance

The withdrawal date is used to determine the point in time that the student is considered to have withdrawn so the percentage of the period of enrollment completed by the student can be determined. The percentage of Title IV aid earned is equal to the percentage of the period of enrollment completed. Unless a student who is considered to have withdrawn meets one of the 4 exemptions listed above, the amount of Title IV federal aid earned by the student is determined on a pro-rata basis up to the end of 60% of the semester. For example, if the student completed 30% of a term, 30% of the aid originally scheduled to be received would have been earned. Once a student has completed more than 60% of a term, all awarded aid (100%) has been earned. The percentage of federal aid earned and the order in which the unearned aid is returned are defined by federal regulatory requirements. Return to Title IV Fund Policy,

The calculation of earned Title IV funds includes the following grant and loan funds if they were disbursed or could have been disbursed to the student for the period of enrollment for which the Return calculation is being performed:

- Pell Grant
- Iraq and Afghanistan Service Grant
- TEACH Grant (not available at Carnegie Mellon)
- FSEOG Grant
- Federal Direct Loan

Institutional Charges

Institutional charges are used to determine the portion of unearned Title IV aid that the school is responsible for returning. Carnegie Mellon ensures that all charges for tuition, fees, room and board, as well as all other applicable institutional charges are included in

the return calculation. Institutional charges do not affect the amount of Title IV aid that a student earns when they withdraw. The institutional charges used in the calculation usually are the charges that were initially assessed the student for the period of enrollment. Initial charges are only adjusted by those changes the institution made prior to the student's withdrawal (for example, for a change in enrollment status unrelated to the withdrawal). If, after a student withdraws, the institution changes the amount of institutional charges it is assessing a student, or decides to eliminate all institutional charges, those changes affect neither the charges nor aid earned in the calculation.

Return of Unearned Funds to Title IV

If the total amount of Title IV grant and/or loan assistance that was earned as of the withdrawal date is less than the amount that was disbursed to the student, the difference between the two amounts will be returned to the Title IV program(s) and no further disbursements will be made. If a student has received excess funds, the College must return a portion of the excess equal to the lesser of the student's institutional charges multiplied by the unearned percentage of funds, or the entire amount of the excess funds. The funds will be returned in the order below as prescribed by federal regulations, within 45 days from the date of determination that a student withdrew.

- Unsubsidized Federal Stafford Loans
- Subsidized Federal Stafford Loans
- Federal PLUS loans
- Federal Pell Grants
- Federal Supplemental Educational Opportunity Grants (FSEOG)

Post-Withdrawal Disbursements

If the total amounts of the Title IV grant and/or loan assistance earned as of the withdrawal date is more than the amount that was disbursed to the student, the difference between the two amounts will be treated as a post-withdrawal disbursement. In the event that there are outstanding charges on the student's account, Carnegie Mellon will credit the student's account for all or part of the amount of the post-withdrawal disbursement up to the amount of the allowable charges. Any amount of a post-withdrawal disbursement that is not credited to a student's account will be offered to the student within 30 days of the date that the institution determined that the student withdrew. Upon receipt of a timely response from the student, the College will disburse the funds within 90 days of the date of determination of the student's withdrawal date.

Contact

Questions regarding this policy or its intent should be directed to the Student Financial Aid Office at 412-268-1353.