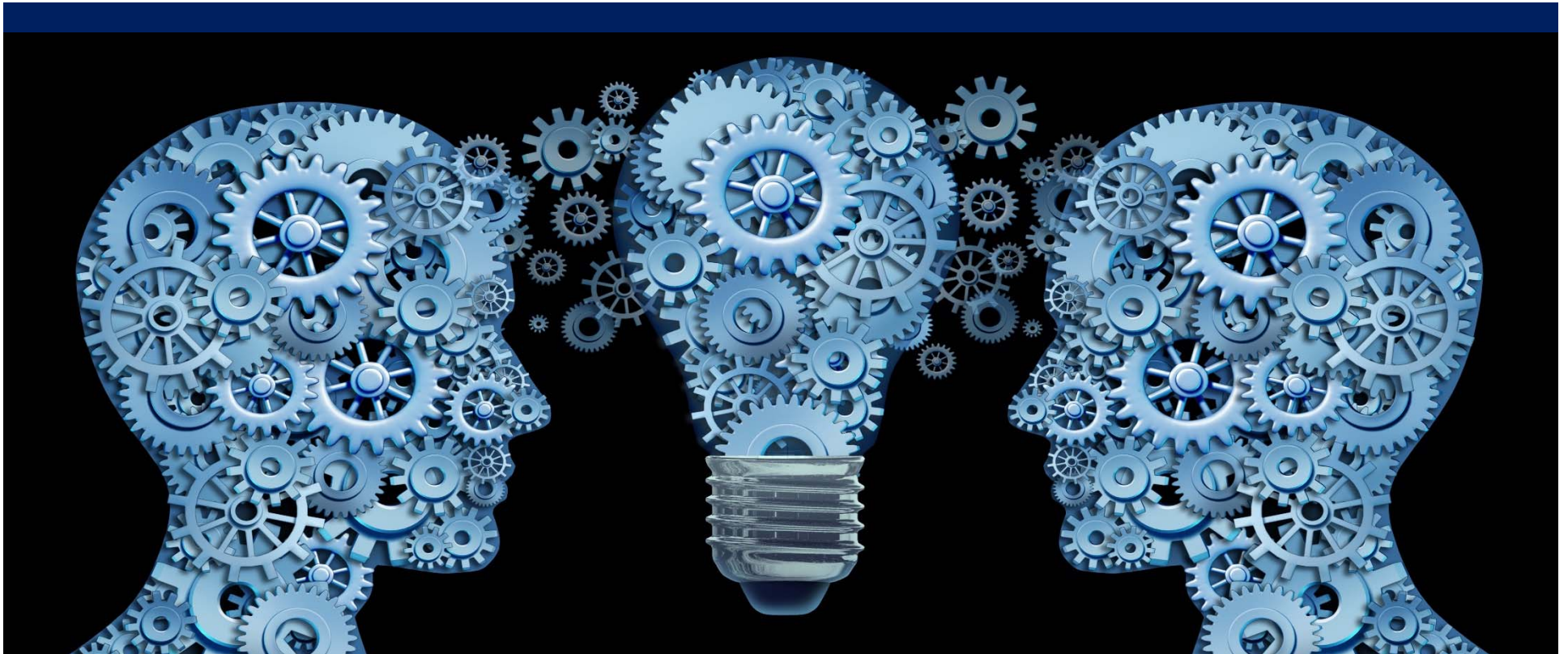


# Return of Title IV Funds

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# Objective

Upon completion of this presentation, you will know:

- An inside view of the impacts of drops, withdrawals, or non-passing grades on a student's federal financial aid
- The effect of drops and withdrawals for students registered for multiple Parts-of-Term (PoT)



# Return of Title IV Funds (R2T4)



Dropping, withdrawing,  
unofficially withdrawing  
affects a student's financial aid.

# What is Title IV Aid?

## Loans:

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

## Grants:

- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Iraq and Afghanistan Service Grant (IASG)
- Teacher Education Assistance for College and Higher Education (TEACH) Grant Program

Other Aid: 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.



# Return of Title IV Funds (R2T4) Calculation

- 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%** 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- Have completely withdrawn/dropped from the semester
- Have unofficially withdrawn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 (PoT)
  - Confirmation of Future Attendance Process





# Completely Withdrawn or Dropped from the Semester

## **If drops are all drop-deleted “DD”**

- Implies no attendance
- The credit created from the drop will be applied toward the return of funds to the Department of Education (ED)
  - 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 (PoT)

- 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 (PoT).
- 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 (PoT).



# 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



# Definition of Attendance

- 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





# Academically-Related Activities Include

- 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



# Example of a R2T4 Calculation

Samuel Shark is a graduate student at the Abraham S. Fischler College of Education. His term begins on August 21 and ends December 10.

On November 21 Samuel accepts a full-time job and drops his classes.

**Samuel's institutional costs consist of the following:**

Tuition	\$5,730.
Fees	<u>\$ 480.</u>
Total	\$6,210.

**His financial aid package consists of the following:**

Disbursed Federal Direct Unsubsidized Loan	<u>\$10,141.</u>
Total	\$10,141.

Based on Samuel's attendance (83% of the term), Samuel has "earned" all of his financial aid for the term and will not have to return any funds.

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



# 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)



# Summary

- 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



# Innovation Quote



“It always seems  
impossible until  
it’s done.”

- Nelson Mandela  
1918-2013

# Contact Information

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