

# Return of Title IV Funds

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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- have completely withdrawn/dropped from the semester
- have unofficially withdrawn (unearned F grade or other non-passing grade)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# Completely Withdrawn or Dropped from the Semester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# All Unofficially Withdrawn/ Non-Passing Grades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- If all “F’s” are “unearned”, the student is considered unofficially withdrawn, and a calculation will be done using last date of attendance of mid-point date as withdrawal date

Term:	<input type="text"/>	CRN:	<input type="text"/>	<input type="checkbox"/> Roll	Degree Award Status:	<input type="text"/>
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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:



# 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) ☒ Payment period ☐ Period of enrollment

Monetary amounts should be in dollars and cents (rounded to the nearest penny).  
When calculating percentages, round to three decimal places. (For example,  $4.486 = 4.49$ , or  $44.9\%$ )

**STEP 1: Student's Title IV Aid Information**

**Title IV Grant Programs**

1. Pell Grant	Amount Disbursed	\$2,982.00
2. Academic Competitiveness Grant	Amount Disbursed	\$0.00
3. National SMART Grant	Amount Disbursed	\$0.00
4. FSEOG	Amount Disbursed	\$790.00
5. TEACH Grant	Amount Disbursed	\$0.00
<b>Total</b>	<b>A. Subtotal</b>	<b>\$2,832.00</b>

**Title IV Loan Programs**

6. Unsubsidized FFEL/Direct Stafford Loan	Net Amount Disbursed	\$990.00
7. Subsidized FFEL/Direct Stafford Loan	Net Amount Disbursed	\$1,733.00
8. Perkins Loan	Net Amount Disbursed	\$0.00
9. FFEL/Direct PLUS (Graduate Student)	Net Amount Disbursed	\$0.00
10. FFEL/Direct PLUS (Parent)	Net Amount Disbursed	\$0.00
<b>Total</b>	<b>B. Subtotal</b>	<b>\$2,723.00</b>

**STEP 2: Percentage of Title IV Aid Earned**

Start date **05/13/2013** Scheduled end date **05/18/2013** Date of withdrawal **06/17/2013**

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 "withdrawal date" and proceed with the calculation as instructed. For a student who officially withdraws, enter the withdrawal 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 five days or more AND days that the student was on an approved leave of absence).

$\frac{36}{98} = 36.7\%$

Completed days **36** Total days **98** = **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. 36.7 %**

**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).

$36.7\% \times \$5,555.00 = \text{I. } \$2,038.69$

**STEP 4: Title IV Aid to be Disbursed or Returned**

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.

**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). This is the amount of the post-withdrawal disbursement.  
Stop here, and enter the amount in Box 1 on Page 3 (Post-withdrawal disbursement tracking sheet).

$\$2,038.69 - \$5,555.00 = \text{J. } -\$3,516.31$

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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.

$\$5,555.00 - \$2,038.69 = \text{K. } \$3,516.31$

**STEP 5: Amount of Unearned Title IV Aid Due from the School**

**L. Institutional charges for the period**

Tuition	\$7,480.00
Room	\$0.00
Board	\$0.00
Books	\$0.00
Other	\$0.00
<b>Total Institutional Charges</b>	<b>L. \$7,480.00</b>

**M. Percentage of unearned Title IV aid**  
 $100\% - 36.7\% = \text{M. } 63.3\%$

**N. Amount of unearned charges**  
Multiply institutional charges for the period (Box L) by the percentage of unearned Title IV aid (Box M).

$\$7,480.00 \times 63.3\% = \text{N. } \$4,734.84$

**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.

$\$3,516.31 - \$4,734.84 = \text{O. } -\$1,218.53$

**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**

1. Unsubsidized FFEL/Direct Stafford Loan	Amount for School to Return	\$590.00
2. Subsidized FFEL/Direct Stafford Loan	Amount for School to Return	\$1,733.00
3. Perkins Loan	Amount for School to Return	\$0.00
4. FFEL/Direct PLUS (Graduate Student)	Amount for School to Return	\$0.00
5. FFEL/Direct PLUS (Parent)	Amount for School to Return	\$0.00
<b>Total loans the school must return</b>	<b>P. \$2,723.00</b>	

**STEP 7: Initial Amount of Unearned Title IV Aid Due from the Student**  
From the amount of Title IV aid to be returned (Box K) subtract the Amount for the school to return (Box O).

$\$3,516.31 - \$1,218.53 = \text{Q. } \$2,297.78$

**STEP 8: Repayment of the Student's loans**  
From the Net loans disbursed to the student (Box P) subtract the Total loans the school must return (Box P) to find the amount of Title IV loans the student is still responsible for repaying (Box R).

$\$2,723.00 - \$2,723.00 = \text{R. } \$0.00$

**STEP 9: Grant Funds to be Returned**  
From the initial amount of unearned Title IV aid due from the student (Box Q) subtract the amount of loans to be repaid by the student (Box R).

$\$2,297.78 - \$0.00 = \text{S. } \$2,297.78$

**T. Amount of Title IV grant protection**  
Multiply the total of Title IV grant aid that was disbursed and that could have been disbursed for the period (Box F) by 50%.

$\$2,297.78 \times 50\% = \text{T. } \$1,148.89$

**U. Title IV grant funds for student to return**  
From the initial amount of Title IV grants for student to return (Box S) subtract the Amount of Title IV grant protection (Box T).

$\$2,297.78 - \$1,148.89 = \text{U. } \$1,148.89$

**STEP 10: Return of Grant Funds by the Student**  
Except as noted below, the student must return the unearned grant funds for which he or she is responsible (Box U). 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 minus any grant funds the school is responsible for returning to that program in Step 6.

**Title IV Grant Programs**

1. Pell Grant	Amount to Return	\$0.00
2. Academic Competitiveness Grant	Amount to Return	\$0.00
3. National SMART Grant	Amount to Return	\$0.00
4. FSEOG	Amount to Return	\$0.00
5. TEACH Grant	Amount to Return	\$0.00

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- 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
Date form completed	06/20/2013		Date of school's determination that student withdrew
Period used for calculation (check one) <input checked="" type="checkbox"/> Payment period <input type="checkbox"/> Period of enrollment			
Monetary amounts should be in dollars and cents (rounded to the nearest penny). When calculating percentages, round to three decimal places. (For example, .4435 = .44; or 44.3%)			
<b>STEP 1: Student's Title IV Aid Information</b>			
<b>Title IV Grant Programs</b> 1. Pell Grant 2. Academic Competitiveness Grant 3. National SMART Grant 4. FSEOG 5. TEACH Grant		<b>Title IV Loan Programs</b> 6. Unsubsidized FFEL Direct Stafford Loan 7. Subsidized FFEL Direct Stafford Loan 8. Perkins Loan 9. FFEL Direct PLUS (Graduate Student) 10. FFEL Direct PLUS (Parent)	
Amount Disbursed A. \$0.00 C. \$0.00		Amount Not Disbursed B. \$6,765.00 D. \$0.00	
<b>STEP 2: Percentage of Title IV Aid Earned</b> Start date: 05/13/2013 Scheduled end date: 06/10/2013 Date of withdrawal: 06/17/2013 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 as an academically related activity for the "withdrawal date" and proceed with the calculation as instructed. For a student who officially withdraws, enter the withdrawal 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 five days or more AND days that the student was on an approved leave of absence). $\frac{35}{88} = 39.7\%$ If this percentage is greater than 50%, enter 100% in Box H and proceed to Step 3. If this percentage is less than or equal to 50%, enter that percentage in Box H, and proceed to Step 3.		<b>STEP 3: Amount of Title IV Aid Earned by the Student</b> 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). $39.7\% \times \$6,765.00 = I. \$2,482.76$	
<b>STEP 4: Title IV Aid to be Disbursed or Returned</b>			
If the amount in Box I is greater than the amount in Box J, go to Post withdrawal disbursement (Item J). If the amount in Box I is less than the amount in Box J, go to Title IV aid to be returned (Item K). If the amounts in Box I and Box J are equal, STOP. No further action is necessary. <b>J. Post withdrawal disbursement</b> From the Amount of Title IV aid earned by the student (Box I) subtract the Total Title IV aid disbursed for the period (Box G). This is the amount of the post withdrawal disbursement. Stop here, and enter the amount in Box 1 on Page 3 (Post withdrawal disbursement tracking sheet). $\$2,482.76 - \$6,765.00 = J.$			

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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
<b>STEP 4: Aid to be Disbursed or Returned CONTINUED</b>			
<b>K. Title IV aid to be returned</b> From the Total Title IV aid disbursed for the period (Box G) 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. $\$6,765.00 - \$2,482.76 = K. \$4,282.24$			
<b>STEP 5: Amount of Unearned Title IV Aid Due from the School</b>			
<b>L. Institutional charges for the period</b> Tuition \$2,054.30 Board \$0.00 Books \$0.00 Other \$0.00 <b>Total Institutional Charges</b> (Add all the charges reported) = <b>L. \$2,054.30</b>			
<b>M. Percentage of unearned Title IV aid</b> $100\% - 39.7\% = M. 60.3\%$			
<b>N. Amount of unearned charges</b> Multiply institutional charges for the period (Box L) by the percentage of unearned Title IV aid (Box M). $\$2,054.30 \times 60.3\% = N. \$1,238.37$			
<b>O. Amount for school to return</b> Compare the amount of Title IV aid to be returned (Box K) to amount of unearned charges (Box N), and enter the lesser amount. $\$4,282.24 - \$1,238.37 = O. \$3,043.87$			
<b>STEP 6: Return of Funds by the School</b>			
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. <b>Title IV Programs</b> 1. Unsubsidized FFEL Direct Stafford Loan 2. Subsidized FFEL Direct Stafford Loan 3. Perkins Loan 4. FFEL Direct PLUS (Graduate Student) 5. FFEL Direct PLUS (Parent) <b>Total lesser the school must return</b> = <b>P. \$3,043.87</b>			
<b>STEP 7: Initial Amount of Unearned Title IV Aid Due from the Student</b> From the amount of Title IV aid to be returned (Box K) subtract the Amount for the school to return (Box O). $\$4,282.24 - \$3,043.87 = Q. \$1,238.37$			
<b>STEP 8: Repayment of the Student's loans</b> From the Net loans disbursed to the student (Box Q) subtract the Total loans the school must return (Box P) to find the amount of Title IV loans the student is still responsible for repaying (Box R). These outstanding loans consist of either of loan funds the student has received, or unearned loan funds that the school is not responsible for repaying, or both, and they are repaid to the loan holders according to the terms of the borrower's promissory note. $\$1,238.37 - \$1,238.37 = R. \$0.00$			
<b>STEP 9: Grant Funds to be Returned</b> <b>S. Initial amount of Title IV grants for student to return</b> From the initial amount of unearned Title IV aid due from the student (Box Q) subtract the amount of loans to be repaid by the student (Box R). $\$1,238.37 - \$0.00 = S. \$1,238.37$			
<b>T. Amount of Title IV grant protection</b> Multiply the total of Title IV grant aid that was disbursed and that could have been disbursed for the period (Box F) by 50%. $\$0.00 \times 50\% = T. \$0.00$			
<b>U. Title IV grant funds for student to return</b> From the initial amount of Title IV grants for student to return (Box S) subtract the Amount of Title IV grant protection (Box T). $\$1,238.37 - \$0.00 = U. \$1,238.37$			
<b>STEP 10: Return of Grant Funds by the Student</b> Reduce an lesser amount the student must return the unearned grant funds for which he or she is responsible (Box U). The grant funds returned by the student are applied to the following sources in the order indicated, up to the total amount disbursed from the grant program minus any grant funds the school is responsible for returning to this program in Step 6. Note that the student is not responsible for returning funds to any program to which the student owes \$0.00 or less. <b>Title IV Grant Programs</b> 1. Pell Grant 2. Academic Competitiveness Grant 3. National SMART Grant 4. FSEOG 5. TEACH Grant			

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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.**