A complete withdrawal occurs if a student drops all classes after classes have begun. If a student receives federal aid and plans to completely withdraw, the following information on this Complete Withdrawal Fact Sheet should be carefully considered. Additional information for students wishing to withdraw from classes can be found at Cancel/Withdraw.

During the withdrawal process, students who borrowed Federal Direct Loans (subsidized or unsubsidized) while at OU will participate in an "exit interview" and be given materials which detail how exiting school affects the deferment and repayment status of student loans. Students who have received Federal Perkins Loans while at OU will receive additional information from the Office of the Bursar regarding those loans.

**Withdrawing from school affects financial aid recipients in 5 major ways:**

1. **Students lose academic eligibility for future financial aid.**
   Students are required to make "satisfactory academic progress" to continue receiving aid, which includes completing a minimum number of credit hours within each aid year. If a student withdraws, he has not completed that minimum and therefore is ineligible for future aid (called "financial aid suspension"). Students have the opportunity to submit a written appeal of this suspension if there are extenuating circumstances (such as illness, injury, etc.) which influenced their decision to withdraw. If you plan to return to OU the following semester, you may ask for an appeal form now.

2. **Student loans may enter "grace period" or "repayment" status.**
   Refer to the exit interview materials, the U. S. Department of Education Student Guide or contact your lender to determine how soon student loan payments will be required.

3. **Upcoming student aid disbursements will be cancelled.**
   Federal Subsidized Direct, Federal Unsubsidized Direct Loan and Federal PLUS Loan applications are certified for two disbursements. For example, if a student withdraws after receiving the fall disbursement, the spring disbursement of the loan is automatically cancelled. Even if the student is returning for the spring semester and submits an appeal which is approved (see #1 above), a new loan application for the spring semester must be processed. Additional financial aid will be evaluated.

4. **Students may have to repay some of the financial aid funds (such as the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), or TEACH grant received for that semester.**
   Financial Aid Services will perform a calculation to determine if repayment is required. This determination cannot be made while the student is in the office during the withdrawal process because information from several areas of the University (Bursar, Housing, etc.) must be gathered. Students will be informed by mail in approximately 4 weeks of the results. Be sure you have a valid permanent address on file.
   
   If the student withdraws prior to completion of at least 60% of the semester, the University is required to calculate how much of the federal financial aid disbursed was "earned" by the student and the University. **Once the student has completed more than 60% of the semester, all financial aid disbursed is considered to be "earned" and no return of federal aid funds is required.** We are required to do the Return of Title IV (R2T4) calculation after the 60% completion point as well.
   
   If the student does owe a repayment of Federal Pell Grant or FSEOG funds, he cannot receive federal financial aid funds at any school (not just OU) until that repayment has been made.

5. **Students may owe tuition and fees to OU that were originally paid by federal financial aid.**
   If the student withdraws prior to completing 60% of the semester, the University will be required to return to the federal aid programs a portion of funds that were used to pay tuition and fees. However, if the student withdraws after the end of the defined refund period, no reduction of tuition or fee charges is made by the University. By returning federal aid funds that had been used to pay the University charges, the student will then have an outstanding balance due to the University. This balance due to the University is in addition to any aid that the student must repay.
Example:  Student withdraws on 40th day of class.

Formula:  Enrolled days /days in enrollment period = % of aid earned

40 / 110 = 36% of aid earned

64% of funds received by the University must be returned to the federal aid programs.

University received $1,345.00 in student aid funds as payment of tuition and fees, and must return 64% ($860.80) to the federal aid programs. Because the $1345.00 in tuition and fee charges are not reduced (because refund period has ended), the student will now owe $860.80 in tuition and fees to the University that were originally shown as paid by aid funds.

Other important information regarding withdrawing while receiving federal aid

- Federal law requires the University to return funds for unearned institutional charges as soon as possible but no later than 45 days after the date we determine the student has withdrawn from the institution. Funds returned to the federal aid programs are applied to the aid programs in a specific order which is determined by federal law.

The order of return by the University is:

1) Unsubsidized Federal Direct Loan
2) Subsidized Federal Direct Loan
3) Federal Perkins Loan
4) Federal PLUS Loan
5) Federal Pell Grant
6) Federal SEOG
7) TEACH grant

Federal educational loans (Direct Loan, Perkins Loan, PLUS Loan) are repaid by the borrower according to the terms of the promissory note. If the student's parent received Federal PLUS Loan, the University must return funds to that loan program even if the loan was not credited to the student's OU bursar account. This may result in tuition and fees being charged to the student.

- Financial Aid will be recalculated for students who receive grades of all "F" as if the student withdrew mid-semester unless the "F" grade was assigned during the withdrawal process. If this is the case, aid will be recalculated according to the actual withdrawal date.

If the student attended past the mid-point of the semester, the student can submit documentation from the professor within 15 days of the determination and the aid will be recalculated on the new withdrawal date.

- Students who receive grades of “AW” will have their aid recalculated based on the last date of attendance recorded by the professor who assigned the grade.

If a student attended the course and the “AW” grade was assigned during the semester, the student can submit documentation from the professor within 15 days of the determination and the aid will be recalculated on the new withdrawal date.

- Post-Withdrawal Disbursement Information.

If during the R2T4 calculation it is discovered that the student should have received more aid, the university must disburse any grant funding into the student’s account. This determination must be completed within 45 days.

If the student has pending loan funds and it is discovered that the student is eligible to receive the loan funds per the R2T4 calculation, the school is required to notify the student of the option to have the loan funds disbursed into their account. The student must respond positively in order for the school to disburse the funds, otherwise the loan funds should be cancelled. The response from the student and the disbursement into the student account must take place within 180 days.

**For information specific to students who are attending courses that do not span the entire standard semester, please see the R2T4 for Modules Fact Sheet at https://www.ou.edu/content/dam/financialaid/Forms/2017-2018/R2T4_for_Modules_Fact_Sheet.pdf.**