

Financial Aid Return of Title IV Funds Policy (R2T4)

Policy Number	720.03	Custodian	Student Services Dean
Approved Date			
Effective Date		Review Date	
References: Federal HEA (Higher Education Act), Section 484B 34 CFR 668.22, Administrative Drop-Withdrawal Policy			

1. Purpose

Title IV funds are awarded to a student under the assumption that the student will attend White Earth Tribal and Community College (WETCC) for the entire term for which the assistance is awarded. When a student withdraws, whether voluntarily or administratively, the student may no longer be eligible for the full amount of the Title IV funding received.

2. Persons Affected

- 2.1. Student Services Staff
- 2.2. Finance Department Staff
- 2.3. Registrar
- 2.4. Students

3. Policy

This policy is to ensure the following:

- 3.1. WETCC complies with federal financial aid requirements for calculating student financial aid offers.
- 3.2. WETCC finance department returns funds to the Department of Education within 45 days (about 1 and a half months) of a student's last day of attendance.
- 3.3. WETCC finance department issues earned financial aid to a student after withdrawing from the college.

4. Definitions

- 4.1. Administrative Withdrawal (AW). The College withdraws a student from a course or courses or completely for lack of attendance or academic participation after the add/drop date.
- 4.2.
- 4.3. Date of Determination. The last day a student attended class or the day a student provided notice of withdrawal, whichever comes first. For R2T4, withdrawal indicates a complete withdrawal from all classes.
- 4.4.

- 4.5. Earned and Unearned portion of Title IV Aid. This is determined by the amount of time a student was in attendance or actively participating in coursework. Unearned aid is returned to the Federal financial aid programs. In accordance with federal regulations, calculations of earned and unearned financial aid will be impacted if a student has not provided all required verification documentation.
- 4.6. Last Date of Attendance (LDA). The last date a student attended a class during a semester.
- 4.7. Post Withdrawal Disbursement (PWD). When a student withdraws from WETCC, they are ineligible for future federal financial aid disbursements. In some cases, financial aid may be offered through a post-withdrawal disbursement based upon the earned and unearned calculations on a R2T4.
- 4.8. Title IV Financial Aid. Federal student aid funds administered by the U.S. Department of Education which include the Federal PELL Grant, Federal Supplemental Education Opportunity Grant (FSEOG), Federal Perkins Loan (WETCC doesn't participate), TEACH grants (WETCC doesn't participate), Direct Subsidized/Unsubsidized Loan (WETCC doesn't participate), Direct Graduate PLUS Loan (WETCC doesn't participate) and Direct Plus Loan (WETCC doesn't participate).
- 4.9. Return to Title IV (R2T4). The calculation is required when a recipient of Title IV aid withdraws from an institution during a payment period/period of enrollment in which the recipient began attendance. The calculation compares the amount of *Title IV* aid the recipient earned to the amount disbursed and determines whether funds must be returned, or if the student is eligible for a post-withdrawal disbursement. In accordance with federal regulations, when Title IV financial aid is involved, the calculated amount of R2T4 funds is allocated in the following order:
 - Federal PELL grants
 - Federal Supplemental Educational Opportunity Grants (FSEOG) for which a return of funds is required
 - Iraq and Afghanistan Service Grant or Fallen Heroes Grant for which a return is required
 - Other non-Title IV assistance
 - Private aid

5. Procedures

- 5.1. The registrar notifies the financial aid coordinator of any change of student status.
 - 5.1.1 The registrar provides the financial aid coordinator with a copy of all students add/drops requests within one day of processing and within two weeks of the last date of attendance.

- 5.1.2 The registrar notifies the financial aid coordinator of all students initiated and administrative withdrawals.
 - 5.1.3 The registrar notifies the financial aid coordinator of all earned Fs at the end of each semester.
 - 5.1.3 The registrar determines withdrawal date within 14 calendar days of the student's last date of attendance or the student's notice of withdrawal.
- 5.2. Upon notification of a student add/drop, withdrawal or a student earning all F's for a semester, the financial aid coordinator initiates the R2T4 process which must be completed within 45 days (about 1 and a half months) from the LDA.
- 5.2.1 The financial aid coordinator calculates the amount of aid a student has earned based upon the date of withdrawal, in accordance with the Federal Student Aid guidelines.
 - 5.2.2 Notifies the finance department of the return calculations.
 - 5.2.3 Disburses all PWD funds within 45 days (about 1 and a half months) of when the student withdrew.
 - 5.2.4 Schedules a refund within 14 days (about 2 weeks) to a student if a credit balance results from a R2T4 calculation.
 - 5.2.5 Provides students with the information in this policy.
- 5.2 If a disbursement has not occurred, but a student had attendance but later withdrew, they may have earned a portion of their Title IV aid. A PWD must be calculated using the R2T4 calculation form. The funds must be paid within 45 days (about 1 and a half months) of the determination of the withdrawal.
- 5.3 A student who has dropped, withdrawn or received all F's during a semester is responsible for the following regarding Title IV funds:
- 5.4.1 Return any Title IV program funds that were disbursed to the student and for which the student was determined to be ineligible via the Title IV Refund calculation.
 - 5.4.2 Contact WETCC finance department to make a payment or set up a payment plan for any Title IV funding the student received but was ineligible for due to change of status.
 - 5.4.3 Contact the U.S. Department of Education to make payment for the student responsibility portion of the R2T4 calculation.
- 5.4 A student who ceases to attend all classes at WETCC is considered withdrawn as of the last date of attendance or the date of the voluntary notification by the student, whichever occurs first.
- 5.5 A student who ceases to attend one or more of their classes is considered to have changed their status. Status changes may or may not impact financial aid eligibility.

- 5.6 The financial aid department recalculates the student’s eligibility for financial aid based on revised enrollment status.
- 5.7 WETCC must return any unearned financial aid the school must return to the appropriate Title IV or other issuing agencies within 45 days (about 1 and a half months) of the LDA. The student returns the student portion of unearned financial aid to the Department of Education when applicable.
 - 5.7.1 R2T4 Formula: # of calendar days completed in a period/ (divided by) # of calendar days in period.
 - 5.7.2 The calculation determines the amount the student must repay to both WETCC and the Department of Education.
- 5.8 When a student fails to earn a passing grade in at least one course, an R2T4 calculation must be performed by the financial aid department. If documentation exists that the student completed the defined period. For example, the student earned the failing grade(s).
- 5.9 The Register supplies the LDA to the financial aid department and the financial aid department determines if the student is required to return any financial aid funding.

Revision History

Rev. Date	Rev. No.	Revision
		Updated policy to new format, clarified definitions and roles