

Return of Title IV Funds

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Coordinator-Return of Title IV Funds

Return of Title IV Funds (R2T4) Calculation

- 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?

What is Title IV Aid?

Loans:

- Federal Direct Loans
 - Unsubsidized
 - Subsidized
- Perkins Loans
- PLUS Loans
 - Grad
 - Parent

Grants:

- PELL
- FSEOG
- IASG
- TEACH

Other: Federal Work-Study (not returned)



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 of course attendance.
- When a student withdraws from all Title IV aid eligible courses within a semester, the student and NSU are responsible for returning any "unearned" aid.
- For example, if a student attends 32 calendar 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.**



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

R2T4 Calculation 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- have completely withdrawn/dropped from the semester
- have unofficially withdrawn (unearned F grade or other non-passing grade)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
- have 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Completely Withdrawn or Dropped from the Semester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
- The credit created from the drop will be applied toward the return of funds to the Department of Education
 - Any PELL, FSEOG, or TEACH disbursements will be reversed
 - Federal loan funds not disbursed to student will be returned
- R2T4 calculation is not required.



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 with attendance
 - Attendance is implied, and a calculation is required.

Information Needed for Calculation

- Semester dates
- Withdrawal date/drop date/LDA (last date of attendance) 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 courses
- 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 Include

- 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			
Monetary amounts should be in dollars and cents (rounded to the nearest penny). When calculating percentages, round to three decimal places. (For example, 4.489 = .449, or 44.9%)			
STEP 1: Student's Title IV Aid Information			
Title IV Grant Programs 1. FSEOG 2. Academic Competitiveness Grant 3. National SMART Grant 4. FSEOG 5. TEACH Grant		Title IV Loan Programs 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. \$2,832.00		Amount that Could Have Been Disbursed C. \$0.00	
STEP 2: Percentage of Title IV Aid Earned Start date: 05/13/2013 Scheduled end date: 08/18/2013 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. 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% x \$5,555.00 = 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 = J.			

Student's Name		Social Security Number	
MIAMI HEAT		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 = K. \$3,516.31			
STEP 5: Amount of Unearned Title IV Aid Due from the School			
L. Institutional charges for the period Total Institutional Charges (Add all the charges together) M. Percentage of unearned Title IV aid 100% - 36.7% = M. 63.3%		Subject Tuition Books Fees Other	
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 x 63.3% = 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. O. \$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 Loan Programs 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) Total loans the school must return P. \$2,723.00			
Title IV Grant Programs 1. FSEOG 2. Academic Competitiveness Grant 3. National SMART Grant 4. FSEOG 5. TEACH Grant Total grant funds the school must return Q. \$793.31			
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 Q). \$3,516.31 - \$793.31 = R. \$2,723.00			
STEP 8: Repayment of the Student's loans			
From the net loans disbursed to the student (Box R) 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 either of loan funds the student has earned, or unearned loan funds that the school is not responsible for repaying, or both; and they are repaid to the loan holder(s) according to the terms of the borrower's promissory note. \$2,723.00 - \$2,723.00 = R.			
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). \$793.31 - \$0.00 = S. \$793.31			
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%. \$5,555.00 x 50% = T. \$2,777.50			
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). \$793.31 - \$2,777.50 = U.			
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. FSEOG 2. Academic Competitiveness Grant 3. National SMART Grant 4. FSEOG 5. TEACH Grant			

- 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: **123-45-6789**

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, .4456 = .446, or 44.6%)

STEP 1: Student's Title IV Aid Information

Title IV Grant Programs	Amount Disbursed	Amount the Student Could Have Been Disbursed
1. Pell Grant		
2. Academic Competency Grant		
3. Academic Persistence Grant		
4. Federal Direct Loan		
5. TEACH Grant		
A.	\$0.00	C. \$0.00

Title IV Loan Programs	Amount Disbursed	Amount the Student Could Have Been Disbursed
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)		
B. \$6,765.00	D. \$0.00	E. \$6,765.00

STEP 2: Percentage of Title IV Aid Earned

Start date: **05/13/2013** Scheduled end date: **06/15/2013** Date of withdrawal: **06/20/2013**

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: **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 E).

36.7 % x **\$6,765.00** = **I. \$2,482.76**

STEP 4: Title IV Aid to be Disbursed or Returned

If the amount in Box I is greater than the amount in Box K, go to Post-withdrawal disbursement (Box J).
If the amount in Box I is less than the amount in Box K, go to Title IV aid to be returned (Box K).
If the amount in Box I and Box K 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 C). This is the amount of the post-withdrawal disbursement.
Step here, and enter the amount in Box 1 on Page 3 (Post-withdrawal disbursement tracking sheet).

\$2,482.76 - **\$0.00** = **J. \$2,482.76**

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 C) 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.

\$0.00 - **\$2,482.76** = **K. \$2,482.76**

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

L. Institutional charges for the period

	Amount
Tuition	\$2,054.30
Books	\$4.00
Room	\$0.00
Food	\$0.00
Other	\$0.00
Total Institutional Charges	L. \$2,054.30

M. Percentage of unearned Title IV aid
100% - **36.7 %** = **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).

\$2,054.30 x **63.3 %** = **N. \$1,300.37**

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.

\$1,300.37

STEP 6: Return of Funds by the School

This 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	Amount to be Returned to Source
1. Unsubsidized FFEL (Direct Stafford Loan)	\$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	P. \$1,300.37

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).

\$2,482.76 - **\$1,300.37** = **Q. \$1,182.39**

STEP 8: Repayment of the Student's Loans

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 either of loan funds the student has earned, 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.

\$1,182.39 - **\$1,300.37** = **R. \$1,182.39**

STEP 9: Grant Funds to be Returned

S. Initial amount of Title IV grants for student to return
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).

\$1,182.39 - **\$1,182.39** = **S. \$0.00**

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 E) by 50%.

\$6,765.00 x **50%** = **T. \$3,382.50**

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).

\$0.00 - **\$3,382.50** = **U. \$3,382.50**

STEP 10: Return of Grant Funds by the Student

Student will return 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 this 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.

Title IV Grant Programs	Amount to Return
1. Pell Grant	
2. Academic Competency Grant	
3. Academic Persistence Grant	
4. Federal Direct Loan	
5. TEACH Grant	
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)	

- 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 “Student Returns” portion of the calculation, the student must pay the balance to the school, sign repayment agreement within 45 days, or lose eligibility for additional Title IV funds.



Summary

- R2T4 is done if:
 1. Student drops/withdraws from all Title IV courses within the semester
 2. Student has unearned failed grade/s (unofficially withdraws)
- R2T4 calculation is based on:
 1. Number of days attended vs. not attended
 2. Days attended is divided by calendar days in the semester
 3. If percentage is more than 60%, student has earned all of Title IV funds received



The background of the slide features a light blue, semi-transparent image of architectural blueprints and several rolled-up documents. The blueprints show various geometric shapes, lines, and technical drawings. The rolled-up documents have labels, including one that reads '88-9-88' and another with 'A21'.

We're not building
a future for a few
years, we're
building for a
lifetime.

