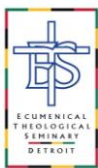


# ECUMENICAL THEOLOGICAL SEMINARY

*Many traditions. One Spirit*



## Return of Title IV Funds

Title IV Funds refers to the federal financial aid programs authorized under the Higher Financial Aid Act of 1965. 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.

Title IV funds are awarded to a student with the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student withdraws prior to the planned ending date, the student may not be eligible for the full amount of the Title IV funds that the student received.

The law specifies how Ecumenical Theological Seminary must determine the amount of Title IV program assistance that you earn if you withdraw from school. 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, the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula. 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. Once you have completed more than 60% of the payment period, you earn all the assistance that you were scheduled to receive for that period. A copy of the worksheet used for the calculation can be requested from Ecumenical /Theological Seminary.

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 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. Any loan funds that you must return, you 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.

### **How does a student withdraw from a course?**

**Drops:** Drops occur within the first two weeks of classes, and are always student-initiated. Students are eligible for a full or partial refund when dropping a class. A drop does not remain on a student's transcript. The drop period ends after the second week of the quarter.

**Student Withdrawal:** Withdrawal forms are to be filled out by student, then signed by the student's advisor and returned to the registrar for entry into the system. The date on the form indicates date of official withdrawal. A student can initiate a withdrawal at any time during the quarter after the drop period has ended.

**Administrative Withdrawal:** If students have not been present for the first two weeks of class (or present in the online forums, for online classes), they are withdrawn unofficially. This is determined by date of registrar action, occurring at the end of the second week of classes.

Upon receiving a withdrawal, the student will receive either a WP (Withdrawn/passing) or a WF (Withdrawn/failing).

### **When are Title IV funds required to be returned?**

ETS must return unearned funds to the Department of Education within 45 days of the student withdrawal date. Funds must be returned in the following order:

1. Unsubsidized Direct Stafford Loan
2. Subsidized Direct Stafford Loan
3. Perkins Loan
4. Direct Plus Loan
5. Pell grant
6. FSEOG

If the funds have been disbursed to the student, the student must repay ETS. Contact the Business Office for payment options.

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](http://www.studentaid.ed.gov).