

# US Federal Loans

Return of Title IV Federal Aid funds policy (R2T4)

# Contents

US Federal Loans.....	1
Contents.....	2
US Federal Loans .....	3
Official Withdrawal/Interruption.....	3
Determining the amount of Title IV funds to be returned: .....	4
Student responsibilities include:.....	6
Timeframe for the return of Title IV funds .....	6
Post-withdrawal disbursements .....	6

## US Federal Loans

Title IV funds awarded on the assumption that the student will attend University for the entire period for which the funding is granted. Under regulation 668.22, when a student withdraws, they may no longer be eligible for the full amount of Title IV Funds that the student was originally scheduled to receive.

UWE Bristol are required to complete a Return to Title IV (R2T4) calculation for US Federal Loan recipients who withdraw their studies during the course of the academic year. An R2T4 calculation is also required where recipients undertake a Suspension of Studies longer than 180 days, or go on an unauthorised interruption. This calculation is performed to determine the amount of Title IV earned by the student.

The amount of Title IV funding that has been 'earned' up to that point is calculated in accordance with the US Department of Education's regulations.

The University must arrange for 'unearned' funds to be returned to the US Department of Education. The University of the West of England, Bristol (UWE, Bristol) follows the US Department of Education's requirements for returning funds alongside the University's own [Withdrawal Policy](#) and [Debt Policy](#).

The R2T4 policy applies to students who:

- withdraw permanently from the University;
- have approved or unapproved temporary withdrawal longer than 180 days.

Withdrawal for academic failure

## Interruption of Study/Withdrawal Procedure

For guidance on how to request approved temporary withdrawal or inform UWE, Bristol that you are leaving, students will need to:

- 1) Book an appointment with a UWE Bristol Student Advisor
- 2) Contact [info.point@uwe.ac.uk](mailto:info.point@uwe.ac.uk) to request a link to the electronic form within Infohub

For further information on Interruptions and Withdrawals please refer to '[Time out from your course](#)' and '[Withdrawal Policy](#)'

## Official Withdrawal/Interruption

UWE, Bristol will use the best information available to determine the withdrawal date, normally identified as follows:

- For Withdrawals, UWE Bristol will use the best information available to determine the withdrawal date, normally identified as the last date of attendance, as recorded in our Attendance Monitoring system (myEngagement):
- For Approved temporary withdrawal (Interruption of studies): the last date the student was in attendance. If a student does not return at the expiration of the period of approved temporary withdrawal, the student's withdrawal date is the date the student began the period of approved temporary withdrawal. For retrospective temporary withdrawal, the date of withdrawal is the last day of attendance as confirmed by the Learner Analytics System.
- Academic exclusion: the date of exclusion as determined by the appropriate panel.

## Unofficial Withdrawal/Interruption

The Student Money Service carry out fortnightly registration checks to ensure that they are aware of any changes in a student's status. For Unofficial Withdrawals/Interruptions, UWE Bristol would determine the date be within 14 days of the last date of attendance as recorded within myEngagement, the UWE Bristol attendance monitoring system.

For further information on how UWE Bristol records student attendance, please refer to our Learner Analytics System:

<https://www.uwe.ac.uk/about/structure-and-governance/data-protection/privacy-notice/learner-analytics-privacy-notice#a6ea96d1c-e55c-476f-8ea8-b5982481ff08>

Note: If a student does not attend even first lectures or seminars, they are not eligible to receive any Title IV funding and all funding will be returned to the US Department of Education by the University.

## Determining the amount of Title IV funds to be returned:

The Student Money Service are responsible for ensuring the correct calculation of unearned funds, in accordance with the formula provided by the US Department of Education. UWE Bristol's Income Office are responsible for the transfer of R2T4 funds to the US Department of Education.

In accordance with federal regulations, funds must be returned in the following order:

- Direct Unsubsidized Loans
- Direct Subsidized Loans
- Direct PLUS Loans

The following calculation has been provided by the US Department of Education to calculate the amount of unearned funds:

**Number of days of attendance (minus unscheduled leave) ÷ Total number of days in the payment period = Amount of Loans Earned**

**Example Calculation:**

**Total number of days in payment period: 100 ÷ No. of days completed: 24 = 24 % earned**

**Total Title IV Disbursed: \$2000**

**Amount of earned Funds: \$480**

**Amount of unearned Funds: \$1520**

- A copy of the document used for the R2T4 calculation will be emailed to the student and/or Parent PLUS borrower, together with details of the University's and borrower's responsibilities.
- We will confirm, in writing, if you need to immediately return any funds that have been paid to you for 'unearned' periods.

The payment period is the term for which the loan was certified. For example, a student who attends for 40% of the payment period is considered to have earned 40% of the aid for that period. Where a student withdraws or interrupts study after completing 60% of the payment period, federal regulations consider that they have earned 100% of Federal Aid for that period, therefore there is no requirement to return funds.

Example:

Loan Period	Total No. of Days	Term Dates	Non- Study Days	Study Days	Post 60% date for R2T4
20 <sup>th</sup> Sept 2022- 31 <sup>st</sup> Dec 2023	102	21 <sup>st</sup> Sept 2022-20 <sup>th</sup> December 2022	21 <sup>st</sup> Dec 2022- 31 <sup>st</sup> Dec 2022 = 10 days	92	17 <sup>th</sup> November 2022
1 <sup>st</sup> Jan 2023 - 31 <sup>st</sup> March 2023	90	11 <sup>th</sup> Jan 2023- 28 <sup>th</sup> March 2023	1 <sup>st</sup> -10 <sup>th</sup> Jan 2023 = 10 days 29 <sup>th</sup> – 31 <sup>st</sup> March 2023 = 3 days	77	26 <sup>th</sup> February 2023
1 <sup>st</sup> April 2023 – 20 <sup>th</sup> July 2023	111	12 <sup>th</sup> April 2023 – 4 <sup>th</sup> July 2023	1 <sup>st</sup> -11 <sup>th</sup> April 2023 = 11 days 5 <sup>th</sup> – 20 <sup>th</sup> July 2023= 15 days	75	26 <sup>th</sup> May 2023

The University's tuition fee policy and R2T4 policy have different requirements. Therefore, the student may owe funds to UWE Bristol to cover any unpaid institutional charges.

## UWE, Bristol's responsibilities include:

- providing each student with the information given in this policy;
- identifying students who are affected by this policy;
- completing the R2T4 calculation for students who are subject to this policy;
- returning the Title IV funds that are due;
- informing the student if they have to return unearned funds;
- notify the student of the requirement for them to complete Exit Counselling;
- notify the US Department of Education of the change in a student's enrolment status via NSLDS within 30 days.

## Student responsibilities include:

- notifying UWE Bristol of their intention to withdraw or interrupt studies
- returning any funds that were disbursed directly to the student and for which the student was deemed ineligible through the Return of Title IV calculation.

## Timeframe for the return of Title IV funds

Students in receipt of US Federal Aid must notify the [Student Money Service](#) immediately of a pending withdrawal, in order to meet the US Department of Education requirement that the R2T4 process begins no less than 14 days after the student's change of enrolment status.

Federal regulations require the University to return unearned funds to the US Department of Education directly within 45 days from the date it determined that the student's enrolment status changed. The student (or parent, in the case of Parent PLUS loans) must return unearned funds to the US Department of Education within the same timeframe and in accordance with Master Promissory Note they signed for that loan.

In the event that the student is owed funds following the R2T4 calculation, these funds will be paid to the student within 14 days of the completion of the calculation.

## Post-withdrawal disbursements

If the student received (or the University received on the student's behalf) less funds than the amount earned, the student may be eligible for a post-withdrawal disbursement. However, the University can deduct without the student's permission, any charges due for tuition, accommodation and fees up to the amount of the outstanding charges.

The Student Money Service will contact the student or Parent PLUS borrower via email, prior to making any post-withdrawal disbursement of loan funds, to establish whether those funds should be credited to the student's account or disbursed directly to the student or Parent PLUS borrower. A response is required within 14 days. This must take place no later than 30 calendar days of the student's change of enrolment status.

The notice must identify the type and amount of the loan funds it wishes to credit the student's account, or disburse directly to the student or parent, advising that they may accept or decline all or a portion of the funds.

Once the Student Money Service has received confirmation from a student or Parent PLUS borrower that a post withdrawal disbursement is to be made, it must be processed as soon as possible but no later than 180 days after the date of the University's determination that the student withdrew.

Please note that this R2T4 policy is separate to the [University's Tuition Fee Policy](#) and applies only to Title IV funds.

The requirements for Title IV program funds when students withdraw are separate from the University's refund policy. Therefore, the student may still owe funds to the University to cover unpaid institutional charges. The University may attempt to collect from the student any Title IV program funds that the University is required to return.

**Last Reviewed by The Student Money Service, July 2023**