

R2T4 - Return of Title IV Policy

This policy specifies how the University of Surrey will determine the amount of US Higher Education Act Title IV program assistance (Direct and PLUS Loans) that students earn if they withdraw from the University based on the period of the year attended. As a result, the student may be required to pay back money to the US federal Government from the Federal Stafford subsidized and unsubsidized loan from money received. It may also be possible that the school have to repay funds to the US Federal government, with regards to any sums received for tuition and as such students may be requested to make an additional fee payment to the school to replace these funds.

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 percentage attendance is calculated by dividing the number of days attended by the total number of days in the payment period. If the student withdraws money from the University whilst in receipt of aid, they may also be required to pay back money to the US Federal government.

At the end of each school year, all US students in receipt of Federal Aid will be checked to ensure that they have met SAP stipulations and also that they completed the school year. At this point any Title IV refunds will be calculated for non-continuing students.

For students who leave during the school year, notification of leaving or termination will be sent to the Finance Office and Title IV refund will be calculated and sent back at this point. **Title IV refunds will be calculated and any monies due repaid no later than 45 days of determining a student has withdrawn from the course.**

Determining Last Date of Attendance

Withdrawal:

Any student in receipt of Federal Aid must give notice of withdrawing from courses in writing to the Director of GSA, or to the relevant Course Director for the University of Surrey, prior to stopping classes giving an intended leave date.

If formal written notification is not received, last date of attendance will be calculated based on the last full day registered in class. This date will not be any later than 30 days from the end of any term.

Return of Title IV Funds:

When a student officially withdraws (to include Medical Withdrawals and Exceptions to Enrolment Appeals) prior to completing more than 60 percent of the term have not "earned" all of their federal financial aid and a Return of Title IV Funds calculation must be performed. The unearned portion (based on the percentage of the term remaining) of the aid is returned to the lender or aid program. For example, if a student completes only 20 percent of the term, then he or she has failed to earn 80 percent of the federal financial aid that was disbursed, or could have been disbursed, prior to the withdrawal. Once the student has completed more than 60% of the payment period or term of enrolment, 100% of the assistance that the student was scheduled to receive for that period is considered to have been earned.

If the return of the funds creates a balance due on the student account, the student will be responsible to pay the balance on their account. Funds included in the Return of Title

IV funds process are: Unsubsidized Federal Stafford Loans, Subsidized Federal Stafford Loans and Federal PLUS Loans. Financial aid recipients should contact the Financial Office before applying for a Medical Withdrawal or and Exception to Enrolment Appeal to determine the effect this action upon their financial aid.

Tuition Cancellation – Medical Withdrawal or Exception to Enrolment Withdrawal

The Director is authorized to make adjustments in the application of the

Tuition and Fee Assessments' and Enrolment policies when unusual circumstances warrant. Circumstances, which may warrant special tuition cancellation, are serious illness or death of an immediate family member. Students who wish to have their requests reviewed must submit a completed **medical withdrawal** appeal or an **exception to enrolment policy** appeal.

A medical withdrawal is a complete withdrawal from all courses. Students are required to submit a **Request for Medical Withdrawal** application, including medical reports from the attending physician(s). Students requesting to completely withdraw for extenuating circumstances other than medical should submit an exception to enrolment policy appeal. It is the responsibility of the student to submit documentation to facilitate the review.

Return of Title IV Funds: Students who do not receive ANY "earned" grades are considered to be unofficial withdrawals that stopped attending ALL of their classes prior to the end of the term. The aid used to pay direct educational costs (tuition, fees, room and board) must be returned to the lender or aid program. If the return of the funds creates a balance due on the student account, the student will be responsible to pay the balance on their account.

Funds included in the Return of Title IV funds process are: Unsubsidized Federal Stafford Loans, Subsidized Federal Stafford Loans, and Federal PLUS Loans.

Title IV funds received during the payment period or period of enrollment as applicable, up to the net amount disbursed from each source, will be returned in the following order by the University:

1. Unsubsidized Direct Loans (other than Direct PLUS Loans)
2. Subsidized Direct Loans
3. Direct PLUS Loans

Financial aid recipients should contact the Office of Student Financial Aid before withdrawing from the university to determine the effect this action upon their financial aid.

Retroactive Withdrawals

If funds have been returned for a student based on his or her official or unofficial withdrawal, those funds cannot be reinstated if the student petitions for, and receives, a retroactive withdrawal (official, medical withdrawal, or exception to enrolment).

Return of Title IV funds calculation may result in a determination that a student has not received the entire Title IV fund monies earned by the student prior to withdrawal. If appropriate, GSA will offer a "post-withdrawal disbursement" of monies earned to a student within 30 days of determining the student withdrew. The school must make the post-withdrawal disbursement within 120 days of the date the institution determined that the student withdrew.

If the student did not receive all of 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 any loan funds or to decline some or all of them. Any post-withdrawal loan funds that are disbursed, like loan funds disbursed previously, will have to be repaid by the student. The Finance Office 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.

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

The student will be required to inform the University via email whether they wish to accept some or all of the available post-withdrawal loan funds within a specified period of time of not less than 14 days after the student is 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.

Created by KHB 2010
Updated last by NS 2021