

R2T4 Policy

(Withdrawal and Return of Title IV Funds)

Federal regulations require Federal Student Aid funds to be awarded presuming that a student will attend the University for the entire period in which the financial aid was awarded.

Students who withdraw or do not attend classes during the semester may be required to return some of the financial aid they were awarded.

Students are eligible for Direct Loan only in case their academic progress is satisfactory and attend all classes on a regular basis.

In case a student does not meet the SAP requirements (fails all his/her courses and has to repeat most of his/her subjects) s/he is not eligible for Direct Loan until s/he completes all prerequisites in order to continue on higher year. After completing the necessary subjects (meet all the SAP requirements) the student may gain back his/her eligibility.

Cancellation of Awards

In case a student registers but never starts the classed the student is not eligible for student aid – all awards would be cancelled and returned the Department of Education.

Withdrawal procedure

The withdrawal may be official, unofficial or might be a result of academic failure.

In case a student would like to withdraw s/he has to declare his/her intention at the Registrar's Office. Students who received Federal Student Aid while studying at the University of Debrecen cannot make their withdrawal official until they complete the Exit Counselling, however the last day of attendance will be considered as the withdrawal date.

All students receive a so called "Leaving Circular Form" that has to be signed and stamped by the library, the Coordinating Center for International Education and Financial Aid Administrator as a proof that the student has not debt to the University. In case the student has ever received Federal Student Aid the form will only be signed after the Financial Aid Administrator can confirm that student completed the Exit Counseling.

The last day of attendance will be considered as the withdrawal date.

Any other withdrawals (when the student stops attending without further notice), will be considered as unofficial withdrawals and the date of withdrawal will be defined on the basis of the attendance records provided by the subject coordinators.

The University is required to inform the Immigration Office about any change in the student status of international students.

In case a student who begin attendance and then withdraws (or cease attending) from all courses for any reasons, s/he may no longer be eligible for the full amount of Title IV funds that s/he was originally expected to receive. However, in case the student withdraws after 60% of the semester is completed s/he has earned 100% of the scheduled Federal Student Loan.

Interruption of Studies

Students may withdraw their registration for the active semester and opt for a passive semester in the first four weeks of the term-time, but the latest until 14th October in the fall semester and 14th March in the spring semester.

Passive semester is defined as a semester in which the student opts for a temporary suspension of his/her studies (in the given major).

At the beginning of each semester (before the end of the second week of instruction), students shall indicate in the electronic registration system whether they wish to continue to pursue their studies (and take an active semester) or they opt for a passive semester (leave of absence). Not signing in for the given semester counts as passive semester. Instead of an active semester, students may still opt for a leave of absence or a passive semester if they petition for a leave of absence within four weeks after the commencement of the academic instruction, but the latest until 14th October in the fall semester, and 14th March in the spring semester. If a student fails to petition for a leave of absence prior to this point in time (i.e., he/she does not opt for a passive semester), the given semester shall be considered an active semester even if the student does not attend classes or fails to fulfil the academic requirements of any curriculum/syllabus, furthermore, the student will have the duties deriving from taking on the Hungarian state scholarship's conditions or from the study contract, regardless of fulfilling the academic requirements. The duration of the passive semesters cannot exceed fifty percent of the program duration. In case of appreciation, the Dean may extend this period by one semester. In particular, the duration of contiguous passive semesters cannot exceed two semesters. Upon the student's request the Dean may permit a period longer than two semesters if the student cannot fulfil his/her 36 educational obligations through no fault of their own

Failing the Course

In case a student fails all exams the Financial Aid Administrator will contact the program coordinators to determine if the failed grades were earned or resulted from the lack of attendance.

If the grades were earned the Satisfactory Academic Progress Policy applies.

If the grades resulted from non-attendance the last date of attendance will be used in the R2T4. Student who do not attend any seminars are ineligible for the Federal Student Aid and their loans will be cancelled..

Post-Withdrawal Disbursement/Unearned Aid

If a student has not received the Financial Aid at the beginning of the semester but decides to withdraw s/he is eligible for the amount of aid earned in this period as a post-withdrawal disbursement.

It cannot be a second or subsequent disbursement of a Direct Loan.

The University will perform the necessary Title IV calculation and will notify in writing the student of any overpayment or post-withdrawal disbursement and will make it available for the student (or parent) within 180 days.

Please note that late disbursement is not available if the student was a 1st year, first time borrower unless the student completed the first 30 days of the program or the school was not under that restriction.

The return of funds is calculated on the basis of how much financial aid the students are eligible in proportion to the amount of time in which they are enrolled. The Post Withdrawal Disbursement must be offered to the student (in case of PLUS loan to the parent) within 30 days of the determined withdrawal date.

U.S. Federal law requires schools to calculate how much federal financial aid a student has earned if the student:

- completely withdraws or
- stops attending before completing the semester

Based on this calculation, students who received federal financial aid and do not complete their classes during a semester could be responsible for repaying a portion of the aid they received.

If the amount disbursed to the student is greater than the amount the student earned, unearned funds must be returned.

If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, s/he is eligible to receive a Post-withdrawal disbursement of the earned aid that was not received.

The University is required to determine the percentage of Title IV aid “earned” by the student within 30 calendar days of the date of the determination of withdrawal.

Student is responsible to repay the loan funds not returned by the University in accordance with the terms and conditions of the Master Promissory Note.

When determining the percentage of unearned aid is calculated as follows (provided by the U.S. Department of Education):

- the number of completed calendar days up to the withdrawal date, divided by the total calendar days in the payment period determines the **percent earned** (Institutionally scheduled breaks of five or more consecutive days are excluded from the Return calculation as periods of nonattendance and therefore do not affect the calculation of the amount of Federal Student Aid earned.)

The **percent unearned** is equal to 100% minus the percent earned.

The University will send an official notification letter outlining the amount returned to the federal and institutional program(s) along with the federal government’s repayment worksheet to the student’s permanent mailing address.

Financial Aid recipients who received overpayment due to changes in their enrolment status/cost of attendance or general eligibility are required to return funds in order to eliminate overpayments.

As defined by the U.S. federal regulations refunds are allocated in the following order:

- Unsubsidized Direct Loans
- Subsidized Direct Loans
- Direct PLUS Loans