

# Title IV Refund (R2T4) Policy

## **Financial Aid Recipient Definition:**

Students receiving federal financial aid are classified as Title IV recipients. Title IV funding for Charter Oak students includes Pell Grants, Federal Supplemental Opportunity Grants (FSEOG), federal Direct Loans and Parent PLUS Loans.

## **Financial Aid Policies:**

The Office of Financial Aid requires students to become familiar with the policies that govern the administration of financial aid.

Financial aid policies, along with new or revised policies, are published on the MyCharterOak student portal and can be accessed from the “Financial Aid” tab and clicking on “Financial Aid Policies.”

Students should regularly check their emails and MyCharterOak for timely financial aid announcements and updates to policies and procedures during the course of the academic year.

## **Responsibilities of a Financial Aid Student:**

A student who receives federal financial aid has the responsibility to attend and successfully complete all of their scheduled classes during a given enrollment period. If a student withdraws, institutional charges that were previously paid by Title IV funds may become a debt that the student is responsible for paying.

A student may be considered withdrawn, for Title IV purposes, when they do not complete all of the scheduled days in their semester. The semester is also referred to as the student’s financial aid payment period.

## **Students Earn Financial Aid Through Attendance:**

The law requires Charter Oak State College to perform a Return of Title IV (R2T4) calculation whenever a Title IV recipient who commences attendance withdraws or ceases to attend coursework for which they were scheduled to attend. The percentage of funds earned is equal to the percentage of the payment period completed by the student. As an example, if a student completes only 30% of their payment period, they have earned only 30% of the scheduled financial aid. This means that 70% has not been earned by the student through attendance.

**Typically, a student has earned 100% of their Title IV aid if they withdraw after the 60% point in their payment period if withdrawal exemptions do not apply.**

- A student may be required to return all or a portion of the financial aid they have received if they do not complete their payment period (semester). This is true even if a student has received a refund of excess financial aid dollars earlier in the semester.

- The Office of Financial Aid must always recalculate a student’s financial aid eligibility whenever a student does not begin attendance in coursework for which they were scheduled to attend.
  - If a student is subject to an R2T4 calculation, the aid recalculation will be performed before the R2T4 calculation is determined.
    - If a student who is subject to an R2T4 calculation did not begin attendance in enough courses to establish half-time enrollment, Charter Oak cannot make a disbursement of a federal Direct Loan to the student.
      - When a student is no longer enrolled on a part-time basis (six or more credits), the student is no longer eligible for an in-school deferment on their federal Direct Loans (subsidized and unsubsidized). Loans must be repaid as outlined in the terms and conditions of the borrower’s promissory note.

If a student attends at least one day during their payment period, an R2T4 calculation is required to determine the amount of financial aid for which the student is entitled (i.e., aid that has been “earned” by the student through attendance).

- The last day of attendance (LDA) for Charter Oak courses is determined by a student’s academic engagement in coursework.
- For students taking consortium classes, the LDA in coursework will be determined by the host school.
- The waiving of charges and /or deleting of grades through a petition process has no effect on the R2T4 requirement or calculation.

**Definition of Attendance:**

Attendance is defined as active participation in coursework. It includes, but is not limited to:

- Attending a synchronous class, lecture, recitation, or field or laboratory activity, physically or online, where there is an opportunity for interaction between instructor and students.
- Submitting an academic assignment.
- Taking an assessment or an exam.
- Participating in an interactive tutorial, webinar, or other interactive computer-assisted instruction.
- Participating in a study group, group project, or an online discussion that is assigned by the institution; or
- Interacting with the instructor about academic matters.

Academic engagement does not include:

- Logging into an online class or tutorial without active participation.
- Participating in academic counseling or advisement.
- Self-introduction threads.

**Dropping Versus Withdrawing from a Course:**

<b>Dropping a Course</b>	<b>Withdrawing from a Course</b>
Allowed before the class is scheduled to begin.	After the drop period has passed, students are permitted to withdraw from a course. See Academic Calendar for specific withdrawal dates and deadlines.
Students complete the drop in the “Student Self Service” tab on the student portal, MyCharterOak.	Students are required to complete an electronic withdrawal form available on MyCharterOak under the “Registrar’s” tab.
No financial obligation for tuition.	Students who withdraw after the drop period will be responsible for fees and all or a portion of their tuition. Refer to course withdrawal/ refund information available on MyCharterOak under the “Tuition and Payments” tab.
Course is deleted from the student’s transcript.	A non-punitive grade of “W” is recorded on the student transcript. GPA is not affected.
Decreases the number of credits for which a student is enrolled.	Progress toward degree completion and satisfactory academic progress are affected.
Dropped credit hours are not used in the calculation of enrollment status for financial aid awarding.	Withdrawing from a course may jeopardize financial aid for that semester or in subsequent semesters. Students should work with appropriate offices to get advice on the academic and financial impact of a course withdrawal.

**Satisfactory Academic Progress and the Impact of a Withdrawal:**

A withdrawal can effect a student’s academic progress and their ability to receive financial aid in future semesters. Before withdrawing, students should discuss their performance with their instructor(s) and academic counselor about the benefits and drawbacks of withdrawing from course work.

Students can review the Financial Aid Satisfactory Academic Progress Policy published on the MyCharterOak student portal. It can be accessed from the “Financial Aid” tab and clicking on “Policies.”

- Students are encouraged to call the Academic Counseling Office at 860-515-3705 or email them at [advising@charteroak.edu](mailto:advising@charteroak.edu) if they are experiencing difficulties in coursework or need assistance with balancing academic commitments.

### **Institutional Refund and Course Withdrawal Information:**

Charter Oak's institutional refund policy stipulates the amount of tuition and fees that are refunded to a student who withdraws from coursework during the semester. **The institutional refund policy has no bearing on the R2T4 Policy.** A student who withdraws, never attends, or stops attending a course may be required to return unearned financial aid. As a consequence of the R2T4 calculation, a student will be billed for any amount due to Charter Oak resulting from the return of financial aid funds that were previously used to cover tuition and fees.

- For example, if Charter Oak is required to return \$1,500 of federal student aid which was used to pay a portion of a student's charges for the enrollment period, then the student will owe \$1,500 for the unpaid portion of tuition and fees no longer covered by their financial aid package. The Bursar's office will place a hold on the student's account until the balance is satisfactorily paid.

The Bursar's Office is the primary contact for questions about tuition and fee charges, billing procedures, payment options and due dates, third party billing, and financial aid refunds.

- Call the Bursar's Office at 860-515-3704 or email them at [bursar@charteroak.edu](mailto:bursar@charteroak.edu) for more information regarding the Charter Oak's institutional refund policy and student billing information.

Students can withdraw from coursework by submitting a "Withdrawal Form" to the Registrar's Office.

- Students who withdraw from current classes, who wish to remain enrolled in future starting classes within their semester, are required to confirm their intent to enroll. This can be done by writing directly to the Office of Financial Aid, or by confirming future enrollment on the withdrawal form.

The Registrar's Office is the primary contact point for students who wish to officially withdraw from Charter Oak.

- Call the Registrar's Office at 860-515-3702 or email them at [registrar@charteroak.edu](mailto:registrar@charteroak.edu) for additional information regarding the official withdrawal process.

### **The Office of Financial Aid's Responsibility in the R2T4 Calculation:**

The Office of Financial Aid is required to review federal financial aid eligibility for students who never attend, stop out/drop out, withdraw, fail coursework, do not return from an approved leave of absence, or who have been academically dismissed prior to completing 60% of their semester (the semester is also known as the financial aid payment period).

- If a student attends at least one day during a payment period, an R2T4 calculation is required to determine the amount of financial aid for which the student is eligible.
- The waiving of charges and/or deleting of grades through a petition process has no effect on the R2T4 requirement.

The Office of Financial aid will first consider three withdrawal exemptions before determining if an R2T4 calculation is required. The withdrawal exemptions are as follows:

1. A student completes their requirements for graduation (applicable for all students).
2. A module student completes one or more modules that, together, comprise at least 49% of the days in the payment period; or
3. A module student completes coursework equal to or greater than the coursework required for half-time enrollment.

**Notes:**

- Successful completion means the student earned a passing grade.
  - A student who completes a module but receives all incomplete grades, or a combination of course incompletes and failing grades, is not considered to have successfully completed unless at least one course incomplete converts to a passing grade by the required 45-day deadline to perform an R2T4 calculation.
- Half-time enrollment is defined as 6 to 8 credits.
  - A student receiving all course incompletes, or a combination of incompletes and failing grades, is not considered to have successfully completed the number of credits required to establish half-time enrollment unless course incompletes sufficient to compromise half-time enrollment convert to passing grades.
- Module courses are shorter in length than traditional full-semester classes and include our Term (8 week) and Session (5 week) classes.
  - If a student is enrolled in module courses only, or a combination of modules and full-semester courses, the student is considered enrolled in a program offered in modules.
    - This means a student enrolled in any combination of Full Semester, Term, or Session classes is considered a module student for determining if a withdrawal exemption applies.

Unless a student meets one of the new withdrawal exemptions or has confirmed an intent to enroll in a future module, all regular R2T4 requirements apply as outlined in this R2T4 policy.

- Intent to enroll means the student has provided written confirmation of attendance in a class that begins later in their current semester, but within 45 days from the scheduled end date of the class from which the student withdrew.

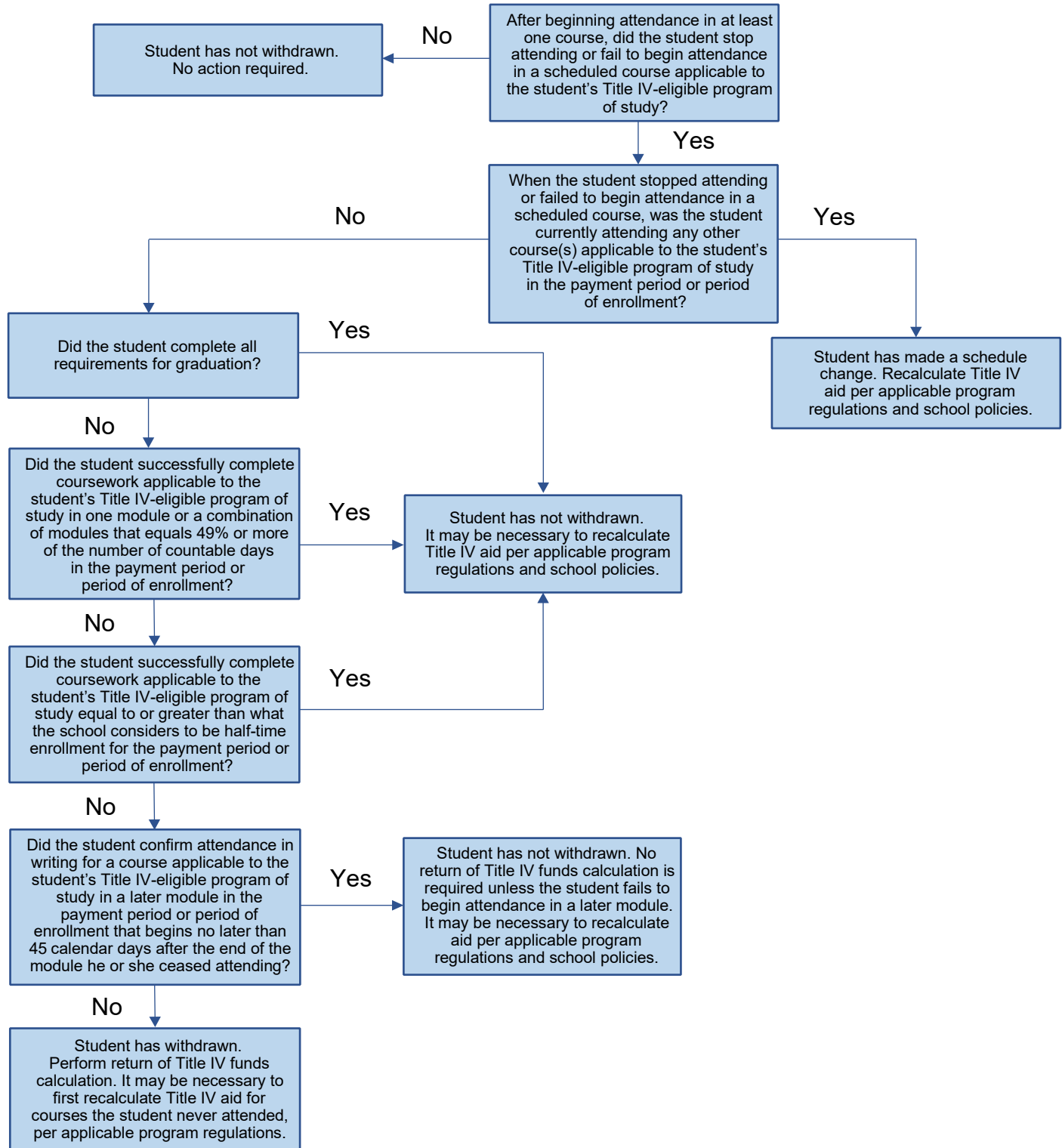
**How Enrollment is Tracked in Coursework by the Office of Financial Aid:**

The Office of Financial Aid receives a daily report that tracks course enrollment status for students who withdraw or who have been academically withdrawn from coursework for non-attendance.

**Withdrawal Date used in R2T4 Calculation:**

Charter Oak is an attendance taking institution. The last day of attendance for Charter Oak courses is always determined by the student's last date of attendance in an academically related activity as determined by the Registrar's Office. For consortium students the last date of attendance in coursework will be documented by the host school.

Students may use this NASFAA decision tree to determine if they will be considered withdrawn from coursework:



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**When an R2T4 Calculation is Required:**

If a student is not eligible for a withdrawal exemption, or a module student has not confirmed enrollment in a future course within their payment period, an R2T4 calculation will be performed by the Office of Financial Aid.

- Before processing an R2T4 calculation, Charter Oak will verify that the student began attendance in all classes used to determine financial aid eligibility. If a student never attended coursework, the Office of Financial Aid will first determine if there is a resulting change in fund eligibility before processing the R2T4.

**Timeframe for the Return of Title IV Funds:**

Federal regulation requires Charter Oak to return “unearned” financial aid funds for which it is responsible no later than 45 days from the date of determination of a student’s withdrawal.

**Funds Included in the Return of Title IV Calculation:**

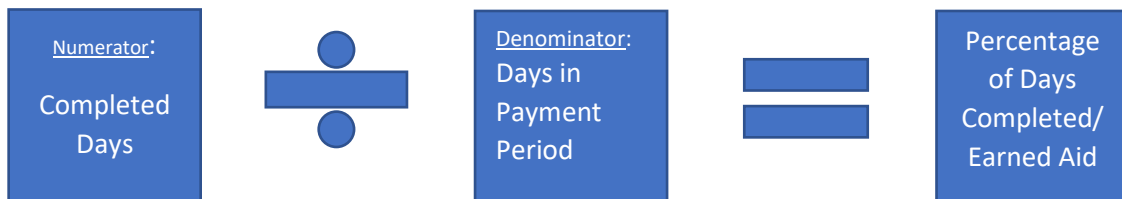
The calculation of earned Title IV funds includes the following Title IV grant or loan funds if they were disbursed, or could have been disbursed, to a student:

- Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Direct Loan (subsidized and unsubsidized)
- Direct Parent PLUS Loan

**Determination of the Amount of Aid the Student Has Earned:**

Title IV aid is earned in a prorated manner on a per diem basis. The calculation uses calendar days and includes the first day of classes through the scheduled end date of the student’s payment period, including weekends and holidays. The formula excludes breaks of five or more days within the student’s payment period. Once a student completes 60% of their payment period, Title IV funds have been earned.

Using the last date of recorded attendance in an academically related activity, the percentage of Title IV earned is calculated using this formula:



Numerator: Number of days the student attended (completed) in the payment period.

Denominator: Total number of days in the student’s scheduled payment period (semester).

### **Post Withdrawal Disbursement:**

Under the formula, if a student earned more aid than was disbursed to them, Charter Oak may owe the student a post-withdrawal disbursement.

1. If the calculation determines that the student is due a post-withdrawal disbursement, Charter Oak must obtain the student's permission to disburse federal Direct Loan funds.
  - a. **NOTE:** Students are not required to accept loans funds offered to them and may decline or reduce the funds.
    - i. Due to eligibility requirements, a federal Direct Loan borrower may not be eligible for a disbursement of loan funds. As an example, if half-time enrollment status was not established or the borrower does not have a valid MPN.
2. If the calculation determines that the student is due a post-withdrawal disbursement of grant funds, Charter Oak will automatically credit these funds to the student's billing account to pay outstanding tuition, fees, and book charges (if a book voucher was issued).
3. Post-withdrawal disbursements are always applied to outstanding institutional charges before being paid directly to the student.

### **Determination of the Amount of Aid that a Student has not Earned:**

The amount of Title IV aid which must be returned to the federal financial aid programs is based on the percentage of unearned financial aid. The percentage is computed by subtracting the earned aid percentage from 100%.

### **Returning Unearned Financial Aid:**

Refunds to Federal Title IV Programs are made in this order:

1. Federal Unsubsidized Direct Loan (undergraduate and graduate)
2. Federal Subsidized Direct Loan
3. Federal Parent PLUS Loan
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant

### **Institutional and Student Responsibilities:**

#### **Charter Oak is Responsible For:**

1. Providing students with the information in this policy.
2. Identifying students affected by this policy and completing the Return of Title IV Funds (R2T4) calculation.
3. Informing the student of the results of the R2T4 calculation and any balance owed to Charter Oak as a result of a required return of funds.
4. Returning unearned Title IV aid due to the federal aid programs and, if applicable, notifying the loan servicer of the student's withdrawal date.
5. If applicable, notifying the student and/or parent borrower of their eligibility for a post-withdrawal disbursement.



**The Student is Responsible For:**

1. Becoming familiar with the Return of Title IV Funds (R2T4) policy and how withdrawing from course work effects eligibility for Title IV aid.
  - a. Before withdrawing or stopping attendance in coursework, students should be aware of the proper procedure for withdrawing from classes and the academic and financial consequences of withdrawing or stopping attendance.
2. Understanding that the R2T4 policy is separate from Charter Oak's institutional refund policy.
3. Resolving any outstanding balance owed to Charter Oak as a result of the required return of unearned Title IV aid.
4. Resolving any repayment to the U.S. Department of Education as a result of an overpayment of Title IV grant funds.

**Financial Aid Contact Information:**

There are several ways to contact the Office of Financial Aid.

Email: [sfa@charteroak.edu](mailto:sfa@charteroak.edu)

Phone: (860) 515 -3703

Fax: (860) 760-6540

Hours of Operation: Monday – Friday, 8:30 to 5:00 (EST)