

Return of Title IV Funds Policy

Process of Withdrawal from McCormick Theological Seminary

Should a student enrolled in the MAM, MTS, or MDiv degree program at McCormick Theological Seminary ("McCormick", the "Seminary", or the "School") decide to withdraw from the Seminary, the student shall notify the Registrar and the Associate Dean of Academics in writing indicating the reason for withdrawal and providing an effective withdrawal date.

A. General

1. For Direct Loan borrowers who withdraw from the Seminary, return of Title IV funds will be determined according to Department of Education guidelines.
 - a. If a student has completed more than 60% of the payment period, they will be considered to have earned 100% of the Title IV aid for that payment period. In this case, no funds would be needed to be returned.
 - b. For students who have completed less than 60% of the payment period, the amount of Title IV aid that the student has earned will be recomputed by the Financial Aid Officer using the standard Department of Education worksheet entitled *Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program*. The unearned Title IV aid for this student must be returned to the Department of Education.
 - c. Title IV program funds will be returned within 45 days from the date the school determines the student's last date of attendance
 - d. The order in which Title IV funds will be returned are as follows (note that some of these programs are not available at the seminary) :
 - i. Unsubsidized Direct Loans
 - ii. Subsidized Direct Loans (not available to our students since we a graduate school)
 - iii. Federal Perkins Loans (program not in place at our school)
 - iv. . Direct PLUS Loans
 - v. Federal Supplemental Educational Opportunity Grants (does not apply to our students)
 - vi. . Teach Grants (does not apply to our students)
 - vii. Iraq and Afghanistan Grants
 - e. The procedure for calculating the amount of Title IV program funds that a student has earned upon withdrawal is the worksheet provided by the Department of Education - *Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program*.
2. When a recipient of Title IV loan assistance withdraws from the Seminary during a period of enrollment or payment period in which the recipient began attendance, the Seminary must determine the amount of Title IV loan assistance that the student earned as of the student's withdrawal date.

FoAã student enrolled in a standard-term program that is measured in credit hours, the student is considered to have withdrawn from a period of enrollment or payment period if the student does not complete all the days in the period of enrollment or payment period that the student was scheduled to complete;
3. If the total amount of Title IV loan assistance that the student earned is less than the amount of Title IV loan assistance that was disbursed to the student as of the date of the institution's determination that the student withdrew.
 - The difference between these amounts must be returned to the Title IV Program. McCormick will return all unearned Title IV funds to the Department of Education which may result in the student owing a balance to McCormick.
 - Post withdrawal disbursements require the students consent. A post withdrawal disbursement is Title IV financial aid that a student has earned but was not disbursed to them at the time the student withdrew. The school must notify a student in writing within 30 days from the date the student's last date of attendance that they are eligible to receive a post withdrawal disbursement.

B. Withdrawal date for a student who ceases attendance at the Seminary (which is not required to take attendance).

For a student who ceases attendance at the Seminary, the student's withdrawal date is –

1. The date, as determined by the Seminary, that the student provided official notification to the Seminary, in writing or orally, of his or her intent to withdraw;
2. If the student ceases attendance without providing official notification to the Seminary of his or her withdrawal, federal regulations require that we assume the student has “unofficially withdrawn”, unless it can be documented that the student completed the enrollment period. Unofficial withdrawals require a Title IV refund calculation at the mid-point of the payment period or period of enrollment or payment period;
3. If the Seminary determines that a student did not begin the school's withdrawal process or otherwise provide official notification (including notice from an individual acting on the student's behalf) to the Seminary of his or her intent to withdraw because of illness, accident, grievous personal loss, or other such circumstances beyond the student's control, the date that the institution determines is related to that circumstance. This process is considered an unofficial withdrawal;
4. If a student does not return from an approved leave of absence as defined in the approved leave of absence section of this document, the date that the Seminary determines the student began the leave of absence will be considered the unofficial withdrawal date or
5. If a student takes a leave of absence that does not meet the Title IV requirements of a leave of absence, the date that the student began the leave of absence.
 - The Seminary may allow a student who initially submitted official notification of withdrawal to rescind his or her official notification to withdraw by filing a written statement that he or she is continuing to participate in academically-related activities and intends to complete the payment period or period of enrollment or payment period.
 - If the student subsequently ceases to attend McCormick prior to the end of the payment period or period of enrollment or payment period, the student's rescission is negated and the withdrawal date is the student's original date, unless a later date is determined by the student's last date of attendance at an academically-related activity provided that the Seminary documents that the activity is academically related and documents the student's attendance at the activity.
6. If a student both begins the withdrawal process prescribed by the Seminary and otherwise official notification of his or her intent to withdraw, the student's withdrawal date is the earlier date unless a later date is determined by the student's last date of attendance at an academically-related activity.
7. Even if a student began the withdrawal process, the Seminary may use as the student's withdrawal date a student's last date of attendance at an academically-related activity provided that the Seminary documents that the activity is academically related and documents the student's attendance at the activity.
8. The Seminary must document a student's withdrawal date determined in accordance with the specific category of withdrawal and maintain the documentation as of the date of the institution's determination that the student withdrew.
9. “Official notification to the institution” is a notice of intent to withdraw that a student provides to Registrar and the Dean of the Faculty.

C. Approved leave of absence

LEAVE OF ABSENCE

A request for a leave of absence ordinarily is made only for reasons of health, to make possible a period of study in another theological school, or to enable the student to engage in noncredit practice of ministry. Such a request is addressed in writing to the Associate Dean of Student Academics. The Associate Dean considers the request and presents it to the faculty in executive session for approval. A leave of absence is granted for a particular period not to exceed one academic year.

The Seminary does not have to treat a leave of absence as a withdrawal if it is an approved leave of absence by the Seminary standards and meets the Title IV leave of absence standard. For purposes of Title IV assistance, a leave of absence is an approved leave of absence if—

- The student followed the Seminary's policy in requesting the leave of absence;
- The Seminary approved the student's request in accordance with the Seminary's policy;
- The Seminary determines that there is a reasonable expectation that the student will return to the school;
- The leave of absence does not involve additional charges by the Seminary;
- The number of days in the approved leave of absence, when added to the number of days in all other approved leaves of absence, does not exceed 180 days in any 12-month period.
- The Seminary explains to the student, prior to granting the leave of absence, the effects that the student's failure to return from a leave of absence may have on the student's loan repayment terms, including the exhaustion of some or all of the student's grace period.
- If a student does not resume attendance at the Seminary at or before the end of a leave of absence that meets the requirements of this section, the Seminary must treat the student as a withdrawal in accordance with the requirements of this section.
- The number of days in a leave of absence is counted beginning with the first day of the student's initial leave of absence in a 12-month period.
- A "12-month period" begins on the first day of the student's initial leave of absence.

D. Calculation of the amount of Title IV assistance earned by the student:

1. The amount of the unsubsidized Direct Loan through McCormick that is earned by the student is calculated by—

- Determining the percentage of the Title IV assistance that has been earned by the student,
- Applying this percentage to the total amount of Title IV loan assistance that was disbursed (and that could have been disbursed) to the student for the payment period or period of enrollment or payment period as of the student's withdrawal date.

2. Percentage earned. The percentage of Title IV loan assistance that has been earned by the student is—

- Equal to the percentage of the payment period or period of enrollment or payment period that the student completed (as determined by the student's withdrawal date), if this date occurs on or before completion of 60 percent of the payment period, or
- 100 percent if the student's withdrawal date occurs after completion of 60 percent of the payment period or period of enrollment or payment period.

3. Total amount of unearned Title IV assistance to be returned. The unearned amount of Title IV assistance to be returned is calculated by subtracting the amount of Title IV assistance earned by the student from the amount of Title IV aid that was disbursed to the student as of the date of the Seminary's determination that the student withdrew.

- Use of payment period
- Payment period must be used for a student who attended a standard term-based (semester) educational program.

E. Percentage of payment period is determined by:

- dividing the total number of calendar days in the payment period or period of enrollment or payment period into the number of calendar days completed in that period as of the student's withdrawal date.

F. Return of unearned aid, responsibility of McCormick Theological Seminary.

- The Seminary must return the lesser of –
- total amount of unearned Title IV assistance; or
- An amount equal to the total institutional charges incurred by the student for the payment period or period of enrollment or payment period multiplied by the percentage of Title IV assistance that has not been earned by the student.
- "Institutional charges" are tuition, fees, campus housing and other educationally-related expenses assessed by the Seminary

G. Return of unearned aid, responsibility of the student.

After the Seminary has allocated the unearned funds for which it is responsible to return to the Title IV Fund, the student must return the amount of the unearned assistance to the Seminary.

H. Timeframe for the return of Title IV funds.

- The Seminary must return the amount of Title IV Funds for which it is responsible as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew.
- We are an institution that is not required to take attendance, therefore the Seminary must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the earlier of the dates.

I. Consumer information. The Seminary provides students with information about the requirements of this section in accordance with 34 CFR 668.43.

J. Definitions. For purposes of this section—

1. Title IV loan funds that “could have been disbursed” are determined in accordance with the late disbursement provisions in 34 CFR 668.164(g).
2. A “period of enrollment or payment period” is the academic period established by the institution for which institutional charges are generally assessed (i.e. length of the student's program or academic year).
3. A “recipient of Title IV loan assistance” is a student for whom the requirements of §668.164(g)(2) have been met.
4. Terms are “substantially equal in length” if no term in the program is more than two weeks of instructional time longer than any other term in that program.
5. A program is “offered in modules” if a course or courses in the program do not span the entire length of the payment period or period of enrollment or payment period.
6. “Academic attendance” and “attendance at an academically-related activity”—
 - Include, but are not limited to—
 - Physically attending a class where there is an opportunity for direct interaction between the instructor and students;
 - Submitting an academic assignment;
 - Taking an exam, an interactive tutorial, or computer-assisted instruction;
 - Attending a study group that is assigned by the institution;
 - Participating in an online discussion about academic matters; and
 - Initiating contact with a faculty member to ask a question about the academic subject studied in the course; and
 - Living in institutional housing;
 - Participating in the institution's meal plan;
 - Logging into an online class without active participation; or
 - Participating in academic counseling or advisement.
 - Do not include activities where a student may be present, but not academically engaged, such as—

A determination of “academic attendance” or “attendance at an academically-related activity” must be made by the Seminary; a student's certification of attendance that is not supported by the Seminary's documentation is not acceptable.

- Official withdrawal - the date when a student submits a request to officially withdraw to the school Registrar.
- When a student withdraws from all classes in an enrollment period (semester), the student will be considered to have withdrawn for title IV purposes.
- Unofficial withdrawal – If at the end of the enrollment period, the student has not completed the work required for all classes and has not arranged for incomplete grade extensions, the student will be considered to have withdrawn at the end of the enrollment period. Students who have arranged for incomplete grades will not be considered to have withdrawn.