

# UNIVERSITY OF BALTIMORE

## Return of Title IV Funds (R2T4) Policy

When a student applies for financial aid, the student agrees that financial aid funds will be used for educational purposes only. Therefore, if a student withdraws before completing their program, a portion of the funds received may have to be returned. The University of Baltimore will calculate the amount of financial aid to be returned to Title IV according to the policies listed below.

*The Return of Title IV funds policy applies to any student who cancels enrollment, withdraws, drops to zero hours, takes a leave of absence, or is dismissed.*

The calculated amount of the Return of Title IV (R2T4), funds that are required for the students affected by this policy are determined according to the following definitions and procedures as prescribed by regulations.

The amount of Title IV (federal) aid earned is based on the amount of time a student spent in academic attendance and the total aid received; it has no relationship to student's incurred institutional charges. Because these requirements deal only with Title IV the order of return of unearned funds do not include funds from sources other than the Title IV.

Title IV of the Higher Education Act of 1965, as amended in 1998, (Title IV, and HEA program) establishes general rules that apply to federal student financial assistance programs. For purposes of Return of Title IV Funds, these programs include:

- Federal Pell Grants
- Iraq and Afghanistan Service Grants
- Supplemental Educational Opportunity Grants (FSEOGs)
- Direct Loans
- Direct Plus Loans

Title IV funds are awarded to a student under the assumption that he/she will attend school for the entire period for which the assistance is awarded. When a student withdraws from all his/her courses, for any reason including medical withdrawals, he/she may no longer be eligible for the full amount of Title IV funds that he/she was originally scheduled to receive.

A school is required to determine the earned and unearned Title IV aid a student has earned as of the date the student ceased attendance based on the amount of time the student was **scheduled** to be in attendance.

Title IV Funding is awarded to the student under the assumption that the student will attend school for the entire period for which the Title IV aid is awarded. When a student withdraws, the student may no longer be eligible for the total amount of Title IV funding that was initially scheduled to be received. Therefore, the amount of federal funds earned must be determined. If the amount disbursed is greater than the amount earned, unearned funds must be returned.

# UNIVERSITY OF BALTIMORE

## Return of Title IV Funds (R2T4) Policy

The institution has 45 calendar days from the date that the institution determines that the student withdrew to return all unearned funds for which it is responsible. The school is **required** to notify the student if they owe a repayment via written notice.

Eligibility for post-withdrawal disbursements will be confirmed within 30 calendar days of the date that the student withdrew. The school must advise the student or parent that they have 14 calendar days from the date that the school sent the post-withdrawal disbursement notification to accept a post-withdrawal disbursement. If a response is not received from the student or parent within the allowed time frame or the student declines the funds, the school will return any earned funds that the school is holding to Title IV.

### **Official Withdrawal from UBALT**

*A student is considered to be officially withdrawn on:*

- The date the student officially withdrew with the Office of Records & Registration during the published withdrawal period.
- The date the student submitted his petition to withdraw to the Office of Records & Registration if the Office of Records & Registration withdrawal period has ended and the student successfully petitioned to withdraw.
- The date the student was expelled/dismissed from the university. Official dates and deadlines for withdrawing are specified in the UBalt Academic Calendar.

A student may withdraw from UBalt at any time from the first class day to the official last day to withdraw as indicated in the Academic Calendar

**A Return of Title IV Funds** calculation is performed when a student completely withdraws from all classes during 15-week session.

A program is offered in modules if, for a payment period or period of enrollment, a course or courses in the program do not span the entire length of the payment period or period of enrollment. For all programs offered in modules, a student is a withdrawal for Title IV purposes if the student ceases attendance at any point prior to completing the payment period or period of enrollment, unless the school obtains written confirmation from the student at the time of the withdrawal that he or she will attend a module that begins later in the same payment period or period of enrollment.

The summer term at UBalt is considered modular-based, as are fall and spring courses that are offered in ten- or seven-week sessions throughout the fall and spring term.

If a student receives Title IV grant or loan assistance and does not begin attendance in a period of enrollment, the student is considered to be ineligible for any Title IV aid.

# UNIVERSITY OF BALTIMORE

## Return of Title IV Funds (R2T4) Policy

*Upon receipt of the official withdrawal information, the Office of Financial Aid (OFA) will complete the following:*

- Review the student's withdrawal dates through the Office of Records and Registration records as well as academically related activity for online classes.
- The Return of Title IV (R2T4) calculation is performed to determine the amount of federal funds the student has earned and the amount of unearned Federal funds for which the school and the student is responsible to return (if any).
- Calculations are completed using the U.S. Department of Education's Return of Title IV, Worksheets, student's attendance and withdrawal date, and are based upon the period of enrollment.
- OFA will return the amount of any unearned portion of the Title IV funds for which the school is responsible within 45 calendar days of the date the official notice of withdrawal was provided.
- Remaining unearned Title IV loan funds (e.g. Direct Loans) must be repaid by the student in accordance with the terms of the loans.
- If a student's scheduled attendance is more than 60% of the period of enrollment, the student is considered to have earned 100% of the federal funds received for the period of enrollment. In this case, no funds need to be returned. However, a school must still complete a Return calculation in order to determine whether the student is eligible for a post-withdrawal disbursement.
- An email communication will be sent to the student. This will be kept in the student's file.

Officially withdrawing from classes may affect the student's future eligibility for financial aid due to Satisfactory Academic Progress (SAP) requirements and R2T4 balances owed.

### **Unofficial Withdrawal from UBalt**

Unofficial withdrawals encompass all other withdrawals where official notification is not provided to the Office of Records and Registration. If a student does not officially withdraw and subsequently fails to earn a passing grade in at least one course offered over an entire period, the institution must assume, for Title IV, the student has unofficially withdrawn, unless the institution can document that the student completed the enrollment period.

If a student receives Title IV grant or loan assistance and does not begin attendance in a period of enrollment, the student is considered to be ineligible for any Title IV aid. When a recipient of Title IV grant or loan assistance unofficially withdraws from an institution, after having begun

class attendance during a period of enrollment, the institution must determine the amount of Title IV grant or loan assistance that the student earned up to the date of withdrawal. For these unofficial withdrawals, commonly known as dropouts, the withdrawal date is the midpoint of the period of enrollment or the equivalent date for sessions of enrollment, as applicable, or the last date of an **academically related activity** in which the student participated, as stated by the professor of record or authorized departmental representative.

# UNIVERSITY OF BALTIMORE

## Return of Title IV Funds (R2T4) Policy

*Once grades are final for a term, the following procedures will take place:*

- OFA will determine which students did not officially withdraw and failed to earn a passing grade in at least one course offered over an entire period.
- OFA will determine and record the student's last date of attendance as the withdrawal date.
- The withdrawal date is the midpoint of the period of enrollment or the equivalent date for sessions of enrollment, as applicable, or the last date of an academically related activity in which the student participated as provided by the professor of record or authorized departmental representative.
- The Return of Title IV (R2T4) calculation is performed to determine the amount of federal funds the student has earned and the amount of unearned federal funds for which the school and the student is responsible to return, (if any).
- Calculations are completed using the U.S. Department of Education's Return of Title IV, Worksheets, the student's attendance and withdrawal date, and are based upon the period of enrollment.
- OFA will return the amount of any unearned portion of the Title IV funds for which the school and the student is responsible within 45 calendar days of the date the official notice of withdrawal was provided.
- Remaining unearned Title IV loan funds (e.g. Direct Loans) must be repaid by the student in accordance with the terms of the loans.
- A copy of the completed worksheet will be kept in the student's file.
- The student will be contacted electrically.

Unofficially withdrawing from classes may affect the student's future eligibility for financial aid due to Satisfactory Academic Progress (SAP) requirements and R2T4 balances owed.

### **The return of Title IV funds policy follows these steps:**

#### *Step 1: Student's Title IV Information:*

OFA will determine:

- The total amount of Title IV aid disbursed (Not aid that could have been disbursed) for the semester in which the student withdrew. A student's Title IV aid is counted as aid disbursed in the calculation if it has been applied to the student's account on or before the date the student withdrew.
- The total amount of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the semester in which the student withdrew.

#### *Step 2: Percentage of Title IV Aid Earned:*

OFA will calculate the percentage of Title IV aid earned as follows:

# UNIVERSITY OF BALTIMORE

## Return of Title IV Funds (R2T4) Policy

- The number of calendar days completed by the student divided by the total number of calendar days in the semester in which the student withdrew. The total number of calendar day in a semester shall exclude any scheduled breaks of more than five days.

$$\textit{Days Attended} \div \textit{Days in Enrollment Period} = \textit{Percentage Completed}$$

- If the calculated percentage exceeds 60%, then the student has “earned” all the Title IV aid for the enrollment period.

*Step 3: Amount of Title IV Aid Earned by the Student:*

OFA will calculate the amount of Title IV Aid earned as follows:

- The percentage of Title IV aid earned (Step 2) multiplied by the total amount of Title IV aid disbursed or that could have been disbursed for the term in which the student withdrew (Step 1-B).

$$\textit{Total Aid Disbursed} \times \textit{Percentage Completed} = \textit{Earned Aid}$$

*Step 4: Amount of Title IV Aid to be Disbursed or Returned:*

- If the aid already disbursed equals the earned aid, no further action is required.
- If the aid already disbursed is greater than the earned aid, the difference must be returned to the appropriate Title IV aid program.

$$\textit{Total Disbursed Aid} - \textit{Earned Aid} = \textit{Unearned Aid to be Returned}$$

- If the aid already disbursed is less than the earned aid, the OFA will calculate a Post- Withdrawal Disbursement.