

Withdrawal and Return of Title IV Funds (R2T4) Policy

(Applicable for students eligible for US federal student aid funds)

I. General principle:

Title IV funds are awarded to a student under the assumption that the student will attend lectures and seminars 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. 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, he or she is eligible to receive a post withdrawal disbursement of the earned aid that was not received

II. How the earned/unearned financial aid is calculated

A student begins earning Title IV funds on his or her first day of attendance. When Student officially withdraws from the university or stops attending his/her classes the amount of Federal Title IV Financial Aid assistance that student has "earned" up to that point must be calculated using a pro-rata formula. If student received more Financial Aid than earned, the excess funds will be returned by the University to the program in which student received financial aid.

If student has completed more than sixty percent (60%) of a period of enrollment student has earned all of Financial Aid. Students who withdraw from all classes prior to completing more than 60% of an enrollment term will have their aid recalculated based on the percent of the term they completed. For example, a student who withdraws completing only 30% of the term will have "earned" only 30% of any Title IV aid received. The remaining 70% must be returned. The calculation procedure is described in detail in article IV. of this policy.

The enrolment term used for calculating the earned and unearned financial aid is a “semester” Each semester at Masaryk University consists of 13 weeks long period of coursework, which is followed by so called “exam period”. The sixty percent period of enrollment is met, after the student completes the eighth week of the “coursework period”.

III. Withdrawal

A student is considered to have withdrawn from a semester if he or she does not complete all the days in the semester he or she was scheduled to complete;

A student's withdrawal date is:

- (i) The date, that the student completed the withdrawal process according to the Study and Exam order of Masaryk university;
- (ii) The date, that the student otherwise provided official notification to the Faculty, in writing of his or her intent to withdraw;

(iii) If a student does not return from an approved leave of absence, the date that the Faculty determines the student began the leave of absence; or

(vi) If a student takes a leave of absence that is not approved and lasts longer than 21 days, the date that the student began the leave of absence.

If a student who began attendance and has not officially withdrawn fails to earn a passing grade (A, B, C, D or E) in at least one course offered over an entire period, the Masaryk university will assume, for Title IV purposes, that the student has unofficially withdrawn, unless he attended at least 60 percent of compulsory lectures and courses.

The percentage of Title IV aid unearned to be returned to the appropriate program shall be 100% minus the percent earned (see article IV). No program can receive a refund if the student did not receive aid from that program.

Even if a student paid all institutional charges and ceased enrollment prior to Title IV funds being disbursed, if Title IV funds could have been disbursed, the Masaryk university will determine the Title IV funds earned by the student and follow the procedures for making a post-withdrawal disbursement.

IV. Calculation procedure

Upon receipt of the official withdrawal notification from the Study department, the International department of the student's faculty will perform the return calculation utilizing the federal government's repayment worksheet: "Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program" and form "POST-WITHDRAWAL DISBURSEMENT TRACKING SHEET"

The first four steps of calculation are explained below:

Step 1: Student's Title IV information

The International department of the student's faculty (hereinafter ID) will determine:

- The total amount of Title IV aid disbursed (Not aid that could have been disbursed) for the semester in which the student withdrew. A student's Title IV aid is counted as aid disbursed in the calculation if it has been applied to the student's account on or before the date the student withdrew.
- The total amount of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the semester in which the student withdrew.

Step 2: Percentage of Title IV Aid Earned:

The ID will calculate the percentage of Title IV aid earned as follows:

- The number of calendar days completed by the student divided by the total number of calendar days in the "coursework period" of a semester in which the student withdrew.

$$\text{Days Attended} \div \text{Days in Coursework Period} = \text{Percentage Completed}$$

If the calculated percentage exceeds 60%, then the student has "earned" all the Title IV aid for the enrollment period.

Step 3: Amount of Title IV Earned by the Student

The ID will calculate the amount of Title IV earned as follows:

The percentage of title IV aid earned (Step 2) multiplied by the total amount of Title IV aid disbursed or that could have been disbursed for the term in which the student withdrew (Step 1).

$$\text{Total Aid Disbursed} \times \text{Percentage Completed} = \text{Earned Aid}$$

Step 4: Amount of Title IV Aid to be Disbursed or Returned:

- If the aid already disbursed equals the earned aid, no further action is required.
- If the aid already disbursed is greater than the earned aid, the difference must be returned to the appropriate Title IV aid program.
Total Disbursed Aid – Earned Aid = Unearned Aid to be Returned
- If the aid already disbursed is less than the earned aid, the ID will calculate a Post- PostWithdrawal Disbursement utilizing the form

V. Notification

The International department of the Faculty will notify the student of the amount of repayment within 30 days of determining the student's withdrawal. Student will be notified by both land-mail to and email.

If there is any outstanding balance with the University, (see steps 9 and 10 of the federal government's repayment worksheet) the student must repay the outstanding balance within 45 days. If a student does not repay the grant funds that are owed to the government within 45 days he may become illegible for further financial aid.

VI. Institutional and student responsibility in regard to the Federal Return of Title IV Funds policy

The Masaryk university responsibilities in regard to the Return of Title IV funds policy include:

1. Providing each student with the information given in this policy;
2. Identifying students affected by this policy and completing the Return of Title IV Funds calculation;
3. Informing the student of the result of the Return of title IV Funds calculation and any balance owed to the University as a result of a required return of funds;
4. Returning any unearned Title IV aid that is due to the Title IV programs and, if applicable, notifying the borrower's holder of federal loan funds of the student's withdrawal date;
5. Notifying student and /or Plus borrower of eligibility for a Post-Withdraw Disbursement, if applicable;

The student's responsibilities in regard to the Return of Title IV Funds policy include:

1. Becoming familiar with the Return of Title IV Funds policy and how withdrawing from all his courses effects eligibility for Title IV aid;
2. Resolving any outstanding balance owed to Masaryk University resulting from a required return of unearned Title IV aid.

Annex 1:

Summary of The Requirements of 34 CFR 668.22 (To Provide Students as Part of Consumer Information)

Treatment of Title IV Aid When a Student Withdraws

The law specifies how your school must determine the amount of Title IV program assistance that you earn if you withdraw from school. The Title IV programs that are covered by this law are: Federal Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, Direct Loans, Direct PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOGs), and Federal Perkins Loans.

Though your aid is posted to your account at the start of each period, you earn the funds as you complete the period. If you withdraw during your payment period or period of enrollment (your school can define these for you and tell you which one applies), the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula. If you received (or your school or parent received on your behalf) less assistance than the amount that you earned, you may be able to receive those additional funds. If you received more assistance than you earned, the excess funds must be returned by the school and/or you.

The amount of assistance that you have earned is determined on a pro rata basis. For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period or period of enrollment, you earn all the assistance that you were scheduled to receive for that period.

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If your post-withdrawal disbursement includes loan funds, your school must get your permission before it can disburse them. You may choose to decline some or all of the loan funds so that you don't incur additional debt. Your school may automatically use all or a portion of your post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with the school). The school needs your permission to use the post-withdrawal grant disbursement for all other school charges. If you do not give your permission (some schools ask for this when you enroll), you will be offered the funds. However, it may be in your best interest to allow the school to keep the funds to reduce your debt at the school.

There are some Title IV funds that you were scheduled to receive that cannot be disbursed to you once you withdraw because of other eligibility requirements. For example, if you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not receive any Direct Loan funds that you would have received had you remained enrolled past the 30th day.

If you receive (or your school or parent receive on your behalf) excess Title IV program funds that must be returned, your school must return a portion of the excess equal to the lesser of:

1. your institutional charges multiplied by the unearned percentage of your funds, or
2. the entire amount of excess funds.

The school must return this amount even if it didn't keep this amount of your Title IV program funds.

If your school is not required to return all of the excess funds, you must return the remaining amount. **Volume 5—Withdrawals and the Return of Title IV Funds, 2013–2014 5–116** *FSA HB May 2013*

Any loan funds that you must return, you (or your parent for a Direct PLUS Loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that you must return is called an overpayment. The maximum amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You do not have to repay a grant overpayment if the original amount of the overpayment is \$50 or less. You must make arrangements with your school or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that your school may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. Your school

may also charge you for any Title IV program funds that the school was required to return. If you don't already know your school's refund policy, you should ask your school for a copy. Your school can also provide you with the requirements and procedures for officially withdrawing from school.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-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**.