

# Return to Title IV (R2T4) for Financial Aid

In accordance with federal regulations, Maranatha Baptist University (MBU) determines if any federal aid must be returned when a student withdraws from all classes. This determination is called Return to Title IV (R2T4).

## **What constitutes a withdrawal?**

A withdrawal can be official or unofficial.

An official withdrawal occurs when a student follows the normal process of withdrawing from all classes. This involves contacting the Student Life and/or Registrar's Office to formalize an official withdrawal. When calculating the R2T4, the withdrawal date is the date in which the student begins the withdrawal process.

An unofficial withdrawal is when a student discontinues their enrollment without notifying anyone of this withdrawal. When calculating the R2T4, the withdrawal date is the last documented date of the student's academic attendance. If that date cannot be determined, the withdrawal date will be the 50% mark of the payment period.

According to 34 CFR 668.22(l)(7):

- (i) "Academic attendance" and "attendance at an academically-related activity" -
  - (A) Include, but are not limited to -
    1. Physically attending a class where there is an opportunity for direct interaction between the instructor and students;
    2. Submitting an academic assignment;
    3. Taking an exam, an interactive tutorial, or computer-assisted instruction;
    4. Attending a study group that is assigned by the institution;
    5. Participating in an online discussion about academic matters; and
    6. Initiating contact with a faculty member to ask a question about the academic subject studied in the course; and
  - (B) Do not include activities where a student may be present, but not academically engaged, such as -
    1. Living in institutional housing;
    2. Participating in the institution's meal plan;
    3. Logging into an online class without active participation; or
    4. Participating in academic counseling or advisement.
- (ii) A determination of "academic attendance" or "attendance at an academically-related activity" must be made by the institution; a student's certification of attendance that is not supported by institutional documentation is not acceptable.

### **When I withdrawal, will I get an institutional refund?**

Maranatha has a refund policy that varies depending on if a student is a main campus student or an online student.

#### Main Campus Students:

During the first seven weeks of a semester, the Tuition and Comprehensive Fee will be prorated as follows, according to the withdrawal date:

- During the First Week 87.5% refund
- During the Second Week 75.0% refund
- During the Third Week 62.5% refund
- During the Fourth Week 50.0% refund
- During the Fifth Week 37.5% refund
- During the Sixth Week 25.0% refund
- During the Seventh Week 12.5% refund
- After the first seven weeks of a semester, students will be responsible for the entire semester's tuition and fee charges.

Room and board will be prorated as follows during the first twelve weeks of a semester according to the move-out date. Note that this policy reflects the fact that Maranatha makes commitments to food service providers and other fixed costs are incurred even if events lead a student to discontinue campus residency during the semester.

- During weeks One through Four 75.0% refund
- During weeks Five through Eight 50.0% refund
- During weeks Nine through Twelve 25.0% refund
- After the first twelve weeks of a semester, students will be responsible for the entire semester's room and board charges.

Veterans under Public Law 89-358 will be refunded on a daily prorated basis.

Academic, class, and program fees are non-refundable.

#### Online students:

The Comprehensive Fee is non-refundable.

Students who withdrawal from a course will have tuition refunded based on the following schedule:

- Drop prior to start date: 100%
- Week 1: 75%
- Week 2: 50%
- Week 3: 25%
- Week 4+: 0%

Exceptions to the refund policy are made for distance classes as required by statute for students completing coursework in certain states.

## Maryland Refund Schedule

- *8-week Course (A or B Sessions)*
  - Days 1-6: 90% refund
  - Days 7-11: 80% refund
  - Days 12-16: 60% refund
  - Days 17-22: 40% refund
  - Days 23-33: 20% refund
  - Day 34+: 0% refund
- *12-week Course (C Session)*
  - Days 1-9: 90% refund
  - Days 10-17: 80% refund
  - Days 18-25: 60% refund
  - Days 26-33: 40% refund
  - Days 34-49: 20% refund
  - Day 50+: 0% refund
- *16-week Course (D Session)*
  - Days 1-11: 90% refund
  - Days 12-22: 80% refund
  - Days 23-33: 60% refund
  - Days 34-44: 40% refund
  - Days 45-66: 20% refund
  - Day 67+: 0% refund

## Oregon Refund Schedule

- *8-week Course (A or B Sessions)*
  - Week 1: 75%
  - Week 2: 50%
  - Week 3: 25%
  - Week 4: 5%
- *12-week Course (C Session)*
  - Days 1-11: 75%
  - Days 12-21: 50%
  - Days 22-32: 25%
  - Days 33-41: 5%
- *16-week Course (D Session)*
  - Weeks 1-2: 75%
  - Weeks 3-4: 50%
  - Weeks 5-6: 25%
  - Weeks 7-8: 5%

### **Can I keep all my federal financial aid AFTER I withdrawal from school?**

When a student withdraws from school, an R2T4 calculation will be performed. This calculation will determine what percentage of available federal financial aid a student may retain. This formula is based on the number of calendar days completed in the payment period divided by the total number of calendar days in the payment period. This calculation excludes any scheduled breaks of at least five days (Spring Break, Thanksgiving Break, etc.)

Example: If there are 100 calendar days in a payment period and the student withdraws on day 40, the student completed 40% of the payment period. The student may retain 40% of their available federal financial aid.

Once a student completes at least 60% of the payment period, the student may retain 100% of their federal financial aid.

### **If I am unable to retain all my federal financial aid, what order does the aid get returned?**

Federal financial aid will be returned in the following order:

1. Unsubsidized Loans
2. Subsidized Loans
3. PLUS Loans
4. Pell Grant
5. FSEOG

### **Can I still receive federal aid AFTER I withdrawal from school?**

To be eligible to receive a post-withdrawal disbursement, students must have a complete financial aid file (verification completed, and all tracking requirements satisfied) and meet all federal aid eligibility requirements.

If the amount of federal aid earned as of the withdrawal date is more than what has been officially disbursed to a student's account, the remaining available funds will be treated as a post-withdrawal disbursement.

Any post-withdrawal of grant funds will automatically be applied towards the outstanding charges on the student's account. Any excess funds will be sent to the student within 14 days of obtaining the credit balance.

If a student is eligible for a post-withdrawal of loans, the student and/or parent will be notified of their eligibility in writing within 30 days of the date of withdraw to allow the loans to be accepted, declined, or reduced. The student and/or parent will have 14 days upon being notified to respond. If there is no response, the loans will not be disbursed. Upon disbursing these loans, a written notification will be sent to the borrower advising them that the loans were disbursed. Any excess funds will be sent to the student within 14 days of obtaining the credit balance.

### **How quickly after I withdrawal from school will I receive my credit balance?**

Any credits balance due to federal aid is put on hold until the R2T4 calculation has been performed. Maranatha will disburse any federal aid credit balance as soon as possible, but no later than 14 days after the R2T4 calculation. Do note that the institutional refund policy will also be complete by this time to ensure the post-withdrawal credit balance is current.

### **How will unearned funds be returned?**

Funds that have yet to be disbursed directly to the student, will be returned by the institution within 45 days of the date of withdrawal.

Any unearned funds that have been disbursed directly to the student, must be returned by the student. If a student has funds that they must repay, the student will be notified by MBU within 30 days of withdrawing.

If a student must return any grant funds, the institution will notify the student that they have 45 days to return the excess funds to the institution. If this return is completed, the institution will send the funds back to the Department of Education. If this return is not completed, the institution will notify the Department of Education and the student will no longer be eligible for federal financial aid at any school until these excess grant funds are repaid.

If a student must return any loan funds, the student will repay the excess loans in accordance to the terms of the loan promissory note.

### **What happens if a student dies during a payment period?**

If a student were to die during a payment period, an R2T4 calculation will need to be performed. Any unearned funds not already disbursed directly to the student will need to be returned to the Department of Education by MBU. However, if there are any unearned funds that were already disbursed directly to the student, the student's estate will not be required to repay these funds.

MBU may not make a post-withdrawal disbursement to the student's account or to the estate. Any funds not already disbursed must be returned to the Department of Education.

This policy is available at <https://www.mbu.edu/finances/pay-my-bill/> and the Maranatha Financial Aid Office