

Chicago Theological Seminary Return to Title IV Policy (R2T4)



This policy describes the conditions under which Title IV funds (Federal Student Aid) need to be returned to the U.S. Department of Education.

1. Guidelines for the Return of Title IV Program Funds

- a. For recipients of Title IV funds (Federal Student Aid) who withdraw from the Seminary, return of Title IV funds will be determined according to Department of Education guidelines.
- b. If a student has completed more than 60% of the payment period, they will be considered to have earned 100% of the Title IV aid for that payment period. In this case, no funds would be needed to be returned.
- c. For students who have completed less than 60% of the payment period, the amount of Title IV aid that the student has earned will be recomputed by the seminary's Financial Aid Officer using the standard Department of Education worksheet entitled *Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program*. The unearned Title IV aid for this student must be returned to the Department of Education.
- d. The system used to determine the withdrawal date for a student is as follows.
 - i. Official withdrawal - the date when a student submits a request to officially withdraw to the school Registrar.
 - ii. When a student withdraws from all classes in an enrollment period (semester), the student will be considered to have withdrawn for Title IV purposes.
 - iii. Unofficial withdrawal – If at the end of the enrollment period, the student has not completed the work required for all classes and has not arranged for incomplete grade extensions, the student will be considered to have withdrawn at the end of the enrollment period. Students who have arranged for incomplete grades will not be considered to have withdrawn.
- e. Post-Withdrawal Disbursement
 - i. If a student did not receive all of the Title IV funds that they have earned, they may be due to receive a post-withdrawal disbursement. If the post-withdrawal disbursement included federal student loan funds, they may choose to decline the loan funds in order to not incur additional student loan debt. The seminary may automatically use all or a portion your post-withdrawal disbursement (including student loan funds), if you accept them

for tuition, fees, and room and board charges (as contracted with the school). For any other school charges, the seminary needs your permission to use the post-withdraw disbursement. If you do not grant this permission, you will be offered the funds. However, it may be in your best interest to allow the school to keep the funds to reduce your debt to the school.

2. Timeframes for the return of Title IV funds - The seminary must return unearned Title IV program funds as soon as possible, but no later than 45 days from the determination of a student's withdrawal and within 14 days of completing the return calculations for the student.
 - a. The order in which Title IV funds will be returned are as follows (note that some of these programs are not available at the seminary) :
 - i. Unsubsidized Direct Loans
 - ii. Subsidized Direct Loans (not available to our students since we a graduate school)
 - iii. Federal Perkins Loans (program not in place at our school)
 - iv. Direct PLUS Loans
 - v. Federal Supplemental Educational Opportunity Grants (does not apply to our students)
 - vi. Teach Grants (does not apply to our students)
 - vii. Iraq and Afghanistan Grants
 - b. The procedure for calculating the amount of Title IV program funds that a student has earned upon withdrawal is the worksheet provided by the Department of Education - *Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program*.