Return of Title IV (R2T4) Funds due to Withdrawal

ASSOCIATE DEANS AND DIRECTORS MEETING
APRIL 3, 2019
R2T4 General Requirements

Title IV (federal) student aid funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded.

<table>
<thead>
<tr>
<th>2017-2018</th>
<th>Pell Grant</th>
<th>SEOG Grant</th>
<th>FDL – sub.</th>
<th>FDL – unsub.</th>
<th>PLUS Loan</th>
<th>Grad PLUS Loan</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awards</td>
<td>4,950</td>
<td>381</td>
<td>7,707</td>
<td>12,493</td>
<td>3,221</td>
<td>1,305</td>
<td>30,147</td>
</tr>
<tr>
<td>Dollars</td>
<td>20,582,049</td>
<td>347,450</td>
<td>30,832,517</td>
<td>102,669,720</td>
<td>53,392,059</td>
<td>21,796,676</td>
<td>$229.6 Million</td>
</tr>
</tbody>
</table>
Withdrawal Defined

If a student ceases attendance (drops or withdraws) from all Title IV eligible courses in a payment period or period of enrollment, the student must be considered a withdrawal for Title IV purposes.

When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student received or was originally scheduled to receive.

R2T4 must be applied when certain students cease attendance in all classes during a period of enrollment (payment period).
Official Withdrawal

The withdrawal date is the date the student begins the school’s withdrawal process.

- A school could use a later last documented date of attendance at an academically related activity if this date more accurately reflects the student’s withdrawal date than the date the student begins the school’s withdrawal process or notifies the school of his or her intent to withdraw.

When a student provides official notification, the withdrawal date is the date notification was provided.
Unofficial Withdrawal

If a student who began attendance and has not officially withdrawn fails to earn a passing grade in at least one course offered over an entire period, the institution must assume, for Title IV purposes, that the student has unofficially withdrawn, unless the institution can document that the student completed the period.

- Rule is applicable to students who have “F,” “N,” and “U” grades applied to their academic transcript.
Procedure Requirement for Unofficial Withdrawal

An institution must have a procedure for determining whether a Title IV recipient who began attendance during a period completed the period or should be treated as a withdrawal.
Determination of Unofficial Withdrawal Date

An institution may use its academic policy for awarding final grades to determine that a student who did not receive at least one passing grade nevertheless completed the period.

◦ i.e., the school might have an official grading policy that provides instructors with the ability to differentiate between those students who complete the course but failed to achieve the course objectives and those students who did not complete the course.

Another school might require instructors to report, for all students awarded a non-passing grade, the student’s last day of attendance (LDA).

◦ i.e., the school may use this information to determine whether a student who received “F”, “N,” and/or “U” grades withdrew. If one instructor reports that the student attended through the end of the period, then the student is not a withdrawal.
### Last Date of Attendance Procedure Mockup

#### Dashboard > My Courses > Final Grades

- **TEAN New Zealand: University of Otago**
- **ABRD: 0510:0001**
- **Instructor(s):** Emberger, Monica Sue; Widenberg De Hernandez, Elizabeth Marie
- **Session:** Fall 2019
- **Begin Date:** 06/26/2019
- **End Date:** 08/10/2019

**Grading Instructions:**
- May submit mark of R (registered) until ready to submit final grade
- Graduation only for student(s) auditing the class: AUS = Audit Successful, AUA = Audit Unsuccessful

<table>
<thead>
<tr>
<th>Student</th>
<th>UID</th>
<th>Level(s) of Study</th>
<th>Hrs</th>
<th>P/E</th>
<th>Grade</th>
<th>Attendance Status</th>
<th>Last Attendance Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jones, Mary</td>
<td>01234567</td>
<td>Undergraduate</td>
<td>12</td>
<td></td>
<td>A+</td>
<td>Never Attended</td>
<td></td>
</tr>
<tr>
<td>Smith, Joe</td>
<td>01134568</td>
<td>Undergraduate</td>
<td>12</td>
<td></td>
<td>F</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*HGL Trace*
Calculation Rule for Returning Title IV Funds due to Unofficial Withdrawal

When a student unofficially withdraws from an institution that is not required to take attendance, the institution may use either the student’s last date of attendance at an academically related activity or the midpoint of the period as the student’s withdrawal date.

- A date past the midpoint always benefits the student.
Last Date of Attendance Procedure Mockup
Deadline to Make Determination of Withdrawal for Unofficial Withdrawals

For a student who withdraws, without providing notification, from a school that is not required to take attendance, the school must determine the withdrawal date no later than 30 days after the period of enrollment (payment period).
Not only a Regulatory Requirement but a Student Success Imperative

The determination of the student’s last date of attendance when the student has earned a non-passing grade benefits the student and UI

- In absence of the last date of attendance, the midpoint of the term/semester must be used, and Title IV funds must be returned accordingly.
  - Student’s financial aid must be canceled and refunded to the US Department of Education/Federal Student Aid Programs
  - Generates an accounts receivable for the University and a liability for the students
  - Prevents student from registering and/or enrolling next term/semester at UI or transferring to another school because of a past due U-Bill.
- If we can document the student attended past the 60% point in time of the term/semester, no Title IV funds must be returned. Student retains 100% of federal student aid.