

How a Withdrawal Affects Financial Aid

Federal financial aid funds, also known as Title IV funds, are awarded under the assumption that a student will remain in attendance for the entire semester for which the funds were awarded. Any Labouré College student who received federal financial aid and who does not remain in attendance through the end of the semester that the aid was awarded, could be responsible for repaying a portion of the financial aid originally received. Students who do not begin attendance in all the courses they are awarded federal aid for may be responsible for repaying all federal aid originally received.

Please note that Labouré College's tuition refund policy is separate from federal regulations to return Title IV financial aid. Any tuition refunds that a student receives will not impact the amount of federal aid that the student may need to return.

When a student withdraws from all courses, regardless of the reason, he or she may no longer be eligible for the full amount of federal financial aid originally awarded. A calculation based on the dates of attendance for the course(s) enrolled will determine the amount of federal financial aid that the student has earned and how much of the aid will be returned to the federal government. Once the 60% point in the semester is reached, a student is considered to have earned all of the financial aid originally awarded and will not be required to return any funds.

Federal regulations require a recalculation of financial aid eligibility if a student completely withdraws or stops attending before the semester's end; or for any student who does not complete all modules that he or she was awarded federal aid for (this applies to students enrolled in Summer I or Summer II courses, or for students in the Intraoperative Neuromonitoring Certificate program).

How Earned Financial Aid is Calculated

Students remain eligible for the financial aid they were awarded as long as they remain enrolled in his or her course(s). When students withdraw or stop attending their course(s) for any reason, the amount of federal assistance earned is based on how much of the course(s) was completed. Students who withdraw or do not complete all course(s) in which they were enrolled may be required to return some of the aid originally awarded.

When students withdraw from their course(s), Labouré College is required to determine the percentage of federal (Title IV) aid "earned" by the student and return the "unearned" portion to the appropriate federal aid program (for example, Direct Loans, Pell Grant, etc). Labouré College is required to perform this calculation within 30 days of the date the school determines that a student has completely withdrawn. The College must return the funds within 45 days of the date the school determines that a student has completely withdrawn. The R2T4 calculation is completed by the Financial Aid Office.

The following explains the formula used to determine the percentage of unearned aid to be returned to the federal government:

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- The percent earned is equal to the number of calendar days completed up to the withdrawal date divided by the total number of calendar days in the payment period (semester).
- The payment period for most students is the full, 15-week fall, spring, and summer semesters. However, for students enrolled in modules (Summer I or Summer II, or IONM students), the payment period only includes those days for the module in which the student is enrolled.
- The percent unearned is equal to 100 percent less the percent earned.
- Breaks of 5 days or longer are not included in the count of total days in the payment period.

Institutional scholarship funds are not subject to the R2T4 policy. Return of Massachusetts state grant funds are governed by the “State Financial Aid Programs Refund Worksheet” which can be found on the Massachusetts Department of Higher Education, Office of Student Financial Assistance website (<http://www.mass.edu/osfa/schools/forschools.asp>).

For Students Enrolled in Modules

A student is considered withdrawn if the student does not complete all of the days in the payment period that the student was scheduled to complete. Labouré College tracks enrollment in each module that doesn't span the entire 15-week semester and combines them to form a semester. If a student withdraws from a course in a later module while still attending a current module, the student is not considered as withdrawn based on not attending the later module. However, a recalculation of aid based on the change in enrollment status may be required (i.e. if the withdrawal changes the enrollment status from part-time to less-than-part-time).

If a student provides written notice to the Financial Aid Office at the time of withdrawal from a current module that s/he plans to attend a later module in the same payment period, s/he is not considered a withdrawal. If the student does not provide that written confirmation, the R2T4 recalculation of aid will be done. However, if the student does return in a later module in the same payment period, regardless of whether prior written confirmation was received, the R2T4 process will be reversed and the student will be awarded the funds that s/he is eligible to receive at the time of return.

R2T4 Process

- A student notifies the One-Stop Student Services Desk of their wish to withdraw from a course. The One-Stop staff will review attendance records for the student and verify last date of attendance. The verified last date of attendance will be used as the withdrawal date.
- The Office of Financial Aid determines the amount of Title IV aid originally awarded and whether it is “disbursed” or “could have been disbursed.”
- The Office of Financial Aid reviews the student's account to determine the original tuition and fee and bookstore charges.

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- An R2T4 worksheet is completed through the PowerFAIDS database using the above data. The calendar for the payment period will have previously been entered and saved as a part of the Period of Enrollment (POE) set up in PowerFAIDS.
- The Office of Financial Aid will post the recalculated amount of aid for which the student is eligible (as per the results of the R2T4 worksheet) to his/her student account.
- A copy of the worksheet is maintained in the student's physical file in the One-Stop Student Services area.
- A copy of the R2T4 is sent to the student with a letter explaining the R2T4 and information on exit counseling (if the student at any time borrowed federal loans).
- Labouré College returns all funds that are required by the institution or the student to repay.
- The student is responsible for all Labouré charges resulting from an R2T4 calculation.

Post-Withdrawal Disbursement of Loan Proceeds

When the R2T4 calculation results in the student's being eligible to receive either Federal Direct Stafford Subsidized or Unsubsidized Loan proceeds, s/he will be contacted via e-mail and/or phone by the Office of Financial Aid. Written authorization from the student will be requested and is required before loan proceeds can be processed and awarded to the student.

Determination of Withdrawal Date

The withdrawal date used in the R2T4 calculation is the actual last date of attendance as provided by the instructors through attendance sheets and verified by the One-Stop Student Services staff.

Withdrawing Prior to the 60% Point of a Payment Period

Unless and until a student completes 60% of the term in which financial aid was awarded, the student will be required to return all or part of the financial aid originally awarded for the term.

When a Student Fails to Begin Attendance

If financial aid is processed for a student who never begins attendance in any class for which s/he registered in a term, all aid will be canceled.

The Office of Financial Aid disburses all aid after the census is taken. After the census date, all withdrawal is tracked by the Office of Financial Aid. The Office of the Registrar emails any withdrawal information to the Office of Financial Aid. Withdrawals are also tracked through reports generated in the Jenzabar database. Financial aid originally awarded is canceled for students who failed to begin attendance in all classes in which they were originally enrolled and is adjusted (when necessary) for those who fail to begin attendance in a portion of the classes in which they were originally enrolled.

Order of Return to Federal Aid Programs

In accordance with federal regulations, unearned aid will be returned to the federal programs in the following order:

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- Unsubsidized Federal Direct Loans
- Subsidized Federal Direct Loans
- Federal Perkins Loan Program
- Federal Direct Parent Loans
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant

Information Regarding Loan Repayment

All student and parent loans that need to be returned to the US Department of Education will be returned by Labouré College.

The loan grace period begins on the withdrawal date from the school, or when a student ceases to be enrolled on at least a half-time basis. If the student does not re-enroll as a half-time student within 6 months of withdrawal, the loans enter repayment. The student should contact the loan servicer assigned to the loans to make repayment arrangements. The promissory note signed by the borrower outlines repayment obligations. The student should contact the servicer or the US Department of Education with any questions. The Office of Financial Aid is available to assist the student with contacting the appropriate servicer.

Consequences of Non-Repayment

Students who owe the US Department of Education for an overpayment of Title IV funds are not eligible for any additional federal financial aid until the overpayment is paid in full or payment arrangements are made with the US Department of Education.

Students who owe Labouré College because of an R2T4 calculation will be placed on a Student Account Hold and will not be allowed to register for subsequent semesters or receive academic transcripts until the balance is paid.

How a Withdrawal Affects Future Financial Aid Eligibility

Students who withdraw from courses will be able to continue receiving financial aid as long as they are making satisfactory academic progress. Please refer to the Satisfactory Academic Progress Policy to determine how a withdrawal impacts aid eligibility. The policy can be found by clicking [here](#).

NOTE: This policy is subject to revision without notice based on changes to federal laws and regulations or Labouré College policies. If changes are made, the student is held to the most current policy. This statement is intended to provide an overview of policies and procedures related current regulations. Additional information, including examples of R2T4 calculations, is available in the Financial Aid Office.