

## **Return of Title IV funds**

When the Higher Education Act was reauthorized in 1998, Congress provided for a new provision commonly referred to as the Return of Title IV Funds. Under this provision, students who **completely withdraw** from the University for any reason, including **medical withdrawals**, may be required to return all or part of their Title IV funding to the Department of Education.

If a student leaves the University prior to completing 60% of a semester, the financial aid office recalculates eligibility for Title IV funds. Recalculation is based on the percent of earned aid using the Federal Return of Title IV funds formula.

## **Aid Recipients Receiving All “Fs” or fail to earn passing grade**

If a student receives all ‘Fs’ or fails to earn a passing grade, the student is required to comply with the Federal Title IV Refund Policy as well as Old Dominion University’s Satisfactory Academic Progress Policy. When federal financial aid either partially or fully pays educational expenses and the student fails to earn a passing grade in at least one course offered over an entire period, the institution must assume, for Title IV purposes, that the student has **unofficially** withdrawn, unless the institution can document that the student completed the period.

Proof of attendance or participation in a class related activity must be documented from the professor, instructor or an academic advisor noting the last date of the student’s presence in a class or involvement in a class related activity. Examples of academically related activities include: an exam, a tutorial, computer-assisted instruction, academic counseling or advisement, turning in a class assignment, paper or project, or attending a study group that is assigned by the student’s professor.

The assumption behind the law is that a student receiving all failing grades probably did not complete the semester, but rather walked away from school without officially withdrawing.

## **What will be returned?**

When a student has withdrawn from the University, the financial aid office is required by law to complete a series of calculations to determine what responsibilities the school and the student have for returning financial aid funds.

The percentage of the enrollment period the student completed is calculated by dividing the number of days attended by the number of days in the semester. To determine this percentage it is required to determine when the student stopped attending—not when classes were dropped.

If the school is required to return funds to the Title IV program, the school will do so as specified by the law. Funds are returned to the appropriate federal program based on the percent of unearned aid. As a result, the student may owe Old Dominion University.