

For financial aid purposes there are two types of withdrawals: Official and Unofficial.

### ***Official/Complete***

- Official withdrawal from AC by the student. The current academic year's policy for a Complete Withdrawal can be found in The Adrian College General Catalog – Academic Policies.

### ***Unofficial***

- Federal financial aid regulations consider a student to be an unofficial withdrawal if the student receives all fail (F) grades or a combination of all fail (F) and withdraw (W) grades for the term.

### **Official Withdrawal**

Adrian College considers a withdrawal official with the completion of the Withdrawal Form; requiring the signatures of departments such as, but not limited to the Registrar, Academic Services, Student Business Services, Housing and Financial Aid. Without this completed form the student is considered an unofficial withdrawal.

Adrian College Academic Services and/or Student Life start the procedure of an enrollment change. The Registrar's Office is responsible for recording the confirmed withdrawal date and last date of attendance. This information is stored and retrieved through the student's record on Adrian College student information systems. The student information system then updates PowerFAIDS through an external update on a daily basis. This then identifies students with enrollment status changes and is included within a report that is automatically run and emailed each week.

Once notified through the report, the Office of Financial Aid will halt all Title IV disbursements for students listed and review disbursed Title IV funds to ensure the correct amounts are returned in a timely manner. Financial Aid will notify the student of the funding adjustments from their original award package then Student Business Services Office will follow up with amount due, acceptable methods of payment and any holds on student accounts.

### **Unofficial Withdrawal**

The Office of Financial Aid will work with Academic Affairs to identify students that received all Fs and/or may have started the official withdraw process but not completed it per the Adrian College withdrawal policy. These students will be considered unofficial withdrawals and their withdrawal date will be their last date of academically related activity.

### ***When a student fails to earn a passing grade in any class***

If the student has not completely withdrawn but has failed to earn a passing grade in at least one class for the term, federal regulations require the school to determine whether the student established eligibility for financial aid. Eligibility is based on if the student attended at least one class or participated in any AC academic-related activity. All disbursed funds must be returned to the respective federal and institutional aid programs if the student cannot prove that he/she began attendance. For more information regarding this topic see the section Students who receive all failing grades at the end of the term.

***Students who receive all failing grades at the end of the term***

Financial aid is awarded under the assumption that the student will attend Adrian College for the entire term which federal assistance was disbursed. When the student has failed to earn a passing grade in at least one class for the term, federal regulations require the school to determine whether the student established eligibility for funds disbursed by attending at least one class or participating in any AC academic-related activity. If the school cannot verify that the student attended AC, all financial aid must be repaid to the federal and institutional programs. The student's account will be charged and the student will be responsible for any balance due.

If the student can prove to have participated in an AC class or academic-related activity past the 60% point of the semester, Adrian College will not be required to return any disbursed financial aid. The student's account will be updated and the student will be responsible for any other charges that may have been applied to their account.

Students who are able to verify attendance beyond AC's records may submit supporting documentation to OFA. The student must submit supporting documentation within 30 days from the last date of the term. Recalculations for aid eligibility will not be performed for documentation received after that date.

***Repayment calculation process***

Once grades are posted for the student who receives all failing grades, OFA will return all unearned aid to the federal and institutional programs and the student's account will be charged. OFA will mail a notification letter with the repayment amount(s) to the student's permanent address. The student's account will be updated, and the student will be responsible for any balance due. A statement reflecting these charges will be sent to the student by the Student Business Services Office.

***Definition of academic related activity***

Examples of Adrian College academic-related activities include but are not limited to physically attending a class where there is an opportunity for direct interaction between the instructor and students.

***Proof of participation:***

Exams or quizzes

Tutorials

Computer-assisted instruction

Completion of an academic assignment, paper or project

Participating in an online discussion about academic matters

Initiating contact with a faculty member to ask a question about the academic subject studied in the course

AC required study group where attendance is taken

***Documentation not acceptable as proof of participation:***

Student's self-certification of attendance that is not supported by school documentation

Verification of Enrollment form issued by the Registrar's Office

Living in AC housing

Participating in the school's meal plan

Participating in academic counseling or advising

### **Withdrawal Date**

Official withdrawal date is concluded by Academic Services and recorded by the Office of the Registrar. The date will reflect the last day the student took part in an AC related academic activity. This date can be viewed on the withdrawal form or in SIS under the Registrar section, Enrollments tab and titled, withdrawal date. In the event a student is administratively withdrawn, expelled, suspended, or otherwise withdraws in an involuntary manner, the withdrawal date will reflect the last day the student took part in an AC related academic activity.

Official withdrawals are confirmed through the completion of the withdrawal form. Any removal from enrollment status without the completion of this form signifies an unofficial enrollment. Once a student is identified as no longer enrolled the status will be adjusted accordingly and a date documented.

Adrian College is not required to take attendance. Any Leave of Absence is to be confirmed by the Registrar. If a student fails to return after an approved LOA, AC will determine the withdrawal date as the last day of academic related activity prior to the leave of absence. This same procedure applies to an unapproved LOA.

### **Formula Calculation**

**Important Note:** *Institutional aid will follow the same percentage earned proration calculated during R2T4, unless determined otherwise by the Adrian College Office of Financial Aid. This means any institutional aid awarded will be reduced by the same percentage of Federal aid that is required to be returned. This applies to any financial aid awarded by the institution (e.g. AC Grant, Bulldog Grant, Academic Scholarship, Full Tuition Scholarship, Scholarship Day Scholarship, Fine Arts Scholarships, United Methodist Scholarship, Legacy Scholarship, LCEF Scholarship, etc.)*

Students who receive federal financial aid must “earn” the aid they receive by staying enrolled in classes. The amount of federal financial aid assistance the student earns is on a pro-rated basis. Students who withdraw or do not complete all registered classes during the semester may be required to return some of the financial aid they were awarded.

Institutions are required to determine the percentage of Title IV aid “earned” by the student and to return the unearned portion to the appropriate aid programs. Regulations require schools to perform calculations within 30 days from the date the school determines a student’s complete withdrawal. The school must return the funds within 45 days of the calculation. The R2T4 calculation process and return of funds is completed by the Office of Financial Aid (OFA).

For example, if a student completes 30 percent of the payment period, they earn 30 percent of the aid they were originally scheduled to receive. This means that 70 percent of the scheduled awards remain “unearned” and must be returned to the federal government. Once more than

60% of the semester is completed, a student is considered to have earned all (100%) of his/her financial aid and will not be required to return any federal or institutional funds.

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

- The percent earned is equal to the number of calendar days completed up to the withdrawal date, divided by the total calendar days in the payment period (less any scheduled breaks that are at least 5 days long).
- The payment period for students is the entire semester.
- The percent unearned is equal to 100 percent minus the percent earned.

The Office of Financial Aid will complete the calculation of the amount and types of Federal funds needed to return for students through the application available via the Common Origination and Disbursement processing system (COD): <https://cod.ed.gov/cod/LoginPage> This process is completed for those students identified as no longer enrolled and have not earned 100% of financial aid awarded. Adrian College calculates the return of Title IV funds as a payment period.

### **Post-Withdrawal Disbursements**

The Financial Aid Office is responsible to contact student and/or parents of any potential post-withdrawal disbursements. If circumstances require a post-withdrawal disbursement due to verification completion after withdrawal date, an R2T4 will be completed in a timely manner of withdrawal notification but the funds will not be disbursed for the amounts earned until after verification process is complete. If Verification is not complete at the time of withdrawal, the student will be notified of the need to complete this process prior to disbursement of any earned aid. If verification is not completed within 180 days of the students documented last day of attendance/academic related activity, then any earned aid will not be disbursed.

### **Returning Unearned Funds**

Adrian College determines institutional and student shares of unearned aid by completing the R2T4 online resource to complete calculations. This form will be printed and filed in the student record to demonstrate the percentage earned to re-determine aid awarded. The order of the funds needed to be return will follow the priorities set forth by the R2T4 printed form.

### **Overpayment Resolution**

Adrian College will return funds to ED on behalf of the student and the student will owe any remaining debt to the institution due to the withdrawal and the repercussions of unearned aid to the student's account. If the student does not settle the amount due to Adrian College the Student Business Services Office will follow through with policy and procedures for debt collection to retrieve funds. This can result in debt transferring from Adrian College to a debt collecting agency.

### **Students Who Receive All Failing Grades**

The Office of Financial Aid will work with Academic Affairs to identify students who have

received all failing grades in their semester courses and who have not officially withdrawn from those courses. Adrian College will work to identify the student's last date of academic related activity. Examples of academic related activities include but are not limited to logging into Adrian College's electronic academic system (Blackboard), taking a quiz/test as documented by the Professor, meeting with a professor of a course the student is enrolled in, report from a professor that the student was enrolled through the semester, if the student withdrew from etc. Students who have not completed any course during a semester within which they received all failing courses will be considered an unofficial withdraw and their withdraw date will be their last date of academically related activity.

#### **When A Student Fails to Begin Attendance**

The Office of Financial Aid cancels awarded financial aid for students who fail to begin attendance in a semester during which they had previously scheduled courses.

#### **When A Student Begins Attendance and is not Assessed any Charges**

The Office of Financial Aid calculates earned aid, for a student that begins attendance, under the R2T4 formula and disburses aid which a student has earned even if the student is not assessed any charges.

#### **When Aid Could Have Been Disbursed for a Student That Began Attendance**

The Office of Financial Aid calculates earned aid that could have been disbursed for a student that begins attendance under the R2T4 formula even if the student withdraws prior to disbursement as long as an ISIR has been received with an official EFC prior to withdrawal. For Direct Loans (sub/unsub/PLUS) an MPN must be on file as well. For SEOG, the award must have been made prior to withdrawal. Students who meet these criteria and have not yet accepted their financial aid awards will be required to do so before receiving funds. Student's will be offered aid and notified that aid must be accepted after the calculation of earned aid has been made.

#### **Death of A Student Prior to the End of the Payment Period**

If the death of a student occurs prior the end of a payment period, AC performs an R2T4 aid calculation. If the R2T4 calculation indicates that the school is required to return Title IV funds, the school must return the Title IV funds for which it is responsible.

However, if there are unearned funds that the deceased student would normally be responsible to return, the student's estate is not required to return any Title IV funds to ED. Also, AC will not report a grant overpayment for a deceased student to NSLDS or refer a grant overpayment for a deceased student to ED Collections. If AC had previously reported a grant overpayment for a student who is deceased to ED Collections, we will inform ED Collections that it has received notification the student is deceased.

Additionally, no post-withdrawal disbursement of Title IV funds may be made to the account or estate of a student who has died.