RETURN OF TITLE IV FUNDS
STUDENT FINANCIAL AID & SCHOLARSHIPS
POLICIES AND PROCEDURES

PURPOSE

- When a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV assistance earned by the student as of the student’s withdrawal date.
- If the total amount of Title IV assistance earned by the student is less than the amount that was disbursed to the student or on his or her behalf as of the date of the institution’s determination that the student withdrew, the difference must be returned to the Title IV programs and no additional disbursements may be made to the student for the payment period or period of enrollment.
- If the amount the student earned is more than the amount disbursed, the difference between the amounts must be treated as a post-withdrawal disbursement.

POLICY

- A student begins earning Title IV funds on the first date of attendance.
- The withdrawal process is initiated with the Office of Registrar.
- Scheduled breaks of at least five (5) consecutive days are excluded from the total number of calendar days in a payment period or period of enrollment and the number of calendar days completed in that period.
  - Where classes end on a Friday and do not resume until Monday following a one-week break, both weekends (four days) and the five weekdays would be excluded from the return calculation.
    - The first Saturday, the day after the last class, is the first day of the break.
    - The following Sunday, the day before classes resume, is the last day of the break.
- Institutional charges are used in calculating the amount for the institution and the student to each return.
  - “Institutional charges” are tuition, fees, room and board (if the student contracts with the institution for the room and board) and other educationally-related expenses assessed by the institution.
    - Room and board will include IT fee of $25.
  - If a student drops a course(s) prior to census and receives a 100% refund for the course(s), institutional charges will be calculated as of the date the course(s) were dropped.
- Returns of Title IV funds are required to be deposited or transferred into the student financial aid account or electronic fund transfer must be initiated to the U.S. Department of Education as soon as possible, but no later than 45 days after the date the institution determines that the student withdrew.
- With regards to modules/May-mesters/summer terms, schools must reverse R2T4 calculation and treat student as not withdrawn if student plans to attend another module in 45 days.
The amount of earned Title IV grant or loan assistance is calculated by determining the percentage of Title IV grant or loan assistance that the student has earned and applying that percentage to the total amount of Title IV grant or loan assistance that was or could have been disbursed to the student for the payment period or period of enrollment as of the student’s withdrawal date.

- A student earns 100 percent if his or her withdrawal date is after the completion of 60 percent of the payment period.
- The unearned amount of Title IV assistance to be returned is calculated by subtracting the amount of Title IV assistance the student earned from the amount of Title IV assistance that was disbursed to the student as of the date of the institution’s determination that the student withdrew.

Unearned funds are returned in the following order:

- Unsubsidized Federal Direct Stafford loans
- Subsidized Federal Direct Stafford loans.
- Federal Perkins loans.
- Federal Direct PLUS received on behalf of the student.
- Remaining Funds
  - If unearned funds remain to be returned after repayment of all outstanding loan amounts, return of funds is required in the following order:
    - Federal Pell Grants
    - FSEOG Program aid
    - TEACH Grants
    - Iraq & Afghanistan Service Grants

An institution must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the earlier of the payment period or period of enrollment – last date of finals.

Please see procedure for All F Notifications (Last Date of Academically Related Activity) for students who receive All Fs during a given term.

Please see procedure for Less Than Half-Time Enrollment for students who withdrawal below half time.

Texas Tech University is not required to take attendance. Therefore, the student’s last date of school-documented attendance at an academically related activity may be used as the student’s withdrawal date.

- For students who never attended and do not provide school-documented attendance at an academically related event, the student is treated as never attended and 100% of all funds are returned.

Students who are eligible to receive Title IV aid but who did not receive their aid prior to making a complete withdrawal, may be eligible to receive a disbursement of financial aid funds, even though they have withdrawn. This is referred to as a "post-withdrawal disbursement."

- To be eligible to receive a post-withdrawal disbursement, students must have a complete financial aid file in the Financial Aid Office and meet all eligibility
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requirements. Students who are eligible to receive a post-withdrawal disbursement will be notified in writing by the Financial Aid Office and will have 14 days to respond to the notice.

- If the total amount of the Title IV grant and/or loan assistance earned as of the withdrawal date is more than the amount that was disbursed to the student, the difference between the two amounts will be treated as a post-withdrawal disbursement. In the event that there are outstanding charges on the student's account, the student’s account will be credited for all or part of the amount of the post-withdrawal disbursement of grant assistance (not loan), up to the amount of the allowable charges.

- Any amount of a post-withdrawal disbursement that is not credited to a student’s account will be offered to the student within 30 days of the date that the institution determined that the student withdrew. Upon receipt of a timely response from the student, the University will disburse the funds within 30 days of the date of determination of the student’s withdrawal date.

- The institution maintains the right to decide whether or not to make a post-withdrawal disbursement in the event that the student responds after 14 days of the date that the notification was sent. If the University decides not to make this post-withdrawal disbursement, it will inform the student in writing.

- If the total amount of Title IV grant and/or loan assistance that was earned as of the withdrawal date is less than the amount that was disbursed to the student, the difference between the two amounts will be returned to the Title IV program(s) and no further disbursements will be made.

- Refunds of grant monies will be sent within 45-days and loan monies will be disbursed within 180 days of the date that the institution determined that the student withdrew. Loan funds will be applied towards the outstanding semester charges on the student’s account and may pay up to the amount of the allowable charges with any remainder paid directly to the student (or parent).

- A student must sign the promissory note for a loan to be included as aid that could have been disbursed in a return calculation.

- Administration of Return of Title IV Funds will be internally monitored for compliance on a monthly basis, or as necessary, in conjunction with less than half-time enrollment, back-dated withdrawals, and unofficial withdrawals. A quality assurance check will be administered for 100% of R2T4 population.
**PROCEDURE**

- Student Financial Aid and Scholarships can receive information that a student has withdrawn from several sources:
  - Student contacts the office requesting the withdrawal for a specific term.
  - A university office (Registrar, SBS, Academic Dean, etc) notifies the FA Office that the student has requested a withdrawal for a specific term.
  - The Office of Student Financial Aid is notified a student has withdrawn via the Withdrawal Report from the Office of the Registrar.
  - The Office of Student Financial Aid is notified a student has potentially withdrawn via the All “F” report.

- Prior to the beginning of each term, the Financial Aid Staff Member in charge of R2T4 will set the term dates on the CPS Online R2T4 calculation calendar. The dates used in the R2T4 calculation will be determined by referencing the Calendar screen in Banner.
  - Staff assigned withdrawal responsibilities will set up calendars for each enrollment period of the academic year.
    - Fall, Spring, Summer I, Summer II, and Full Summer for Long Term Enrollment for the Undergrad/Grad calendar
    - Fall, Spring, Summer I, Summer II, and Full Summer for Long Term for the Law calendar
  - Any scheduled breaks of five (5) or more days during a respective term must be entered on the term calendar in the R2T4 software
  - In determining the 60% dates, the last date of attendance for the term must be at least 60%. Always round the partial day up to the next date.
  
  **Example:**
  - 101 days in the term. 101*.60 = 60.5 is the 60% date. Student would have had to attend at least 61 days to be past the 60% point of the term.

- Regardless of the effective date of withdrawal (before or after the 60% attendance date), a R2T4 calculation must be completed on each student.

- If a student withdrawals during a term, all aid for upcoming terms in the aid period is cancelled. The student will have to reaccept awards if they return.

- If a student withdrawals during a term, an exit counseling hold is placed on the student’s account – WOAHOLD – RRAAREQ - TEXTDL.

- The items to be included in the Institutional Charges for the period of enrollment are:
  - Actual tuition and fees for the term the R2T4 is being calculated using a COGNOS Report from Accounts Receivable “A024” to determine original charges on the date of final enrollment that all federal financial aid has disbursed.
    - Tuition and fee charges (based on official enrollment for term and hours of enrollment that aid was disbursed) include:
      - Tuition
      - Mandatory Fees
      - Course Fees
      - Special instruction Fees
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- Do not include any other fees (i.e. SHS Physician Fees, Parking Permits, Library Fines, Red Raider Club, etc.)
- If the student receives a waiver for part or all of the fees in the respective term, the tuition and fee charges would be before any waivers.

NOTE: If a student dropped hours and received a partial refund (100% or pro-rated) on any hours before the official withdrawal date, we will still calculate tuition and fee charges as of the date aid was disbursed and not at the time of withdrawal.

  - If the student resides on campus, the actual Residence, Meal and Tax charges assessed by Residence Life should be included in Institutional Charges

Enrollment Reporting for Official Withdrawals During Scheduled Breaks of Five Days or More
(Spring Break, Thanksgiving Break)
FY 2014 Statewide Single Audit – Federal Compliance A-133

Policy and Procedure Moving Forward Effective Fall 2014:

- For the official withdrawals which occur ONLY during a scheduled break:
  - The day prior to the break is the withdrawal date.
  - Registrar’s Office will update NSC (Clearinghouse) with the date prior to the break (this is the date as used on the R2T4 worksheet).
    - We need to monitor this to ensure the date on SFAWDRL does not replace the date reported per federal regulations.
- Official withdrawal reporting during scheduled breaks will be monitored on NSLDS by Associate Director Administrative Maintenance and Compliance.
  - Aid Handbook, Volume 5, Chapter 2