

UNIVERSITY OF STAFFORDSHIRE RETURN OF TITLE IV FUNDS (R2T4) POLICY

This policy specifies how University of Staffordshire will determine the amount of U.S. Higher Education Act Title IV programme assistance (Direct and PLUS Loans) that students earn if they withdraw from the University and the withdrawal process. The University of Staffordshire Registry Federal Loans team is responsible for calculating Return of Title IV Funds (R2T4) and the Financial Services team is responsible for the actual transfer of the resulting funds. Registry Federal Loans team uses worksheets and software provided by the US Department of Education to calculate the R2T4 funds. All funds will be returned to the U.S. Department of Education within 45 days of the date of when University of Staffordshire determines that a student withdrew. If a student has queries regarding their Title IV programme funds, they can call the US Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on *Student Aid on the Web* at www.studentaid.ed.gov.

When student withdraws during a payment period, the amount of Title IV programme assistance that has been earned up to that point is determined by a specific formula. The date of withdrawal is the earlier of the date the student notified the University of their intent to withdraw or the date the student submitted their request via the E-Vision Portal (insert Link). If the student received (or the University received on the student's behalf) less assistance than the amount that was earned, then the student may be able to receive those additional funds. If the student received more assistance than was earned, the excess funds must be returned by the University and/or the student.

Staffordshire University operates an attendance monitoring system that runs over the course of the year, ensuring that students are compliant with the regular attendance requirements, including those of a student visa. Students who are not in attendance are reported to International Student Support team and the appropriate Course Leader and Associate Dean - is notified of the student's lack of attendance. International Student Support will consult with the student to determine if the student never attended classes or will verify the last date of attendance. In the absence of an official withdrawal document, the University will use the last date of attendance to compute the R2T4 formula.

In the case where a student notifies the University that he or she intends to withdraw, the student will be instructed to confirm their intent via the student E-vision portal (insert link). The member of staff advising the student is required to document the date the student notified them that they wished to withdraw and forward the relevant documentation to the appropriate Course Administrator with a copy to International Student Support. Should the student fail to file the Withdrawal Form or if there is a lag between the notification and the completion of the online form, then the earlier date of notification will be used in calculating the R2T4 formula.

In the event a student receives all failing grades for a semester, the Chair of the University Award Board will consult with the appropriate Award Leaders and, if necessary, other academic staff, to determine if the failed grades were earned or represent a lack of attendance. If it is determined that resulting grades are the result of lack of attendance, the Student Administration Services will attempt to determine the last day of attendance and this is the date that will be used in the R2T4 calculations. If we are unable to determine the exact date of withdrawal, the student will be considered withdrawn at the midpoint of the applicable payment period.

Our policy does not allow retrospective breaks in studies and withdrawals to be permitted, except where exceptional circumstances apply.

Students who do not attend any classes are ineligible for Title IV funds, and all of the loan proceeds will be returned to the lender.

The amount of assistance earned is determined on a pro rata basis. The percentage is calculated based on days completed, divided by days in a payment period, (not including leaves of absence less than five days). The payment period is the term for which the loan was certified, and the percentage attendance is calculated by dividing the number of days attended by the total number of days in the payment period. For example, if the student completes 30% of the payment period or term of enrolment, the student has earned 30% of the assistance they were originally scheduled to receive.

Once the student has completed more than 60% of the payment period or term of enrolment, all the assistance that the student was scheduled to receive for that period is considered to have been earned.

If the student did not receive all the funds that were earned, they may be due a post-withdrawal disbursement. The University will notify the student, within 30 days of the date that it has been determined the student has withdrawn, of the amount of a post-withdrawal disbursement for which the student is eligible. The student may choose to accept or decline some or all of the loan funds. Any post-withdrawal loan funds that are disbursed will have to be repaid by the student. Registry Federal Loans Team will use the R2T4 worksheets, provided by the US Department of Education, to determine how much of the loan may be retained and how much must be returned.

University of Staffordshire may automatically use all or a portion of the post-withdrawal disbursement (including loan funds, if the student accepts them) to cover outstanding tuition fees and accommodation charges (to the extent they are contracted with the University). For other charges, the University needs the student's permission to use the post-withdrawal disbursement.

The student will be required to inform the University whether they wish to accept some or all of the available post-withdrawal loan funds within 30 days of being contacted by the University. The University may honour a late response, but will not honour a response that is more than 180 days late. The University will only disburse post-withdrawal funds upon documented confirmation by the borrower. Any repayment by the University will be no later than 180 days after the date of determination.

There are some Title IV funds that students are scheduled to receive but which cannot be *earned* once a student withdraws because of other eligibility requirements. For example, in certain circumstances, if a first-time, first-year undergraduate student has not completed the first 30 days of their programme before withdrawal, the student will not earn any Title IV funds that they would have otherwise received.

If the student (or the University receives on behalf of the student) receives excess Title IV programme funds that must be returned, the University will return a portion of the excess equal to the lesser of one of:

1. The institutional charges multiplied by the unearned percentage of the funds.
2. The entire amount of excess funds.

The University will return the determined amount even if it did not keep this amount of the Title IV programme funds. If the University is not required to return all of the excess funds, then the student must return the remaining amount. For any loan funds that must be returned, the student must arrange repayment in accordance with the terms of the promissory note - that is, scheduled payments are made to the holder of the loan over a period of time. Students who have received a refund of their loan proceeds before withdrawing may be required to return part or all of those funds to the lender.

Title IV funds will be returned in the following order:

1. Unsubsidized Federal Stafford loans
2. Subsidized Federal Stafford loans
3. PLUS Loans

The requirements for Title IV programme funds when students withdraw are separate from any refund policy that the University has. Therefore, in the event of withdrawal, the student may still owe funds to the University to cover unpaid institutional charges. The University may also attempt to collect from the student any Title IV programme funds that the University was required to return. Further information can be found at [Refund and Compensation Policy - Current students - University of Staffordshire \(staffs.ac.uk\)](https://staffs.ac.uk/staffs/finance/financial-aid/Title-IV-programme-funds-when-students-withdraw)

Leaves of Absence (LOA) and Withdrawals Leaves of Absence (LOA)

A Leave of Absence is a temporary interruption in a student's programme of study. In the context of Title IV funds, an LOA refers to the specific time period during a programme when a student is not in attendance and will return to complete the programme.

This is different from the general university policy regarding taking a break in studies- which can be found here: [Taking a break in studies - Current students - University of Staffordshire \(staffs.ac.uk\)](https://staffs.ac.uk/staffs.ac.uk)

Unapproved Leaves of Absence

University of Staffordshire may grant a student an LOA that does not meet the conditions to be an approved LOA for Title IV purposes (for example, for academic reasons). However, any LOA that does not meet all of the conditions for an approved LOA is considered a withdrawal for Title IV purposes

Student initiated Withdrawal

For Title IV purposes, a “withdrawal” refers to a student’s intent to completely terminate studies at the University with no expectation of return. Students who subsequently decide to return to their studies must re-apply for admission through the University’s International Office.

Deferral/LOA and Withdrawal Request Forms

The forms required by the University to request an LOA or Withdrawal are available from the University Student Hub and can also be completed by the Student via the student portal.

Approved LOA’s

An LOA must meet certain conditions to be counted as a temporary interruption in a student’s education instead of being counted as a withdrawal requiring the University to perform a Return Calculation. If a Deferral or LOA does not meet the conditions in that the student is considered to have ceased attendance and to have withdrawn from the University, then the University will perform a Return Calculation.

In order for an LOA to qualify as an approved LOA:

1. All requests for LOAs must be submitted on the LOA online Form to International Student Support and must include the reason for the student’s request. The form must specify the date the student wants the LOA to begin and end. The maximum period of LOA granted will be no more than 180 days in a twelve-month period and the student must return to the same point in the curriculum that they left off. LOA’s will be granted on a case by case basis.
2. Students must apply in advance for an LOA, unless unforeseen circumstances prevent the student from doing so, with the LOA being subject to approval.

3. The situation described as the reason for the LOA will be generally non-academic in nature, and it must be one that leads to a reasonable expectation that the student will return from the LOA within the allowed time frame specified to complete the overall award on which they have enrolled.

4. The LOA, together with any additional leaves of absence, must not exceed 180 days in a twelve-month period.

All requests for LOA's will be reviewed by International Student Support and the appropriate Course Leader or designated deputy. The student will be notified in writing by International Student Support of the University's decision.

During the LOA, the University will not assess the student any additional institutional charges, meaning that the student's financial needs will not increase, and therefore, the student will not be eligible for any additional disbursements of Federal Student Aid.

If the student is a Stafford Loan recipient, the University will explain to the student, prior to granting the LOA, the effects that the student's failure to return from an LOA may have on the student's loan repayment terms, including the expiration of the student's grace period.

A student granted an LOA that meets the criteria stated above is not considered to have withdrawn, and no Return Calculation is required. Upon the student's return from the leave, he or she will continue to earn the Federal Student Aid previously awarded for the period.

Completion of coursework upon return

In as much as approved LOAs are viewed as temporary interruptions in a student's attendance, and since the academic programmes at the University are considered as term-based programmes where the payment period is the term, a student returning from an LOA must do so at a time when he or she can complete the term in order to complete the payment period and be eligible to receive a second or subsequent disbursement. Therefore, for students enrolled on term based programmes, the University will allow a student returning from an LOA to complete the coursework that he or she began prior to the LOA.

Students who return earlier than anticipated

Staffordshire may permit a student holding an agreed LOA to recommence classes before the expiration of the student's LOA in order to review material previously covered. However, until the student has resumed the academic programme at the point where he or she began the LOA period, the student is considered to still be on approved LOA. The days the student spends in class before the course reaches the point at which the student began his or her LOA must be counted as part of part of the leave (which is a maximum of 180 days in the one-year) granted for an approved leave of absence. A student repeating coursework while on an LOA must reach the point at which he or she interrupted within 12 months of the start of the student's LOA.

Students who fail to return from LOA's

If a student does not return to the University at the expiration of an approved LOA (or a student takes an unapproved LOA), the student's withdrawal date is determined as the date that the student began the LOA.

Explanation of consequences of withdrawal to loan recipients

A student who is granted an approved LOA is considered to remain an enrolled University student for Title IV loan repayment purposes. If a student on an approved Deferral or LOA fails to return, then the University will report that student to the US Department of Education giving the student's change in enrolment status as the withdrawal date. One possible consequence of not returning from an LOA is that a student's grace period for a Title IV programme loan might be exhausted. Therefore, in order for an LOA to be an approved LOA, prior to granting a leave of absence, the University will inform a student who is a Title IV loan recipient of the possible consequences that a withdrawal may have on the student's loan repayment terms, including the exhaustion of the student's grace period.

Unapproved LOA's

Staffordshire may grant a student an LOA that does not meet the conditions to be an approved LOA for Title IV purposes (as for example, for academic reasons). However, any LOA that does not meet all of the conditions for an approved LOA is considered a withdrawal for Title IV purposes. The student's withdrawal date is the date the student begins the LOA. An unapproved LOA is treated as an official withdrawal with the University using the specified withdrawal date in the Return Calculation.