

Payne Theological Seminary Withdrawal (R2T4) Policy

If the student plans to withdraw from the Seminary, the student must provide an official notice of intent to withdraw to the Registrar. This allows the seminary to properly calculate earned financial aid correctly and/or allows for the student to receive the proper tuition refund. The Registrar determines the official date of a student withdrawing from the Seminary.

The Registrar's office will notify the Financial Aid Office of any students who meet the criteria stated below for Official or Unofficial Withdrawals. The Financial Aid Office will review the student's enrollment information to determine if, based on their enrollment information, they are to be considered a withdrawal for Title IV purposes and determine if a withdrawal calculation (R2T4) is required. If an R2T4 is required, the Financial Aid Office will process the R2T4 and process returns or post-withdrawal disbursements within the regulatory timeframes. The Financial Aid Office will adhere to all federal regulations set by the Dept of Education. The updated R2T4 regulations are effective July 1, 2021 and were implemented at Payne Seminary on that date. The school did not participate in early implementation of these updated regulations.

Official Withdrawals

The Office of the Registrar is the Seminary's designated office where the student is to provide official intent of withdrawing. If a student provides official notification to the institution by sending a letter to the designated office stating his or her intent to withdraw, the withdrawal date is the date the student began the official withdrawal process or the date of the student's notification, whichever is later.

A student who received financial aid funds at the Seminary and withdraws from the Seminary during the semester (for any reason) should consult with the Financial Aid Office to have an R2T4 performed. If the student does not decide to meet with the financial aid, the financial aid office will move forward with the process to remain in compliance of this policy and regulations set by the Dept of Ed. When a student attempts to withdraw, the student should be aware that, depending on the effective date of the withdrawal, the student may be considered to have not earned all or portion of the financial aid funds that were received. Under federal law, the Seminary is required to return unearned funds to the financial aid programs within 45 days of the date the seminary determined the student withdrew. The amount of funds returned will depend upon the funds received, the effective date of the withdrawal, and the expenses the student incurred.

Unofficial Withdrawals

If a student who began attendance and has not officially withdrawn 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 at least 60% of the semester.

F, I, and W grades are such grades noted for a student during a semester when financial aid has been received will require the Seminary to verify the class activity, participation, and/or attendance of the student to see if the student completed at least 60% of the semester or an unofficial withdrawal.

Federal financial aid regulations state that a student who makes unsatisfactory grades in all courses for a semester must be considered an unofficial withdrawal unless the institution can document that the student engaged in some academic activity beyond the 60% point of that semester. All grades of 'F', 'W', or 'I' reported for one term are considered unsatisfactory grades.

Payne Theological Seminary's official records and sources are reviewed to assist in this determination. Students may also be asked to provide documentation if official records are unsatisfactory or vague. If

the student is determined to be an unofficial withdrawal, within 30 days after the end of the earlier of (1) the payment period or period of enrollment, (2) the academic year, or (3) the student's educational program, the Office of Student Financial Aid is required to perform a repayment calculation (Return to Title IV Funds) to ascertain the amount of federal financial aid which was "unearned" by that student for the period no activity can be documented and therefore must be returned to the federal aid programs. The repayment calculation is also mandated by federal regulations and determines the amounts and specific programs to which federal aid must be returned based on the date the student withdrew.

For any student for whom the last date of academic activity cannot be documented as occurring on or after the 60% point of semester, the withdrawal date will be considered the mid-point of the semester unless documented otherwise. Each of the student's professors will be asked to document the student's class participation or attendance in the professor's class during the semester.

Any student who is considered an unofficial withdrawal and for whom a repayment calculation results in a required return of federal funds will be responsible to repay those funds prior to receiving additional federal financial aid. Return of Title IV Funds in a documented unofficial withdrawal, requires the institution to consider the withdrawal date at the midpoint of the semester and to return 50 percent of the aid used to pay direct educational costs (tuition, fees, room and board) to the federal loan lender or federal aid programs. The student is responsible for the balance due if the return of the funds creates a balance on his or her student account.

According to the calculations of the Treatment of Title IV Funds When A Student Withdraws From a Credit-Hour Program, STEP 6: Return of Funds by the School, Payne Theological Seminary is required to return the unearned percentage of the amount of financial aid applied to the student's Payne Theological Seminary's direct educational charges (charges by Payne listed on the student account) to the student aid programs within 45 days of the date of the school determined the student withdrew.

Effective Date of Withdrawal

The effective date of withdrawal will be the earliest date of:

1. Receipt of official withdrawal form or notice of intent to withdraw from Payne Theological Seminary, or
2. Last date of attendance in any class if attendance occurs after the date a withdrawal form or intent to withdraw is received, or
3. The mid-point of the semester if the student fails to submit a withdrawal form or notify the Seminary of intent to withdraw prior to the mid-point of the semester (unofficial withdrawal)

Post-Withdrawal Disbursements

If Payne Theological Seminary calculates the Return of Title IV Funds and determines that less aid was disbursed to the student than the student was eligible to receive, a post-withdrawal disbursement will be offered. Within 30 days of the date the school determined that the student has withdrawn, Payne Seminary will contact the student and offer the post-withdrawal disbursement of direct loan funds. Post-withdrawal disbursements may be used to credit outstanding charges on the student account.

If the student elects to receive a post-withdrawal disbursement, he/she must respond to the Seminary's written notification within 14 days confirming the acceptance of the additional amount. Payne Theological Seminary will provide loan counseling and verify the student's understanding of his/her rights and responsibilities in incurring the additional debt. If the Seminary does not receive a response from the student within the time allotted, either orally or in writing, no portion of the post-withdrawal disbursement will be disbursed.

Once the Seminary receives confirmation of the student's acceptance of the post-withdrawal offer, the disbursement should be made as soon as possible, but within 180 days of the date the Seminary determined that the student withdrew.

Order of Title IV Funds Returned

The Seminary will return Title IV funds to the programs from which the student received aid during the Payment period or period of enrollment as applicable, in the following order, up to the net amount disbursed from each source.

- Unsubsidized Direct Loans (other than Direct PLUS Loans)
- Direct Graduate PLUS Loans

Return of Title IV Funds Requirements and Deadlines

1. Determining Withdrawal Date – the school has **30 days** after the end of the earlier of the:
 - Payment or enrollment period
 - Academic Year in which student withdrew
 - Educational program from which student withdrew
2. Return of unearned Title IV funds – As soon as possible but no later than **45 days** after the date the school determined the student withdrew.
3. Post-Withdrawal Disbursement Offer of Direct Loan Funds – within 30 days of the school's determination that the student withdrew.

Credit Balances

In most cases, the Title IV credit balance refund to a student has already been processed before the student withdrew. However, when a student withdraws with an outstanding Title IV credit balance, the school is to place the processing of the credit balance on hold and perform the R2T4 calculation to determine whether adjustments to the credit balance will occur. The school does not need to obtain a student's authorization to hold a Title IV credit balance that existed prior to the return calculation and goes beyond the original 140day deadline while it determines the final amount of the credit balance.

To allow the school time to appropriately apply any credit balance after it has performed the return calculation, a new 14-day deadline is triggered when the school performs an R2T4 calculation. The new 14-day deadline begins on the date the school performs the R2T4, not the date the school performs any calculations required by its institutional refund policy.