

UNITED STATES DEPARTMENT OF EDUCATION

RETURN TO TITLE IV (R2T4) REGULATIONS

The law specifies how the University of Victoria must determine the amount of Title IV program assistance (Stafford Loans) that students earn if they withdraw from school. See section on Withdrawals for specific information regarding Leaves of Absence (LOA) and the withdrawal process. Student Awards and

were the result of lack of attendance, the Program Director and faculty will attempt to determine the last day of attendance and use that date in the R2T4 calculations. If the exact date cannot be determined, the University will assume a 50% attendance, and use that date as the last date of attendance. Students who do not attend even one class, 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 payment period is the term for which the loan was certified and the percent of 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 period of enrollment, 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 period of enrollment, 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 of the funds that were earned, he or she may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, the student may choose to decline the loan funds so that additional debt is not incurred. Student Awards and Financial Aid will use the R2T4 worksheets as provided by the US Department of Education to determine how much of the loan may be retained and how much must be returned.

The University of Victoria may automatically use all or a portion of your post-withdrawal disbursement (including loan funds, if the student accepts them) for tuition and fees. For all other school charges, the school needs the student's permission to use the post-withdrawal disbursement. If the student does not give permission (which some schools ask for at the time of enrolment) the student will not be offered the funds. However, it may be in one's best interest to allow the school to keep the funds to reduce the debt at the school.

There are some Title IV funds that students were scheduled to receive that cannot be returned once a student withdraws because of other eligibility requirements. For example, if a first-time, first-year undergraduate student has not completed the first 30 days of the program before withdrawal, the student will not earn any FFEL loan funds that he or she would have received had the student remained enrolled past the 30th day. If the student receives (or the school receives on behalf of the student) excess Title IV program funds that must be returned, the school must return a portion of the excess equal to the lesser of:

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

The school must return this amount even if it didn't keep this amount of the Title IV program funds. If the school is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds that must be returned, the student repay 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

The requirements for Title IV program funds when students withdraw are separate from any refund policy that the school may have. Therefore, the student may still owe funds to the school to cover unpaid institutional charges. The school may also charge for any Title IV program funds that the school was required to return. Student may receive a copy of the refund Policy from the Business Office.

If you have questions about your Title IV program funds, you can call the 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 at www.studentaid.ed.gov.

Leaves of Absence (LOA) and Withdrawals

Definitions:

Approved Leaves of Absence (LOA)

An LOA is a temporary interruption in a student's program of study. LOA refers to the specific time period during a program when a student is not in attendance and will return to complete the program. Students returning from a LOA are not required to re-apply for admission but must re-register for their courses.

Unapproved Leaves of Absence

A school 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

Official Withdrawal

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

Unofficial Withdrawal

An unofficial withdrawal is one where the school has not received notice from the student that the student has ceased or will cease attending the school

Note:

Students who withdraw from courses or the program receive a grade of “W” on their transcript. The grade is considered the same as an “F” grade in calculating the quantitative aspect of the Satisfactory Academic Progress standards and may affect the student’s future eligibility for Financial Aid.

LOA and Withdrawal Request Forms

The form required by Sample University to request a LOA or a Withdrawal is available in the Offices of the Program Director and the University Registrar.

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 a school to perform a Return calculation. If an LOA does not meet the conditions in the student is considered to have ceased attendance and to have withdrawn from the school, and the school is required to perform a Return calculation.

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

1. All requests for LOA’s be submitted in writing to the Program Director and include the reason for the student’s request. The form must be signed and dated by student

All requests for LOA's will be reviewed by the Program Director, the University Registrar and the Director of Financial Aid. The student will be notified in writing by the Program Director of the University's decision.

During the LOA, the institution will not assess the student any additional institutional charges, the student's financial need 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 school 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 continues to earn the Federal Student Aid previously awarded for the period.

Completion of coursework upon return

In as much as approved leaves of absence are viewed as temporary interruptions in a student's attendance, **and since the academic programs at Sample University are considered term-based programs, 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 in credit-hour term programs, in order for an LOA to be an LOA, the school must 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

The school may permit a student to return to class before the expiration of the student's LOA in order to review material previously covered. However, until the student has resumed the academic program at the point where he or she began the LOA, the student is considered to still be on the 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 i**

