

- **Withdrawal from the University and Financial Aid**

Please be aware that financial aid funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of funds that the student was originally scheduled to receive. Students must attend at least 60% of the semester to fully earn their federal financial assistance. A statutory schedule is used to determine the amount of Title IV funds a student has earned as of the date he or she ceases attendance.

Official Withdrawals are recorded in the Banner student record by the Office of the Registrar. The offices of financial aid, student accounts and student affairs are subsequently notified. Students are notified once earned financial aid has been determined due to withdrawal by paper notification to the permanent address.

"**How to Officially Withdraw from the University**" can be found at <http://www.otterbein.edu/public/Academics/Registrar/withdrawal.aspx>

Unofficial Withdrawals are determined for any student who has no passing grades by the Office of Financial Aid once grades are posted after the semester has concluded. Faculty report last date of attendance for each 'F' grade received.

Return of Unearned Funds - Federal regulations require Otterbein to return unearned funds for which the institution is responsible to return as soon as possible but no later than 45 days from the determination of the student's withdrawal.

Return of Federal Title IV Funds

A statutory schedule is used to determine the amount of Title IV funds a student has earned as of the date he or she ceases attendance. The amount of Title IV program assistance earned is based on the amount of time the student spent in academic attendance and has no relationship to the student's incurred institutional charges. Up through the 60% point in each payment period or period of enrollment, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the payment period or period of enrollment, a student has earned 100% of the Title IV funds.

If a recipient of Title IV grant or loan funds withdraws from the University after beginning attendance, the amount of grant or loan assistance earned by the student must be determined. If the amount disbursed to the student is greater than the amount the students earned, unearned funds must be returned. If the amount disbursed to the student is less than the amount earned, and for which the student is otherwise eligible, he or she is eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

Title IV funds are awarded to a student under the assumption the student will attend school for the entire period for which the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive. The University will determine the appropriate refund calculation within thirty (30) days of the date Otterbein determined the student withdrew. Federal regulations require Otterbein to return unearned funds for which the institution is responsible to return as soon as possible but no later than 45 days from the date Otterbein determined the student withdrew.

Title IV funds generally include Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan, Stafford Student Loan and Parent Loan for Undergraduate Students.

Example: The percentage of financial aid that is due to the student (“earned financial aid”) is equal to the period of enrollment that the student completed as of the student’s date of withdrawal from Otterbein University, if this date occurs on or before completion of 60% of the period of enrollment. If the student’s withdrawal date occurs after the completion of 60% of the period of enrollment, the aid due to the student (“earned financial aid”) is calculated at 100%.

For **example:** A student enrolls at Otterbein University for the Fall semester. The student decides to withdraw completely from Otterbein College on October 23rd. The total calendar days during Fall equal 109. The student withdrew on day 58 of 109. (58 divided by 109 = 53.2) Therefore, the student is able to keep 53.2% of the federal financial aid to help pay the charges for the Fall. The remaining 46.8% of the federal financial aid must be returned to the appropriate source in the order listed below:

1. Unsubsidized Federal Stafford Loan
2. Subsidized Federal Stafford Loan
3. Perkins Loan
4. Direct PLUS (Graduate Student)
5. Direct Plus (Parent)
6. Federal Pell Grant
7. Academic Competiveness Grant
8. Federal SEOG

Institutional and State financial assistance is earned according to the published refund schedule for the term of withdrawal. <http://www.otterbein.edu/public/FutureStudents/BusinessOffice/RefundPoliciesandSchedule.aspx>