

### **Return to Title IV Funds Policy**

Federal regulations require Title IV financial aid funds to be awarded under the assumption that a student will attend the Seminary for the entire period in which federal assistance was awarded. However, in the event a student withdraws from all courses for any reason, including medical withdrawals or stops attending class, the Seminary is required to determine if the student has fully earned the awarded Title IV aid.

Financial Aid Office is required to calculate the amount of the Federal Title IV financial aid that the student has earned and the amount that is unearned. The unearned portion of the Title IV financial aid must be returned to the appropriate financial aid program according to federal and institutional guidelines. If a student received more assistance than earned, the excess funds must be returned to the government by Hood Theological Seminary. This is called a Return to Title IV.

In keeping with this requirement of the Department of Education and for consistency, our return policy is as follows:

Students who withdraw on or before the 60% of the semester will have a percentage of their fees and Title IV financial aid calculated as earned and unearned on a pro-rata basis. If a student is enrolled beyond the 60% of the semester, all fees paid and Title IV financial aid received will be considered earned.

### **Return to Title IV funds Process**

- Students must submit the appropriate paperwork to the Registrar Office. A copy of the withdrawal form will be received by Financial Aid Office and will be use as the official withdraw date.
- The Financial Aid Office will calculate the amount Title IV earned and unearned funds. The amount of earned and unearned financial aid is determined using the

“Return to Title IV” (R2T4) calculation that is required by the U.S. Department of Education (ED).

- Federal regulations require Hood Seminary to perform R2T4 calculations within 30 days of the date Hood Seminary determines the student has completely withdrawn from school. Hood Seminary must return any unearned funds owed to the Title IV program(s) as soon as possible, but not later than 45 days after the date Hood Seminary determines the student has completely withdrawn from school.
- A copy of the recalculation will be placed on the student’s file.
- The institution and/or the student is required to return unearned financial aid funds.

### **Return to Title IV Funds Financial Aid Programs**

The institution is responsible for calculating the percentage and amount of Title IV assistance the student did not earn and return the funds to the respective programs. The returned funds must be refunded to the following resources in specific order until the amount of the school’s responsibility has been satisfied. The order is:

Federal Subsidized Direct Loans

Federal Unsubsidized Direct Loans

Federal PLUS Loans