

Purpose

This policy establishes reasonable standards for returning federal funds for students who completely withdraw from the University. Students who withdraw from all courses and received Title IV Funds must have a Return of Title IV Funds (R2T4) calculation performed to determine the percentage of aid earned based on the amount of time the student was enrolled.

This policy is subject to change in order to comply with administrative and regulatory requirements. Questions regarding this policy should be addressed to the Director of Title IV Administration.

General Requirements

Federal aid is disbursed based on the assumption that a student will attend courses for the entire quarter and is therefore eligible for the entire amount of the disbursement. A student who withdraws from all courses and received federal student aid must have a R2T4 calculation performed to determine the percentage of aid that was actually earned based on the amount of time the student was enrolled. Students are entitled to aid that was earned. The University will return any unearned aid to appropriate Title IV program.

Strayer University has its own institutional refund policies, as set forth in the University Catalog under “Add/Drop Policy and Course Withdrawal”, which determine the charges that a student will owe after withdrawing; however, these policies are separate from and will not affect the amount of Title IV aid the student has earned under the Return of Title IV funds calculation. Therefore, if the student has not earned enough Title IV funds to cover all institutional charges, then the student may owe a balance directly to Strayer University.

An R2T4 calculation is not required in the following situations:

- Thee student never actually began attendance for the payment period
- The student continues to attend at least one course
- The student began attendance but was not eligible to receive Title IV grant or loan funds prior to withdrawal (the student is not considered an eligible Title IV recipient)

Calculating Earned Aid

Institutional charges are used to determine the portion of aid that is earned and unearned. Appropriate tuition and fees, as well as applicable charges for books, supplies, materials and equipment are included in the R2T4 calculation. Institutional charges are typically assessed for the entire payment period. Application fees, no-show fees and graduation fees are not included

as institutional charges in the return calculation. Institutional charges do not affect the amount of Title IV aid a student earns.

Federal aid is earned to fund institutional charges based on a prorated schedule up through the 60% mark in each payment period or quarter. If a student withdraws beyond the 60% point in the payment period, the student is considered to have earned 100% of the Title IV funds he or she was scheduled to receive during the period. In this situation, there are no unearned funds that must be returned to the appropriate Title IV program; however, R2T4 is still required as the University must still determine whether the student is eligible for a post-withdrawal disbursement (PWD) (see related section below).

In cases where the amount disbursed to the student was greater than the amount the student earned, the unearned funds must be returned to the appropriate Title IV program within 45 days of the date of determination that the student withdrew (see Date of Determination section below). If the amount disbursed to the student was less than the amount the student earned and for which the student is otherwise eligible, then the student is eligible to receive a post-withdrawal disbursement (PWD) of the earned aid that was not received (see PWD section below).

Aid that was Disbursed or Could Have Been Disbursed

Strayer University calculates the amount of earned aid by applying a percentage of aid that was earned to the amount of Title IV funds that were “disbursed” or “could have been disbursed.” Net loan dollars are included in the R2T4 calculation.

Undisbursed aid may be counted as aid that “could have been disbursed” provided the following conditions are met:

1. The student has a valid Institutional Student Information Record (ISIR) on file with an official Expected Family Contribution (EFC);
2. The loan was originated while the student was enrolled and met required eligibility for disbursement;
3. The student was enrolled half-time and attended less than half-time. In this case, the student’s disbursement is considered “could have been disbursed” enabling them to receive a PWD; and
4. A promissory note must have been signed by the student for the loan to be included in “aid that could have been disbursed.” The signature on a promissory note may be obtained after the student withdraws provided the signature is obtained prior completing the R2T4 calculation.

For students who are Pell only recipients, the student must have a valid Institutional Student Information Record (ISIR) on file with an official Expected Family Contribution (EFC).

Date of Determination of Withdrawal

The Date of Determination (DOD) is the date that the institution has determined that a student is no longer in attending. For recipients of Title IV Funds, the Department of Education has determined that the DOD may not exceed 14 days after the Last Date of Attendance (LDA); based on this regulation, Title IV Funds recipients will be considered withdrawn from the University 14 days after LDA. The DOD also begins the 45 day period in which the University must return Title IV funds that are unearned to the applicable Title IV program.

Withdrawal Date

As an institution that requires attendance to be taken, a student's withdrawal date is the student's LDA as determined using official University records. A student may officially withdraw from the University by providing notice to the University of his or her intent to withdraw or the student may be administratively withdrawn by the University. Strayer University's policy is to administratively withdraw a student after four consecutive absences in a regular course and after two consecutive absences in a mini-session.

Order of Return of Title IV Funds

When a student receives more federal student aid than the amount earned for the payment period or period of enrollment, the University, the student, or both, will be required to return the unearned funds up to the net amount disbursed to the programs from which the student received aid in the following order:

1. Unsubsidized Direct Stafford Loans
2. Subsidized Direct Stafford Loans
3. Direct PLUS loans
4. Federal Pell Grants
5. Academic Competitive Grants
6. National Smart Grants
7. Federal Supplemental Educational Opportunity Grants (FSEOG)
8. Iraq Afghanistan Service Grant

Post Withdrawal Disbursement (PWD)

If a student received less federal student aid than the amount earned, Strayer will offer the student a Post-Withdrawal Disbursement (PWD) within 30 days of the date of determination that the student withdrew. The student will be given 14 days to respond to Strayer as to whether or not he or she wishes to receive the funds. Strayer will not disburse Post-Withdrawal loan funds if the student declines the funds or fails to respond within the established timeframe. If the

student requests a disbursement, the disbursement will be made within 180 days of the date of determination that the student withdrew.

A PWD must be generated from available grant funds before available loan funds. The University is not required to obtain confirmation from a student before processing a PWD of Title IV grant funds. However, confirmation from a student, (or parent for a parent PLUS loan), must be received before any disbursement of loan funds from a PWD. Strayer University will notify a student, (or parent for a parent PLUS loan), in writing prior to making any PWD of loan funds to the student's account. The PWD notice will:

1. Inform the student, (or parent for a parent PLUS loan), of their eligibility for a post-withdrawal disbursement;
2. Identify the type and amount of the loan funds available to credit to the student's account and give the student, or parent for a parent PLUS loan, the option to accept or decline all or a portion of the funds;
3. Explain to the student, (or parent for a parent PLUS loan), the obligation to repay loan funds;
4. Give the student or parent 14 days to respond; and
5. Explain to the student or parent that if a response is not received within 14 days, Strayer University will not complete the PWD nor disburse the loan funds to the student or parent.

After the University has completed the post-withdrawal loan notification and receives confirmation from the student or parent affirming their desire to receive the PWD of loan funds, the funds will be credited to the student's account and applied against current charges as soon as possible, but no later than 180 days after the DOD during which the student withdrew.

Mini-Sessions

Students who attempt five-week mini-sessions at Strayer University during a payment period and completely withdraw from all attempted classes must have a Return to Title IV calculation performed. A student would be determined completely withdrawn from the University upon receipt of an official withdrawal notification or upon administrative withdrawal by the school. If the student was enrolled half-time and attended less than half-time the student's disbursement is considered "could have been disbursed" enabling them to receive a PWD. Please refer to the Student Handbook under Mini-Session Enrollment for additional information.