

# FINANCIAL INFORMATION

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## Refunds

### Credit Balance Refunds

Student accounts with remaining credit balances, after all federal financial aid and charges have been posted, will be sent a refund, by direct deposit or check as applicable, within 14 business days of the posted account credit. [Actual refund dates are published on our website.](#)

Students with PLUS loans (Parent Loan for Undergraduate Students) will have refunds processed as noted by the borrower on the PLUS application. Adjustments to the recipient of PLUS refunds can be made, in writing, by the borrower before refunds have been processed. Please note: Non-PLUS borrowers have no jurisdiction over the student's account with the University. All activity and releasing of funds will be addressed to the student, unless otherwise specified by the student.

Students not enrolled can request a refund of any credit balance on their account, providing all remaining charges are cleared prior to the release of funds as applicable.

Students can request, via email to [OSFS@franklinpierce.edu](mailto:OSFS@franklinpierce.edu), to have their credit balances transferred from one term to the next within the academic year. In such circumstances, any remaining credit balance will be returned to the lender at the end of the academic year, unless otherwise noted by the student.

### Refunds of Federal Financial Aid

#### R2T4: Return of Title IV (federal aid) funds

Federal regulations require Title IV grants and loans be awarded on the assumption that a student will attend the institution for the entire period for which the federal assistance was awarded. When a student withdraws from all courses for any reason, including medical withdrawals, they may no longer be eligible for the full amount of Title IV funds that they were originally scheduled to receive. A pro-rated schedule is used to determine the amount of federal student aid funds the student will have earned at the time of the withdrawal. The unearned portion must be returned to the federal government.

This policy applies to students who withdraw, take a leave of absence, or are academically dismissed from the institution while enrolled **during an active semester**. The federal government requires the Office of Student Financial Services (OSFS) to recalculate federal aid eligibility for any enrolled students who subsequently withdraw (official or unofficial withdrawal) from all enrolled courses. Students must complete at least 60% of the term in to earn 100% of their scheduled aid.

The federal regulations governing R2T4 calculations are as follows: [34 CFR 668.22](#)

#### Definitions:

**Title IV (Four) funds:** These are US federal grant and loan fund programs that have been designated for post-secondary education. The term originated in 1965 from the year's Higher Education Act, signed by Lyndon B. Johnson. At Franklin Pierce University these funds include Pell & SEOG Grants, subsidized, unsubsidized and PLUS loans & Federal Work Study Funds.

**R2T4:** Return of Title IV funding. The acronym refers to the required calculation of Title IV fund eligibility for any students who drop all classes during a semester and the subsequent return of unearned funds that the University must complete.

**Voluntary Withdrawal:** When a student initiates a withdrawal from all enrolled courses during a semester due to circumstances unique to the student and obtains written permission from the University to withdraw from classes. Or if a student does not initiate a withdrawal but is subsequently determined to have stopped attending classes during the semester and receives all F grades.

**Involuntary Withdrawal/Dismissal/Expulsion:** If there is sufficient evidence that a student is engaging in or likely to engage in behaviors that present a real danger of substantial harm to self or others, the University may seek to withdraw the student. The University will determine the date of withdrawal and notify the student and the Office of Financial Aid.

**Date of Withdrawal:** The date of withdrawal determines the length of attendance during the semester and thus the amount of aid earned for the student. For official withdrawals, the University will use the withdrawal date as notified by the Registrar's Office. For unofficial withdrawals, the University will use the midpoint of the semester, or the last date of attendance as confirmed by an instructor, whichever is of more advantage to the student.

**Academic Attendance:** Is defined as being physically present for a class meeting, logged into Canvas for online/hybrid classes, lab or other event as assigned by faculty **AND** directly interacting with faculty and students, taking an exam, submitting an academic assignment, or participating in a study group as assigned by faculty.

**Post-Withdrawal Disbursement:** If the student did not receive all federal aid they were entitled to for the period of enrollment, the school must disburse the earned funds to the student account, even if the student has withdrawn from the university.

**R2T4 Calculation:** The following formula is used to determine the percentage of unearned aid that the University must return to the federal government.

- The percent earned is equal to the number of calendar days completed up to the (determined) 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 is the entire term.
- The percent unearned is equal to 100 percent minus the percent earned.

Example: if a student completes 30 days of a 112-day semester, they earn 28% percent of the aid they were originally scheduled to receive ( $30/112 = 26.78\%$ ). This means that 72% of the scheduled awards remain "unearned" and must be returned to the federal government. If the student was awarded a total of \$2,750 in federal loans for the semester, \$1,980 must be returned to the federal government as unearned aid ( $2750 \times 72\% = \$1,980$ ).

**Days Attended ÷ Days in Enrollment Period = Percentage Completed**

**Total Aid Disbursed x Percentage Completed = Earned Aid**

**Total Disbursed Aid – Earned Aid = Unearned Aid to be Returned**

Once 60% of the semester is completed, a student is considered to have earned all their financial aid and will not be required to return any federal funds.

Students who wish to withdraw completely from the semester must notify the Office of the Registrar of their intent to withdraw as outlined in the University's Academic Policies listed in the academic catalog.

**Determination of Date of Withdrawal:** The school is required to determine an official date of withdrawal to accurately calculate the students' aid eligibility for their period of attendance. There are two types of withdrawals as outlined below:

- **Official withdrawals:** This is the date the student initiates the withdrawal by submitting the withdrawal form to the Office of the Registrar.
- **Unofficial withdrawals:** This is the mid-point of the term or the last documented date of attendance, whichever is later, for students who stop attending but do not notify the University.

**Earned vs. Unearned Aid:** If the R2T4 calculation determines that the University must return unearned funds to the federal government, the student will be notified via email of the required fund returns and any subsequent balance due on their student account. The University is required to return any unearned funds to the federal government within 45 days of the withdrawal date.

**Student Responsibility:** Repayment of any remaining earned loan funds is still the responsibility of the student and will count towards their aggregate loan limits.

**Return of Funds:** The University will return the percentage of unearned Title IV funds that were disbursed or that could have been disbursed to the federal programs. The funds will be returned no later than 45 days from the date of the official withdrawal or the last date of attendance. The University will return the lesser of the total of unearned aid or an amount equal to institutional charges multiplied by the percentage of unearned aid.

The order in which the federal funds will be returned is as follows:

- Federal Direct Unsubsidized Loans
- Federal Direct Subsidized Loans
- Federal Direct Parent or Graduate PLUS loans
- Federal Pell Grants
- Federal Supplemental Educational Opportunity Grants (SEOG)

**Post-Withdrawal Disbursements:** Students may be eligible for a post-withdrawal disbursement if they have accepted aid that had not been disbursed at the time of withdrawal. If eligible, the OSFS will send notification of the action required to either accept or decline a portion, or all, of the late disbursement within 30 days of the date of the University's determination that the student withdrew. The student or parent has 14 days to respond instructing the University to make a post-withdrawal disbursement. If the student or parent does not respond within the 14-day timeframe, the University may make the late disbursement upon request at a later date. The student is notified in writing of the outcome of the late request. Post-withdrawal disbursements cannot be made after 180 days of the date of determination that a student withdrew for loans and no later than 45 days for grants. A post-withdrawal disbursement would be made from available grant funds before available loan funds.

## Veteran Students Receiving Department of Defense Funding

Refund Policies for withdrawn veterans mirror the percentage of federal financial aid as outlined in the R2T4: Return of Title IV funds section above. Contact the OSFS for more details, [osfs@franklinpierce.edu](mailto:osfs@franklinpierce.edu)