

## **R2T4 Return of Title IV Federal Student Aid Policy**

This policy specifies how the University of Surrey (to be referred to as The University) 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. This policy is required by US Federal Regulations.

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## 1. Overview and Scope of R2T4 Return of Title IV Federal Student Aid

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 Department of Education for the Federal Student Aid received. It may also be possible that the University has to repay funds to the US Department of Education, with regards to any sums received for tuition and as such, students may be requested to make an additional fee payment to the University 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 Student Federal Aid, they may also be required to pay back money to the US Department of Education.

At the end of each school year, all students in receipt of Federal Student 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**Title IV refunds will be calculated and any monies due repaid no later than 45 days of determining a student has withdrawn from the course.**

## 2. Determining Last Date of Attendance

### Withdrawal

Any student in receipt of Federal Student Aid must give notice of withdrawing from their course in writing 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, they have not "earned" all of their Federal Student 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 Federal Student Aid is returned to the lender or aid program. For example, if a student completes only 20 percent of the term, then they have failed to earn 80 percent of the Federal Student 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 Title IV 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

### **Tuition Cancellation – Withdrawal, Medical Withdrawal or Exception to Enrolment Withdrawal**

Student in receipt of Federal Student Aid should contact the Financial Office before applying for a **Withdrawal**, a **Medical Withdrawal**, or an **Exception to Enrolment Policy Appeal** to determine the effect this action upon their Federal Student Aid.

The Course 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** or an **Exception to Enrolment Policy Appeal**.

A **Medical Withdrawal** is a complete withdrawal from all courses. Students are required to submit a **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.

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.

### **Retroactive Withdrawals**

If funds have been returned for a student based on their 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, the University will offer a *post-withdrawal disbursement* of monies earned to a student within 30 days of determining the student withdrew.

The student may choose to accept any loan funds or to decline some or all of them. Any *post-withdrawal disbursements* 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 must make the *post-withdrawal disbursement* within 120 days of the date the institution determined that the student withdrew.

The student will be required to inform the University via email whether they wish to accept some or all of the available *post-withdrawal disbursement* within a specified period of time of no less than 14 calendar 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 make *post-withdrawal disbursements* upon

documented confirmation by the borrower.

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*.

### **3. Further Information**

This policy provides for consistent application of standards to all students within categories of students, e.g., full-time, part-time, undergraduate, and postgraduate students, and educational programmes established by the institution.

If you require further information, please contact our US Loans team via [Surrey Support](#).

Please note webpages relating to Federal Student Aid at the University are regularly maintained and updated, however if recent changes to legislation by the US or UK Government are suddenly introduced then some information may be temporarily out of date while it is being updated.

For an overview of all Student policies and procedures, please see the following [MySurrey website](#).