

Return of Title IV Funds Policy

General Overview

This policy applies to the following U.S loan programs:

- Federal Student Subsidized Loans
- Federal Student Unsubsidized Loans
- Federal PLUS Loans

Student Withdrawal and fee liability.

Where students no longer wish to continue with their programme of study, they may withdraw from our University. Students considering withdrawal are advised to discuss their circumstances with their Academic Advisor, Student Administrator or Student Liaison Officer as soon as possible.

Information regarding the processes of withdrawal and suspension of studies can be found at:

<http://www.leedsbeckett.ac.uk/-/media/files/public-information/withdrawals-policy-and-procedure-201617-v1-20160919.pdf?la=en>

For full-time undergraduate students with deferred payment of composite fees under the UK Government's student finance scheme, reassessment of fee liability will continue to be undertaken in line with the Student Finance England funding periods. For all other taught students, calculation of fee-liability will be undertaken according to the number of term-time weeks that have elapsed up to the point of withdrawal. Weeks are counted from the

start of the academic year up to the date of withdrawal. Calculations are based on a percentage of 30 weeks except for long courses (taught masters and accelerated learning) where the base is 45 weeks. For courses of 6 months or more in duration, there is no charge for students who withdraw during the first two weeks. For courses of less

than 6 months in duration, there is no charge for students who withdraw during the first week. For postgraduate research students, recalculation of fee liability will be undertaken according to the number of calendar months that have elapsed up to the date of withdrawal.

Once a student has withdrawn an R2T4 calculation is performed. This R2T4 calculation is based upon the number of days the student attended minus any unscheduled leave that is 5 days or more, divided by the total number of days in the payment period.

The Payment of Tuition Fees

We are required to disburse Federal Loans in multiple and equal disbursements in accordance with the structure of the course. For Undergraduate Students, we certify 2 loan disbursements in line with the 2 Semester course structure and Leeds Beckett retains 50% of the Tuition Fee from each disbursement. For Graduate Students and Research Students, we certify three loan disbursements in line with the 3-term course structure and Leeds Beckett retains 33.3% of the Tuition Fee from each disbursement.

Early Withdrawals

Where withdrawal occurs at 60%, it is considered that the disbursement has not been fully earned (60% is 60% earned, if however it is 60.1% then 100% is earned) and a Return of Title IV Funds calculation must be carried out. The University is required to perform an R2T4 calculation for all students who withdraw within a payment period and not just those who have complete 60% or less.

We use the “Treatment of Title IV Funds when a student withdraws from a Credit-Hour Program” document for this purpose and then return funds as required by the calculation.

Attendance monitoring is conducted by the Tier IV Compliance team throughout the Academic year. Any students who are not maintaining their attendance will be referred to the International Office Adviser in order to identify any issues. Failure to engage will impact on a student’s visa status.

Attendance statuses are shown on a student’s University records system which are updated by the University Schools Administrator and will identify the exact date at which the students has completed the withdrawal form and has officially been deemed to have withdrawn.

The withdrawal and return of funds is calculated on a R2T4 form. On the date of the student’ withdraws the term and the disbursement will then be split into earned and unearned periods/values.

Unofficial withdrawals

Where a student has began attendance and then subsequently withdrawn in the middle of a payment period, a determination will be made within 14 days of the student’s non-attendance with regards to if he /she should be withdrawn or not.

A student who is deemed to have unofficially withdrawn is responsible for the return of any unearned aid. Repayment details are required to be in line with the terms laid out on the borrowers Promissory Note.

Credit balances

Where a student withdraws any credit balance refunds must be put on hold until an R2T4 calculation is performed. Under the regulatory timeframe there is a 14 day reset on al credit balances, from when the R2T4 was calculated.

Suspension of studies

The university's policy stipulates that a student cannot suspend their studies for a period of less than 1 month or greater than 12 months, although this can be 'renewed' where the student makes a further application. A student can therefore seek to suspend their studies for any period within these limits and will be required to agree the terms of their suspension and return to study with their course team before the suspension is agreed. Students would ordinarily return at the point at which they left their studies, however this may be subject to negotiation where the practicalities of doing so (such as the timing of required classes etc) make it impossible or where this is likely to result in detriment to the student. In the case of students funded through US Loans, the student and course team will need to ensure that they are fully aware of the implications of any suspension on that funding and this will influence the way in which that suspension is carried out.

In line with Federal Aid guidance students cannot suspend for more than 180 days and should be able to resume academically at the point at which they left, otherwise this is termed unscheduled leave and the student will be withdrawn for the purposes of Title IV.

Administrative withdrawals

In cases where the student fails to re-enroll, the school will take action, through delegated authority from the University Attendance and Engagement Panel, to terminate a student's registration with the university. In such cases, the university will notify the student of the intended action, providing 4 weeks' notice of the termination.

Where the student enrolls, but fails to attend, the school may refer the student to the university Attendance and Engagement Panel and this may ultimately result in the termination of the student's registration with the university. The date of withdrawal would be the date the school / panel took the decision to formally terminate the student's registration in both cases.

Post Withdrawal disbursement.

In cases where the amount of Title IV aid disbursed is less than the Title IV aid earned a post withdrawal disbursement will be made.

Where a PWD has been identified the University will provide written notification within the 30 days of the date withdrawal was confirmed for the student. The type and amount of funds to be credited will be identified to either student/parent.

Following notification a deadline of 14 days for a response has been set after which no disbursement will be made. In the case of a late response the University will use their discretion as to whether the disbursement is honoured.

Disbursements by the University to a student/parent will be made no later than 180 days after the date of determination.

How the earned financial aid is calculated.

Students who are in receipt of Federal Aid must earn this aid by remaining enrolled on their course and be in attend their classes. The amount of federal aid earned by the student is pro-rated. Students who do withdraw or do not complete the registration required for their classes during the semester, may have a requirement to return some of the Federal Aid they have been awarded.

The Percentage earned -The amount of DL funds earned is calculated by the numbers of calendar days completed up to the withdrawal date (which is the last day of attendance) as determined by the University' attendance records. divided by the total number of calendar days within the period (excluding scheduled breaks of five days or more and days that the student was on approved leave).

If the earned percentage is 60.1% or above then there is nothing to be returned (step 1).

Days competed /total days = percentage completed

The Payment period – which for most students will be the entire semester. For some students where courses are not scheduled for the whole semester/term the payment period will be defined as the days that the student is registered on the module.

The percentage unearned – is equal to 100 percent – the percent earned.

Where a student ceases to attend their elected course but transfers to another course in the same payment period they are not considered to have withdrawn and are eligible to receive Title IV funds for which the students were eligible for before ceasing their attendance.

Amount of Title IV earned by the student.

Where the percentage of aid earned is 60% and under, the percentage calculated in step 1 is multiplied by the total Title IV aid disbursed and could have been disbursed for the period to give in USD the amount of Title IV earned by the student.

Total aid disbursed x percentage completed = earned aid.

Amount of Title IV aid to be disbursed or returned

If any aid that has been disbursed is less than the aid earned then a post-withdrawal disbursement will need to be calculated by the University.

Total disbursed aid - earned aid = unearned aid to be returned

The University has a responsibility to return unearned aid, whichever is the lesser amount between the Title IV aid to be returned and the amount of unearned charges.

Example 1 Student leaves after attending only 24 days in the first term of a 2 term academic year.

Payment period

Total number of days: 100

No. of days completed 24

% earned 0.24

Total Title IV Disbursed/ 2000

could have been disbursed



Amount earned		480
Amount unearned	1520	

There is an order for the returns of unearned aid by the University, as follows:

Unsubsidised Direct Loan (up to the total net amount disbursed)

Subsidised Direct Loan (up to the total net amount disbursed).

Graduate Plus Direct Loan (up to the total net amount disbursed).

Parent Plus loan (up to the total net amount disbursed).

Regulations require the University to perform the R2T4 calculation within 30 days from the date the student has completely withdrawn and the Funds need to be returned within 45 days of the calculation.

The US Loans & Money Officer completes the R2T4 calculation process and the institutions Finance Office handles the return of funds through Western Union.

The student has in some cases a responsibility for returning funds where there is a difference between the amounts of Title IV Funds to be returned minus the amount of Funds to be returned by the University.

Student are notified via email/letter should they be required to return any funds to the US government and the R2T4 calculation will be sent to the Third Party servicer (Campus Ivy) for checking. The Funds to be returned are sent to G5 via Western Union who do the conversion from pounds to US dollars. Campus Ivy are responsible for ensuring the return of funds are properly executed.

[University and student's responsibility for returning unearned Federal Funds.](#)

The University and student are both responsible for any return of unearned Federal Aid. The student will be billed for any amount due because of the R2T4 calculation.

The Finance office will notify the student if they owe Federal Funds. Any student/parent who owes funds will be allowed to repay the loan based upon the terms set out on the Master Promissory Note.

Where U.S Department of Education regulations for the return of funds have been satisfied and should there be a balance, remaining after application of our Fee Policy then this will be reimbursed to the Student. This would be applicable to a student who withdraws after the 60.1% point-in-time when it is considered that they have earned 100% of the Title IV funds that they were scheduled to receive during the period.

University and student's responsibility in line with the R2T4 process and policy.

Universities responsibility

- Provide the student with the information set out in this policy.
- Complete an R2T4 calculation for any student who is affected by this policy.
- Inform the student of the result of the R2T4 calculation and a balance that is owed to the University because of the return of funds.
- Return any un-earned funds.
- If applicable notify any student/plus borrower of any eligibility to Post –withdrawal disbursements

Student's responsibility

- Being aware of how any withdrawal will affect their eligibility to Title IV federal aid and that this policy exists.
- Ensure that any outstanding balance owed to the University resulting from a return of unearned funds are met.

Note: The procedures and policies listed are subject to change in line with any changes to Federal Laws, Federal Regulations or University Policies. For more in-depth guidance regarding the R2T4 policies and procedures please refer to The Federal Student Aid Handbook.