



RETURN TO TITLE IV (R2T4) POLICY

The law specifies how the University must determine the amount of Title IV program assistance (Stafford Loans) that students earn if they withdraw from the University.

The Financial Aid Officer is responsible for calculating R2T4 and the Student Finance Office is responsible to actually transfer the funds. The Financial Aid Officer uses worksheets and software provided by the US Department of Education to calculate the R2T4 funds. All funds must be returned to the lender within 45 days of the last date of attendance.

If you have questions about your Title IV program funds, students 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.

When a student withdraws during a payment period, the amount of Title IV program assistance that has been earned up to that point is determined by a specific formula. The date of withdrawal is the date the student officially informs the University of their intention to withdraw. In the absence of notification from the student, the last date the student attended will be used as the withdrawal date. If the student received (or the University received on the student's behalf) less assistance than the amount that is earned, the student may be able to receive those additional funds. If the student received more assistance than was earned, the excess funds must be returned by the University and/or the student. Students who do not attend even one class, are ineligible for Title IV funds and all of the loan proceeds will be returned to the lender.

The amount of assistance earned is determined on a pro rata basis. The payment period is the semester for which the loan was certified and the percent of attendance is calculated by dividing the number of days attended by the total number of days in the payment period. For example, if the student completes 30% of the payment period or period of enrolment, the student has earned 30% of the assistance they were originally scheduled to receive. Once the student has completed more than 60% of the payment period or period of enrolment, all the assistance that the student was scheduled to receive for that period is considered to have been earned. If the student did not receive all of the funds that were earned, he or she may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, the student may choose to decline the loan funds so that additional debt is not incurred. The Financial Aid Officer will use the R2T4 worksheets as provided by the US Department of Education to determine how much of the loan may be retained and how much must be returned.

The University may automatically use all or a portion of your post-withdrawal disbursement (including loan funds, if the student accepts them) for tuition fees and accommodation charges (as contracted with the University). For all other University charges, the University needs the student's permission to use the post-withdrawal disbursement. If the student does not give permission the student will not be offered the funds. However, it may be in one's best interest to allow the University to keep the funds to reduce the debt at the University.

There are some Title IV funds that students were scheduled to receive that cannot be *earned* once a student withdraws because of other eligibility requirements. For example, if a first-time, first-year undergraduate student has not completed the first 30 days of the program before withdrawal, the student will not earn any Federal Direct Loan funds that he or she would have received had the student remained enrolled past the 30th day. If the student receives (or the University receives on behalf of the student) excess Title IV program funds that must be returned, the University must return a portion of the excess equal to the lesser of:

1. The institutional charges multiplied by the unearned percentage of the funds, or
2. The entire amount of excess funds.

The University must return this amount even if it didn't keep this amount of the Title IV program funds. If the University is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds that must be returned, the student repays in accordance with the terms of the promissory note. That is, scheduled payments are made to the holder of the loan over a period of time. Students who have received a refund of their loan proceeds before withdrawing may be required to return part or all of those funds to the lender.

Title IV funds will be returned in the following order:

1. Unsubsidized Federal Stafford Loans
2. Subsidized Federal Stafford Loans
3. Federal PLUS loans

The requirements for Title IV program funds when students withdraw are separate from any refund policy that the University may have. Therefore, the student may still owe funds to the University to cover unpaid University charges. The University may also charge for any Title IV program funds that the University was required to return. Students may receive a copy of the Refund Policy from the University website – www.rgu.ac.uk/refunds-and-debt-collection

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Leaves of Absence (LOA)/Suspension of Studies and Withdrawals

Definitions:

Approved Leaves of Absence (LOA)/Suspension of Studies

A Leave of Absence/Suspension of Studies is a temporary interruption in a student's course. It refers to a time period during a program when a student is not in attendance. This is a temporary period of time which the student requested with the intention to return and complete their course. Students returning from a Leave of Absence/Suspension of Studies do not have to re-apply for admission but must re-register for their course.

Official Withdrawal

A "withdrawal" refers to a student's intent to permanently terminate studies at the University with no expectation of return.

Unofficial Withdrawal

An unofficial withdrawal is one where the University has not received notice from the student that the student has ceased or will cease attending the University.