

Return of Title IV Funds

Beverly Crichlow
Coordinator – Return of Title IV Funds



Return of Title IV Funds (R2T4) Impact

- Do you know how dropping/ withdrawing/ unofficially withdrawing affects a student's financial aid?
- Do you know how you can affect a student's financial aid?

Return of Title IV Funds (R2T4)

Calculation

- The Return of Title IV Funds is based on the premise that students "earn" financial aid for each calendar day that they attend classes.
- When a student does not complete at least one course within a semester for which Title IV funds were received, the student and NSU are responsible for returning any "unearned" aid.
- For example, if a student attends 32 days of a semester that is 80 calendar days in length, the student will have "earned" 40 percent of his or her aid.
- Calculation is independent of school's refund policy.

What is Title IV Aid?

Federal Loans

- Unsubsidized
- Subsidized
- Perkins
- PLUS
 - Graduate PLUS
 - Parent PLUS

Other

- Federal Work-Study
(not returned)

Grants

- PELL
- FSEOG
- IASG
- TEACH

All Important 60% Mark

- If a student completes more than 60% of the semester, the student is considered to have “earned” 100% of his/her financial aid for the semester.
- R2T4 calculation is still required but no funds are returned.

Applies To Students Who

- have completely withdrawn/dropped from the semester
- have unofficially withdrawn (unearned F grade or other non-passing grade)
- have a combination of drop, withdrawal, and non-passing grades, and/or courses ineligible for Title IV aid
- are enrolled in a semester with multiple parts and cease attendance during the first part of term (Confirmation of Future Attendance Process)

Completely Withdrawn or Dropped from the Semester

If drops are all DD:

- Implies no attendance; R2T4 calculation not required
- Any credit created from the drop will be applied toward the return of funds to the Department of Education
 - Pell, FSEOG, or TEACH disbursements will be reversed
 - Federal loan funds not disbursed to the student will be returned

All Unofficially Withdrawn/ Non-Passing Grades

Determine whether the “F” is “earned” or “unearned”

- If at least one “F” is “earned”, the student will have “earned” all Title IV aid for the semester
- If all “F’s” are “unearned”, the student is considered unofficially withdrawn, and a calculation will be done using last date of attendance or mid-point date as withdrawal date

Term:	<input type="text"/> <input type="button" value="▼"/>	CRN:	<input type="text"/> <input type="button" value="▼"/>	<input type="checkbox"/> Roll	Degree Award Status:	<input type="text"/>				
Sequence	ID	Name	Status	Status Date	Final Grade	Grading Mode	Rolled	Credit Hours	Hours Attended	Last Attendance Date
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Grade Comment: <input type="text"/> <input type="button" value="▼"/>										

Multiple Parts-of-Term

A student who begins to attend courses during the first part-of-term but then ceases attendance in all of those courses must be reviewed for a Title IV Calculation, regardless of registration for courses starting during the second part-of-term.

The exception to this rule is when a student provides written “Confirmation of Future Attendance” stating s/he will attend courses that begin in the second part-of-term.

Drop Codes Prompting R2T4

Review

- Codes of XD, XO, 75%, 50%, 25%, WD and unearned non-passing grades
 - Attendance is implied and a calculation is required.

Information Needed for Calculation

- Semester dates
- Withdrawal/Drop date
 - (last date of attendance (LDA) will be used for unofficial withdrawals)
- Date of school's determination of withdrawal
- Institutional charges
- Financial aid award

Withdrawal Date and Attendance

- NSU faculty must reconcile their rosters at the beginning of each semester, however, they are NOT required to keep attendance.
- How do we determine withdrawal dates for R2T4 purposes?

Definition of Attendance

- Attendance can be defined as academic attendance in a traditional classroom or attendance in an academically-related activity, e.g., online classes
- If Last Date of Attendance (LDA) cannot be determined, the mid-point of the semester will be used as the withdrawal date, or if the student did not notify the school due to circumstances beyond the student's control, the date related to that circumstance (illness, accident, grievous personal loss, etc.) will be used as the withdrawal date.

Academically-Related Activities

- Physically attending class with direct interaction
- Submitting an academic assignment
- Taking an exam, interactive tutorial, or computer-based instruction
- Attending a school-assigned study group
- Participating in online discussions about academic matters and/or initiating contact with faculty to ask questions about the subject studied

Academically-Related Activities

Do not include...

- Living in school housing
- Using a school meal plan
- Logging into an online course without active participation

- Academic counseling or advisement

A student's certification of attendance without school documentation is not acceptable.

Return of Funds: School

Treatment Of Title IV Funds When A Student Withdraws From A Credit-Hour Program

Student's Name	MIAMI HEAT	Social Security Number	123-45-6789																																																
Date form completed	06/20/2013	Date of school's determination that student withdrew	06/20/2013																																																
Period used for calculation (check one)	<input checked="" type="checkbox"/> Payment period <input type="checkbox"/> Period of enrollment																																																		
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STEP 3: Amount of Title IV Aid Earned by the Student Multiply the percentage of Title IV aid earned (Box H) by the Total Title IV aid disbursed and that could have been disbursed for the period (Box G).																																																			
$36.7\% \times \$5,555.00 = \mathbf{I.} \quad \$2,038.69$																																																			
STEP 4: Title IV Aid to be Disbursed or Returned <ul style="list-style-type: none"> ► If the amount in Box I is greater than the amount in Box E, go to Post-withdrawal disbursement (Item J). ► If the amount in Box I is less than the amount in Box E, go to Title IV aid to be returned (Item K). ► If the amounts in Box I and Box E are equal, STOP. No further action is necessary. <p>J. Post-withdrawal disbursement From the Amount of Title IV aid earned by the student (Box I) subtract the Total Title IV aid disbursed for the period (Box E) as the amount of the post-withdrawal disbursement. Stop here, and enter the amount in Box 1 on Page 3 (Post-withdrawal disbursement tracking sheet).</p> $\$2,038.69 - \$5,555.00 = \mathbf{J.} \quad \text{Step 4 continued}$																																																			
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Treatment Of Title IV Funds When A Student Withdraws From A Credit-Hour Program

Student's Name	MIAMI HEAT	Social Security Number	123-45-6789												
STEP 4: Aid to be Disbursed or Returned CONTINUED															
K. Title IV aid to be returned From the Total Title IV aid disbursed for the period (Box E) subtract the amount of Title IV aid earned by the student (Box I). This is the amount of Title IV aid that must be returned.															
$\$5,555.00 - \$2,038.69 = \mathbf{K.} \quad \$3,516.31$															
STEP 5: Amount of Unearned Title IV Aid Due from the School															
L. Institutional charges for the period <table border="1"> <tr> <td>Tuition</td> <td>\$7,480.00</td> </tr> <tr> <td>Books</td> <td>\$0.00</td> </tr> <tr> <td>Room</td> <td>\$0.00</td> </tr> <tr> <td>Board</td> <td>\$0.00</td> </tr> <tr> <td>Other</td> <td>\$0.00</td> </tr> <tr> <td>Other</td> <td>\$0.00</td> </tr> </table> Total Institutional Charges = L. \$7,480.00				Tuition	\$7,480.00	Books	\$0.00	Room	\$0.00	Board	\$0.00	Other	\$0.00	Other	\$0.00
Tuition	\$7,480.00														
Books	\$0.00														
Room	\$0.00														
Board	\$0.00														
Other	\$0.00														
Other	\$0.00														
M. Percentage of unearned Title IV aid $100\% - 36.7\% = \mathbf{M.} \quad 63.3\%$															
N. Amount of unearned charges Multiply institutional charges for the period (Box L) by the percentage of unearned Title IV aid (Box M).															
$\$7,480.00 \times 63.3\% = \mathbf{N.} \quad \$4,734.84$															
O. Amount for school to return Compare the amount of Title IV aid to be returned (Box K) to amount of unearned charges (Box N), and enter the lesser amount.															
$\mathbf{O.} \quad \$3,516.31$															
STEP 6: Return of Funds by the School The school must return the unearned aid for which the school is responsible (Box O) by repaying funds to the following sources, in order, up to the total net amount disbursed from each source.															
Title IV Programs Amounts for School to Return															
1. Unsubsidized FFEL/Direct Stafford Loan \$90.00 2. Subsidized FFEL/Direct Stafford Loan \$1,733.00 3. Perkins Loan 4. FFEL/Direct PLUS (Graduate Student) 5. FFEL/Direct PLUS (Parent)															
Total loans the school must return P. \$2,723.00															
6. Pell Grant \$793.31 7. Academic Competitiveness Grant 8. National SMART Grant 9. FSEOG 10. TEACH Grant															
If Box P is less than or equal to Box O, STOP. If not, go to Step 10.															
STEP 10: Return of Grant Funds by the Student Except as provided below, the student must return the unearned grant funds for which the student is responsible (Box P). The grant funds returned by the student are applied to the following sources in the order indicated, up to the total amount disbursed from that grant program. If any grant funds the school is responsible for are applied to that program, go to Step 6.															
Note that the student is not responsible for returning funds to any program to which the student owes \$50.00 or less.															
Title IV Grant Programs Amount to Return															
1. Pell Grant 2. Academic Competitiveness Grant 3. National SMART Grant 4. FSEOG 5. TEACH Grant															
If Box P is less than or equal to Box O, STOP. If not, go to Step 10.															

- If a credit remains on the account, Loan Disbursing will refund the credit to the student.
- If a balance remains on the account, a Collections hold is placed on the account.

Return of Funds: Student

Treatment Of Title IV Funds When A Student Withdraws From A Credit-Hour Program			
Student's Name	SUZETTE STRANGER		
Social Security Number	123-45-4799		
Date form completed	08/20/2013	Date of school's determination that student withdrew	06/20/2013
Period used for calculation (check one)	<input checked="" type="checkbox"/> Payment period	<input type="checkbox"/> Period of enrollment	
Money amounts should be in dollars and cents (rounded to the nearest penny). When calculating percentages, round to three decimal places. (For example, .4488 = .44, or 44.8%)			
STEP 1: Student's Title IV Aid Information			
Title IV Grant Programs		Amount Disbursed	Amount Not Used That Could Have Been Disbursed
1. Pell Grant		A. \$0.00	C. \$0.00
2. Academic Competitiveness Grant			
3. National SMART Grant			
4. FSEOG			
5. TEACH Grant			
Title IV Loan Programs		Not Amount Disbursed	Not Amount That Could Have Been Disbursed
6. Unsubsidized FFEL Direct Stafford Loan		B. \$6,765.00	
7. Subsidized FFEL Direct Stafford Loan			
8. Perkins Loan			
9. FFEL Direct PLUS (Graduate Student)			
10. FFEL Direct PLUS (Parent)			
		D. \$0.00	E. \$0.00
		F. \$6,765.00	G. \$6,765.00
STEP 2: Percentage of Title IV Aid Earned			
05/12/2013	08/16/2013	06/17/2013	
Start date	Scheduled end date	Date of withdrawal	
A school that is not required to take attendance may, for a student who withdraws without notification, enter 50% in Box H and proceed to Step 3. Or, the school may enter the last date of attendance at an academically related activity for the "withdrawn class" and proceed with the calculation as instructed. For a student who officially withdraws, enter the withdrawn date.			
H. Percentage of payment period or period of enrollment completed			
Divide the calendar days completed in the period by the total calendar days in the period (excluding scheduled breaks of three days or more AND days that the student was on an approved leave of absence).			
A. 30	B. 60	C. 36.7 %	
If this percentage is greater than 60%, enter 100% in Box H and proceed to Step 3.			
If this percentage is less than or equal to 60%, enter that percentage in Box H, and proceed to Step 3.			
H. 38.7 %			
06/20/2013			

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Treatment Of Title IV Funds When A Student Withdraws From A Credit-Hour Program			
Student's Name	SUZETTE STRANGER		
Social Security Number	123-45-4799		
STEP 4: Aid to be Disbursed or Returned CONTINUED			
K. Title IV aid to be returned			
From the Total Title IV aid disbursed for the period (Box E) subtract the amount of Title IV aid earned by the student (Box H). This is the amount of Title IV aid that must be returned.			
M. \$6,765.00	N. \$2,482.76	K.	\$4,282.24
Box E	Box H		
STEP 5: Amount of Unearned Title IV Aid Due from the School			
L. Institutional charges for the period			
Room	\$0,054.00	Board	\$0.00
Books	\$0.00	Supplies	\$0.00
Other	\$0.00		
Total Institutional Charges (Add all the charges together) = \$2,064.30			
M. Percentage of unearned Title IV aid			
100% -	36.3 %	M.	63.3 %
Box H			
N. Amount of unearned charges			
Multiply institutional charges for the period (Box L) by the percentage of unearned Title IV aid (Box M).			
Box L	Box M	N.	\$1,300.37
Box L			
O. Amount for school to return			
Compare the amount of Title IV aid to be returned (Box N) to amount of unearned charges (Box M), and enter the lesser amount.			
Box N	Box M	O.	\$1,300.37
Box N			
STEP 6: Return of Funds by the School			
The school must return the unearned aid for which the school is responsible (Box O) by repaying funds to the following sources, in order, up to the total net amount disbursed from such sources.			
Title IV Grant Programs			
1. Unsubsidized FFEL Direct Stafford Loan		P.	\$1,300.37
2. Subsidized FFEL Direct Stafford Loan			
3. Perkins Loan			
4. FFEL Direct PLUS (Graduate Student)			
5. FFEL Direct PLUS (Parent)			
Total Amount the school must return = D. \$1,300.37			
G. Pell Grant			
7. Academic Competitiveness Grant		Box N	
8. National SMART Grant			
9. TEACH Grant			
10. FFEL Direct PLUS (Parent)			
STEP 10: Return of Grant Funds by the Student			
Students are liable for the amount of Title IV aid received from any funds for which he or she is responsible (Box U). The grant funds received by the student are applied to the following sources in the order indicated, up to the total amount disbursed from that grant program minus any grant funds the school is responsible for returning to the program in Step 6.			
Note that the student is not responsible for returning funds to any program to which the student owes \$60.00 or less.			
Title IV Grant Programs			
1. Pell Grant		Box N	
2. Academic Competitiveness Grant			
3. National SMART Grant			
4. TEACH Grant			
5. FFEL Direct PLUS (Parent)			
06/20/2013			

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- Department of Education is notified that the student is no longer enrolled
- Students should refer to Master Promissory Note (MPN) for repayment information.

Return of Funds: Grants

- If there are PELL, FSEOG, IASG, and/or TEACH funds in the “Student Returns” portion of the calculation, the student must pay the balance to the school, sign the repayment agreement within 45 days, or lose eligibility for additional Title IV funds.

QUESTIONS?

A hero is one who hangs on one minute longer.