



INTERNATIONALES THEOLOGISCHES INSTITUT

Withdrawal and Refund Policy

ITI Policy for Refund of Tuition and Room Fees

ITI Policy for Refund of Title IV Program Assistance

ITI Policy for Refund of Tuition and Room Fees

The ITI shall return a portion of the refund for early student withdrawal, drop out, or expulsion, calculated in accordance with the *ITI Policy for Refund of Tuition and Room Fees (see below)* to the student or to the Title IV HEA programs if the student to whom the refund is owed received assistance under any Title IV HEA program.

On withdrawal, drop out, or expulsion:

1. Before Registration of Students and begin of semester – full refund of tuition and room fees, minus 100 euro administrative fee and any banking fees associated with the transfer of funds.
2. During academic year for first time attendance students - Pro Rata refund of tuition and room fees for period on or before 60% point in time in the period of enrollment, minus 100 euro administrative fee and any banking fees associated with the transfer of funds.
3. During academic year for returning students - Pro Rata refund for period of tuition and room fees on or before 50% point in time in the period of enrollment, minus 100 euro administrative fee and any banking fees associated with the transfer of funds.
4. Beyond 60% point of time in the period of enrollment for first time students and 50% point of time for returning students, no tuition and room fees refund.

Procedure for withdrawal and requesting a refund

- A student wishing to withdraw should notify the Dean in writing.
- Attendance is taken in each class, according to an institutional policy. The ITI's program of studies places strong emphasis on classroom discussions of texts in theology, philosophy, and other arts and sciences. Given the importance of the class meetings, the assumption is that every student will be present and on time for *every* class. Three absences in class may be excused for serious illness or other emergencies, but the student who has missed a class should notify the professor of the reason for an absence. Repeated absences from class can, at the discretion of the professor, lead to a lower grade for the course or a dismissal from the course.
- A student who withdraws from a course must give written notification to the Registrar's office. **Non-attendance and/or non-payment DO NOT constitute official withdrawal from a course.** If a student fails to withdraw officially without serious cause, he/she will be responsible for all tuition and fee charges. A student who stops attending classes for a week without notifying the Dean or class professor will be considered **unofficially withdrawn**.
- Students residing in **on-campus housing** must contact the Director of Student Life upon withdrawal from the ITI. Students must follow proper check-out procedures and must vacate

their campus housing within 48 hours of the effective withdrawal date. If the student has not vacated the room after 48 hours has passed, the student will be charged the ITI guest rates.

- The ITI may grant an academic leave for a future semester for a legitimate reason and for a stated reason, usually not to exceed one year. Permission for academic leave must be personally sought from the Dean *prior* to the expected dates of absence. This is not the same as a US federally approved Leave of Absence (LOA). For Title IV purposes, the student will be considered as withdrawn for that term.
- Students eligible for a refund should apply for his refund in writing by email or letter within 30 days of his withdrawal date to the ITI Director of Finance and Administration.
- Within 45 days of the student withdrawal date, the ITI Student Loan Officer (ITI Director of Finance and Administration) will return the eligible proportion of the refund borrowed by the student from the Title IV Program US Student Loan Assistance to the appropriate program account. See the ITI “Policy of ITI Refund of Title IV Program Assistance” below.
- **The official withdrawal date** or unofficial withdrawal date for refund purposes will be the last date of academic attendance as determined by the institution from its attendance records.

ITI Policy for Refund of Title IV Program Assistance (US Federal Student Loans)

Treatment of Title IV Aid When a Student Withdraws

The US Federal Government law specifies how the International Theological Institute (ITI) must determine the amount of Title IV program assistance that a student earns if he withdraws from school. The Title IV programs that are covered by this law are: Direct Loans, Direct PLUS Loans, and Federal Perkins Loans.

Though student aid is posted to the student’s account at the start of each period, the student earns the funds as he completes the period. If he withdraws during his payment period (semester), the amount of Title IV program assistance that he has earned up to that point is determined by a specific formula. If he received (or the ITI or his parents received on his behalf) less assistance than the amount that he earned, he may be able to receive those additional funds. If he received more assistance than he earned, the excess funds must be returned by the school and/or the student.

The ITI Office of Finance and Administration, in accordance with 34CFR Sec. 668.22, calculates the Return of Title IV Funds for any student receiving Title IV Aid and subsequently withdraws before the end of the enrollment period (semester). The calculation will be done using the worksheets provided by the US Federal Government Student Aid website at this link: <http://ifap.ed.gov/ifap/titleiv.jsp>

Institutional charges for the Return of Title IV Funds at the ITI primarily consist of tuition, fees, room and board. The student’s institutional charges are determined by the withdrawal date (see above).

The student must be fully eligible to receive federal funds prior to his withdrawal in order for Title IV aid to be considered as aid that could have been disbursed and, consequently, included in the Return to Title IV calculation.

Calculating Return of Title IV Aid Amount

The amount of assistance that the student has earned is determined on a pro rata basis. For example, if he completed 30% of his payment period or period of enrollment, he earns 30% of the assistance he was originally scheduled to receive. Once the student has completed more than 60% of the payment period or period of enrollment, he earns all the assistance that he was scheduled to receive for that period.

The percentage of the payment period or period of enrollment (semester) completed is determined by dividing the total number of calendar days in the semester into the number of calendar days that the student completed as of the withdrawal date. This gives the *earned* and *unearned* percentages.

Once the *earned* and *unearned* aid percentages are determined, the next step is to calculate the dollar amount of *unearned* aid that must be returned. The *Return* amount is determined by multiplying the *unearned* aid percentage by the total of all Title IV aid received.

Unearned Aid Percentage X Total of all Title IV Funds Received = Total Unearned Aid

Example (adapted from a University of Oregon example)

John stopped attending classes for the semester on October 5 and informed the Dean he was withdrawing. The semester began on September 1st and is 100 days long. John has attended 35 days and has earned 35 percent of his financial aid (35 days divided by 100 days equals **thirty-five percent**).

John received in financial aid for the semester: (though a graduate student has no subsidized loans, we will include it in the example to make the return policy clearer)

Federal Unsubsidized Stafford Direct Loan of	\$4,000
<u>Federal Subsidized Stafford Direct Loan of</u>	<u>\$2,250</u>
Total Aid Disbursed in semester is:	\$6,250

1. The amount of federal aid earned is $35\% \times \$6,250 = \2187.50
2. Total federal aid unearned is $\$6250 - \$2187.50 = \$4062.50$

The second calculation determines percentage of amount unearned based on school charges for tuition and housing.

3. John was charged \$3,000 in tuition and \$1,000 for housing and \$135 for withdrawal and return bank fees. Percentage of unearned aid is $100\% - 35\% = 65\%$. Therefore, based on the charges for the term, $\$4135 \times 65.0\% = \2687.75
4. The amount of federal aid John must return is the lesser of step 2 or 3 ($\$2687.75$ in our example).
5. Federal guidelines determine the order of aid types to be reduced: Federal Unsubsidized Stafford Direct Loan, then Federal Subsidized Stafford Direct Loan until **\$2,687.75** has been repaid. Therefore John's aid will be reduced to:

Federal Unsubsidized Stafford Direct Loan	$\$4,000 - \$2,687.75 = \$1,312.25$
<u>Federal Subsidized Stafford Direct Loan</u>	<u>$\\$2,250 - \\$0 = \\$2,250$</u>
Total Aid in semester returned is:	$\$2,687.75$

6. The total semester aid returned amount reflects the amount to be billed to John's student billing account from his financial aid. Any refunds from tuition that are determined and applied to his account may affect the amount that John owes for the next semester.

Once the withdrawal calculation is performed, a portion of federal aid may be revoked from the student's account at the ITI and returned to the federal government. This process typically results in the student owing money to the Office of Finance and Administration. When a withdrawal calculation has been completed and aid has been adjusted, students are notified in writing by the Financial Aid Office by email and in a letter sent to their permanent address.

If the student did not receive all of the funds that he earned, he may be due a post-withdrawal disbursement. If his post-withdrawal disbursement includes loan funds, the ITI must get his permission before it can disburse them. The student may choose to decline some or all of the loan funds so that he doesn't incur additional debt. The ITI may automatically use all or a portion of the student's post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with the ITI). The ITI needs the student's permission to use the post-withdrawal grant disbursement for all other school charges. If the student does not give his permission, he will be offered the funds. However, it may be in his best interest to allow the ITI to keep the funds to reduce his debt at the school.

There are some Title IV funds that a student may be scheduled to receive that cannot be disbursed to him once he withdraws because of other eligibility requirements. For example, if the student is a first-time, first-year undergraduate student and has not completed the first 30 days of his program before he withdraws, the student will not receive any Direct Loan funds that he would have received had he remained enrolled past the 30th day.

If the student receives (or the ITI or his parents receive on his behalf) excess Title IV program funds that must be returned, the ITI must return a portion of the excess equal to the lesser of:

1. the student's institutional charges multiplied by the unearned percentage of his funds, or
2. the entire amount of excess funds.

The ITI must return this amount even if it didn't keep this amount of the student's Title IV program funds. If the ITI is not required to return all of the excess funds, the student must return the remaining amount. The unearned Title IV funds must be returned no later than 45 days after the date the school determined the student withdrew.

The order for the return of aid at the ITI is as follows:

- Federal Direct Unsubsidized Stafford Loan,
- Federal Direct Subsidized Stafford Loan,
- Federal Direct PLUS (received on behalf of the student).

Any loan funds that the student must return, the student (or his parent for a Direct PLUS Loan) repays in accordance with the terms of the promissory note. That is, the student makes scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that the student must return is called an overpayment. The maximum amount of a grant overpayment that he must repay is half of the grant funds the student received or was scheduled to receive. The student does not have to repay a grant overpayment if the original amount of the overpayment is \$50 or less. The student must make arrangements with the ITI or the Department of Education to return the unearned grant funds.

Within 30 days of the date the ITI determined the student withdrew, the ITI is required to notify the student of his obligation to repay grant funds. The ITI will notify the student in writing by email and by mail to the student's given permanent address. The student is required to repay the grant funds within 45 days of the earlier of: 1) the date the ITI sends the student notice of the overpayment, or 2) the date the ITI was required to notify the student of the overpayment (in the event of a late notification).

The requirements for Title IV program funds when the student withdraws are separate from any refund policy that the ITI has. See the above ITI refund policy. Therefore, the student may still owe funds to the ITI to cover unpaid institutional charges. The ITI may also charge the student for any Title IV program funds that the ITI was required to return. The Office of the Dean can also provide the student with the requirements and procedures for officially withdrawing from school.

If the student has questions about Title IV program funds, he can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at www.studentaid.ed.gov.