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UNIVERSITY RETURN OF TITLE IV FUNDS (R2T4) POLICY

This policy specifies how the University of Exeter 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. See section on Withdrawals for specific information regarding Leaves of Absence (LOA) and the withdrawal process.

If a student has questions about their Title IV program funds, they can call the Federal Student Aid Information Centre at 1-800-433-3243. TTY users may call 1-800-730-8913.

Information is also available on Student Aid at www.studentaid.ed.gov.

When a student who began attendance 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 using worksheets and software provided by the US Department of Education.

The Student Funding team is responsible for calculating Return of Title IV Funds (R2T4) and the Accounts payable team is responsible for the transfer of the resulting funds.

All funds will be returned to the U.S. Department of Education within 45 days of the date when the University determines that a student withdrew.

Any credit balance refund calculated for a withdrawn student will be placed on hold until the R2T4 is calculated. The regulatory timeframe for any credit balance resets to 14 days from the day the calculation is completed by the University.

Official withdrawal

In the case where a student notifies the University that he or she intends to withdraw, the student must be informed of the need to complete the official University of Exeter withdrawal form.

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 the withdrawal form.



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If the student received less assistance than the amount that was earned, then the student may receive those additional funds.

If the student received more assistance than was earned, the excess funds must be returned by the student.

Unofficial withdrawal

Should a student fail to submit an official withdrawal form, the University will use the last date of attendance to complete the return of funds calculation sheet.

Should a student leave the University of Exeter before the end of their course they may still have financial contractual liabilities to the University, or may qualify for a refund of monies paid, depending on the timing and circumstances of the withdrawal. Further details of the University student debt and refund policy can be found [here](#)

The University of Exeter maintains an attendance monitoring system that runs over the course of the year, ensuring that students are compliant with the regular attendance requirement of their student visa. Students who are not in attendance are reported to the college Hub teams and the Hub teams will consult with the student to determine if the student never attended classes or will verify the last date of attendance.

The college Hub desk team will consult with the student's college to determine if the student is suffering from short term problems preventing them from attending classes, or to verify the last date of attendance

It is a Tier 4/Student visa condition that visa holders engage with all elements of their programme. The university monitors engagement and will report to UK Visas and Immigration any students who continuously fail to engage satisfactorily.

In the event a student receives all failing grades for an academic year, the students department will 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 department will determine the last day of attendance and this is the date that will be used in the R2T4 calculations.



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

Students who do not register with the University are ineligible to receive any Title IV funds.

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.

Withdrawal Calculation

The amount of assistance earned is determined on a pro rata basis.

The percentage of earned funds is calculated based on the number of days completed, divided by the number of days in a payment period. The payment period is the term for which the loan was certified, and the attendance percentage 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, 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, all the assistance that the student was scheduled to receive for that period is considered to have been earned.

In order to calculate the amount of unearned loan funds a student may have received, the percentage of the programme completed must be calculated as follows:

$$\frac{\text{Number of calendar days completed}}{\text{Number of calendar days in payment period}} = \text{\% completed}$$

Please note: in calculating the number of days, scheduled breaks of more than 5 days should be excluded from both the numerator and the denominator in the above calculation.

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.



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The student may choose to accept any loan funds or to decline some or all of them.

As a foreign school, any post-withdrawal disbursement can only consist of loan funds; therefore the borrower may choose to decline the loan funds so that additional debt is not incurred. The borrower must be asked if they wish to receive a post-withdrawal disbursement for which they have been notified they are eligible, and must confirm within 14 days of notification that they would like to receive funds. If the borrower does not confirm that they wish to receive the funds, then there will be no disbursement.

The Student funding 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.

The University of Exeter will 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 will seek the student's permission to use the post-withdrawal disbursement.

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 he or she would have received had the student remained enrolled past the 30th day.

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

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

The University will return this amount even if it did not keep this amount of the Title IV program 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 – this



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is, scheduled payments are made 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 University will notify the borrower via email which funds are returned.

The requirements for the Title IV program 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 University charges. The University may also attempt to collect from the student any Title IV programme funds that the University was required to return.

The student may view a copy of the University Student Finance regulations and refund policy [here](#)



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Leaves of Absence (LOA) and Withdrawals

Definitions:

Approved Leaves of Absence (LOA)

A LOA is a temporary interruption in a student's programme of study. In the context of Title IV funds, a LOA refers to the specific time period during a programme when a student is not in attendance and will return to complete the programme. Students returning from a LOA are not required to re-apply for admission but must re-register for their programme.

Unapproved Leaves of Absence

The University may grant a student a 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 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 Admissions team.

Unofficial Withdrawal

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

Note:

Students who withdraw from their programme or do not receive a 'pass' mark at the end of an academic year will have that grade used in calculating the quantitative aspect of the Satisfactory Academic Progress standards and may affect the student's future eligibility for Financial Aid.

The full University Student Absence policy can be found [here](#)



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LOA and Withdrawal Request Forms

The forms required by the University to request a LOA or withdrawal are available from the Student Information desk or College Hub desk.

Approved LOA's conditions

A 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 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 a LOA to qualify as an approved LOA, the following must apply:

1. All requests for LOAs must be submitted in writing to the student hub manager and must include the reason for the student's request.
2. 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.
3. Students must apply in advance for an LOA, unless unforeseen circumstances prevent the student from doing so, with the LOA being subject to approval.
4. 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.
5. 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 the students college Hub desk and will be reviewed on a case by case basis.

The student will be notified in writing via the Student information desk.

During the LOA, the University will not assess the student for 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.



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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.

For non term based programmes, students will resume at point of which they paused study.

Students who return earlier than anticipated

University 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, 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 in the 180 days maximum 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.



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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 a LOA is that a student's grace period for a Title IV programme loan might be exhausted.

In order for a 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

The University may grant a student a 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. The University will use the specified withdrawal date in the Return Calculation.

