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**BLESSING-RIEMAN**  
*College of Nursing  
& Health Sciences*

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Owner Reta Richmond:  
EXECUTIVE  
ASSISTANT-  
BRCN  
Area Student  
Development  
Committee

## Return of Title IV (R2T4) Funds

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### Purpose:

To explain how a withdrawal affects a student's Title IV funds.

### Policy:

For each student who withdraws from Blessing-Rieman College of Nursing and Health Sciences (the College), a Return of Title IV (R2T4) calculation must be completed for the return of Title IV funds awarded for that term.

### Procedure:

#### ***How a Withdrawal Affects Financial Aid***

Pell Grant, Federal Supplemental Educational Opportunity Grant, Unsubsidized Stafford Loans, Subsidized Stafford Loans, and Parent PLUS Loans (Title IV federal aid) are awarded under the assumption that a student will remain in classroom attendance for the entire term for which the funds were awarded. A student may find it necessary to withdraw from all courses during a term. This policy applies to all students who begin attendance but do not complete any courses during a term and receive Title IV Federal Student Aid funds.

When a student withdraws from courses for any reason, he or she may no longer be eligible for the full amount of Title IV funds that he or she was originally scheduled to receive. Students who receive federal aid and do not complete their courses during a term may be responsible for repaying a portion of the aid they received.

## ***Unofficial Withdrawals***

Title IV aid recipients who fail to withdraw but stop attending courses are considered unofficial withdrawals. The College must calculate the earned amount based on the last day of attendance of the term. If the student stopped attending prior to the 60% mark of the term, the student is billed for the outstanding charges as a result of the R2T4 calculation. Unofficial withdrawals are processed within 30 days of determining the student was an unofficial withdrawal.

## ***Withdrawals and Institutional Refunds***

Based upon the withdrawal date, students may receive a full or partial refund of their tuition and fees. The College's Institutional Refunds Policy is separate from considerations relating to the Return of Title IV (R2T4) Funds Policy, and either policy may result in a student owing a debt to the College.

## ***Determining Aid Earned***

The College, the student, or both may be required to return some or all of the federal funds awarded for that semester if the student withdraws. The federal government requires a return of Title IV federal aid received if the student withdrew on or before completing 60% of the term. Federal funds, for the purposes of this federal regulation, include Pell Grant, Federal Supplemental Educational Opportunity Grant, Unsubsidized Stafford Loans, Subsidized Stafford Loans, and Parent PLUS Loans. The formula used in the R2T4 calculation divides the aid received into earned aid and unearned aid.

A student earns financial aid in proportion to the time he or she is enrolled up to the 60% mark. The percentage of Title IV federal aid to be returned (unearned aid) is equal to the number of calendar days remaining in the term when the withdrawal takes place divided by the total number of calendar days in the term. If a student was enrolled for 20% of the term before completely withdrawing, 80% of Title IV federal aid must be returned to the aid programs.

The percent earned is equal to the number of calendar days completed up to the withdrawal (officially or unofficially) date divided by the total number of calendar days in the term/payment period. Breaks of 5 days or longer are not included in the count of total days in the payment period.

- Earned Percent = Number of Days Completed ÷ Total Days in Payment Period
- Unearned Percent = 100% - Earned Percent

As a result of a withdrawal, students who received federal funds are required to repay unearned aid. The repayment calculation is performed utilizing the federal government's repayment worksheet. The worksheet is available on the Information for Financial Aid Professionals (IFAP) website.

For a student who withdraws after the 60% mark, there is no unearned aid. However, the Financial Aid Office must still complete the R2T4 calculation in order to determine whether the student is eligible for a post-withdrawal disbursement.

The Financial Aid Office recalculates the Federal Pell Grant and campus-based aid when a student does not begin attendance in all courses scheduled in the payment period (for example, second eight-week

course). The recalculated amounts are used in the R2T4 calculation.

In compliance with federal regulations, the Financial Aid Office performs the R2T4 calculation within 30 days of the student's withdrawal, and funds are returned to the appropriate federal aid program within 45 days of the withdrawal date. An evaluation is completed to determine if aid was eligible to be disbursed but had not been disbursed as of the withdrawal date. If the student meets the federal criteria for a post-withdrawal disbursement, the student is notified of his or her eligibility within 30 days of determining the student's date of withdrawal. If the eligibility is for a grant disbursement, the funds are disbursed within 45 days of determining the student's date of withdrawal. If the eligibility is for a loan, the student is notified in the same time frame, but he or she must also reply to the Financial Aid Office if he or she wishes to accept the post-withdrawal loan obligation. A post-withdrawal disbursement of any funds are first used toward any outstanding charges before any funds are returned to the student. If after the Return to Title IV funds and the institutional refund calculations are applied to the student's account and a credit balance results, the credit balance will be disbursed as soon as possible but no later than 14 days after the date of the Return to Title IV calculation is performed.

#### Order of Return to Federal Aid Programs

In accordance with federal regulations, unearned aid is returned to the federal programs in the following order:

- Federal Direct Loans: Unsubsidized, then Subsidized
- Federal Direct Parent Loans
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant

## ***Student Notification of Repayment***

The student and the College are both responsible for returning unearned federal financial aid to the federal government. The College returns funds on the student's behalf to the appropriate federal programs and subsequently bills the student for any balances owed back to the College as a result of the R2T4 calculation. The student is responsible for any outstanding balance.

If a student never begins attendance, the College returns all disbursed aid to the respective aid programs.

The student is notified by either email or mail after the R2T4 calculation is finalized.

## ***Information Regarding Loan Repayment***

The loan grace period begins on the withdrawal date from the College or when a student ceases to be enrolled on at least a half-time basis. If the student does not re-enroll as a half-time student within 6 months of withdrawal or is enrolled less than half-time, the loans enter repayment. The student should contact the loan servicer or the Department of Education to make repayment arrangements. The promissory note signed by the borrower outlines repayment obligations. The student should contact the loan servicer or the Department of Education with any questions.

# Consequences of Non-Repayment

Students who owe the Department of Education for an overpayment of Title IV federal aid funds are not eligible for any additional federal aid until the overpayment is paid in full or payment arrangements are made with the Department of Education.

A hold is placed on a student's account if he or she owes the College as a result of the R2T4 calculation. He or she is not allowed to register for subsequent terms or receive academic transcripts until the balance is paid.

*This policy is subject to revision without notice based on changes to federal laws and regulations or College policies. If changes are made, the student is held to the most current policy. This statement is intended to provide an overview of policies and procedures related to a complicated and very encompassing regulation.*

## Approval Signatures

Step Description	Approver	Date
Approval by Student Development Committee	Andrew Griesbaum: STUDENT SERVICE OFFICER-BRCN	Pending