

US Federal Student Aid

Return to Title IV (R2T4) Policy

This policy includes the regulations of the United States Department of Education's Return to Title IV (R2T4).

According to U.S. law (668.22), Durham University must follow specific guidelines to determine the amount of Title IV program assistance that students earn if they withdraw from school. For detailed information on Leaves of Absence (LOA) and the withdrawal process, refer to the section on Withdrawals.

Calculating R2T4 Students "earn" Federal Aid funds by attending classes. Under US Federal Law, the University is required to report any changes to your enrolment within tight timescales. For students who withdraw, suspend, or complete their studies earlier than expected, it may be necessary to complete an R2T4 calculation and arrange for the return of any "unearned" or credit balance funds to the US Department of Education within 45 days of the date the University determines that the student withdrew. This data will be used to calculate the "earned" funds and to inform the National Student Loan Data System (NSLDS).

The funds must be returned ASAP, but no later than 45 days after is determined the student has withdrawn.

Where a student unofficially withdraws, Durham University will comply with the return of Title IV funds; the R2T4 calculation will be made from the last known date of attendance. Therefore, it is important to notify US.Loans@durham.ac.uk as soon as a change is known, as this may affect the level of "unearned" funding to be returned to the US Department of Education and/or the date the student will begin repayments.

When a student withdraws, and the appropriate form is processed through Student Records, the University will use the best information available to determine the withdrawal date.

When SFS receive official notification that a student is withdrawing, then the last date of attendance used in the R2T4 calculations is the latter of:

- The date of notification of withdrawal
- The last date of attendance as identified by institutional procedures.

If no official notification is received, the last date of attendance will be the date of withdrawal.

SFS will calculate the amount of Title IV program assistance that has been earned up to that point, using an R2T4 calculation formula provided by the US Department of Education within the worksheet.

Treatment of Title IV Funds When a Student Withdraws from A Credit-Hour Program.

The calculation will be based on the amount of attendance within a payment period. Students earn Title IV aid in direct proportion to the amount of attendance within a payment period.

Students who have been in attendance for more than 60% of the Payment Period are deemed to have earned 100% of the scheduled Title IV funds for that period.

Students who have been in attendance for less than 60% are required to return unearned funds.

Student Immigration and Funding Service

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The following calculation will be used to calculate unearned funds.

$$\frac{\text{Number of calendar days completed}}{\text{Number of calendar days in payment period}} = \text{Amount of Loan 'earned'}$$

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 R2T4 calculation results in a **Title IV credit balance** on the student's account, the credit balance must be disbursed ASAP, but no later than 14 days after the Return calculation.

If a student has questions about their Title IV program funds, they can contact the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913.

A student who leaves Durham University before the end of their course may either 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. The University student debt policy which details what will happen can be found at: [https://www.dur.ac.uk/treasurer/students/student debt policy](https://www.dur.ac.uk/treasurer/students/student%20debt%20policy).

Durham University is not required to take classroom attendance registers although many academics require a student to attend to receive a passing grade. Students who do not start any of the classes they are enrolled in are ineligible to receive any Title IV funds.

Students who are not in attendance are reported to the University's Student Immigration Service which notifies the UK Visas & Immigration of the lack of attendance. The Academic Department will consult with the student's college to determine if the student is suffering from short-term problems preventing them from attending or to verify the last date of attendance.

Without an official Withdrawal Form, the University will use the last date of attendance to compute the R2T4 formula. Interactions such as coursework submission would be included in determining what is considered attendance.

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 University's Official Withdrawal Form. Should the student fail to file the Withdrawal Form or there is a lag between the notification and the filing of the form, the earlier date of notification will be used in calculating the R2T4 formula.

In the event a student receives all failing grades for an academic year, the academic department will determine if the grades were earned or represent a lack of attendance.

In the event it is determined that those grades were the result of lack of attendance, the department will attempt to determine the last day of attendance and the University will use that date in the R2T4 calculations.

Students who do not register for a programme are ineligible for Title IV funds and all loan proceeds will be returned to the lender. The amount of assistance earned is determined on a pro-rata basis.

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

The payment period is the period for which the loan was certified. At Durham University, this will be termly, as funds are drawn down on a termly basis (for term + vacation period). The percentage of attendance is calculated by dividing the number of days attended in the term by the total number of days in the payment period (term). For example, if the student completes 30% of the payment period or period of enrolment, the student has earned 30% of the assistance they were originally scheduled to receive.

If a student withdraws during Michaelmas Term (Autumn Term) before the 1st of December, in the first year of study of their programme, then under the University Debt Policy, the student is NOT liable for tuition fees for that academic year. For the R2T4 calculation, the Title IV funds which had already been received and applied towards institutional tuition fees, must still be included in the R2T4 calculation (by Federal R2T4 regulations).

If the University debt policy indicates that the amount that should be refunded to the student is greater than the calculated "earned" value of the R2T4 calculation that the University is obliged to return, then the University may, at its discretion refund to the Secretary of Education (and thus lowering the students borrowing) the greater sum, if there are no other institutional costs owed by the student.

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.

If the student did not receive all the funds that were earned, the student may be due a post-withdrawal disbursement. If it is determined that a student is eligible for a post-withdrawal disbursement, this must be offered to the student no later than 30 days from the disbursement.

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 Scholarships and Student Funding Service will use the R2T4 worksheets as provided by the US Department of Education to determine how much of the loan may be retained and how much must be returned.

If the borrower confirms they wish a post-withdrawal disbursement to occur, then Durham University may automatically use all or a portion of the student post-withdrawal disbursement for all fees

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

- The institutional charges multiplied by the unearned percentage of
 - The institutional charges multiplied by the unearned percentage of the funds, or
 - The entire amount of excess funds.

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Any debt to the University after unearned US Federal Aid has been returned to the US Department of Education will remain liability of the student and the student shall be responsible for payment of the debt to the University after withdrawal.

If the University is not required to return all the excess funds, the student must return the remaining amount. The student is responsible for their portion.

Any loan funds that must be returned, the student repays by the terms of the promissory note. That is, scheduled payments are made to the holder of the loan over some time. Students who have received a refund if 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:

- Direct Unsubsidized Loans
- Direct Subsidized Loans
- Direct PLUS Loans
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The requirements for Title IV program funds, when students withdraw, are separate from any refund policy that the University may have. Therefore, the student may still owe funds to the University to cover unpaid institutional charges.

The University may also charge for any Title IV program funds that the University was required to return if the return causes the student account to be in deficit for contractual charges to the University. The remaining balance remains the responsibility of the student.

If a student has questions about their Title IV program funds, they can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243).

TTY users may call 1-800-730-8913.

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

Leaves of Absence (LOA) and Withdrawals

Definitions:

Approved Leaves of Absence (LOA)

An LOA is a temporary interruption in a student's programme of study. LOA refers to the specific 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.

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Unapproved Leaves of Absence

The University may grant a student an 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 Office.

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.

LOA and Withdrawal Request Forms

The form required by Durham University to request a LOA, or a Withdrawal is available from the student's department or college office.

An LOA must meet specific conditions to be considered a temporary interruption in a student's education, rather than being counted as a withdrawal that would require the University to perform a Return calculation. If an LOA does not meet these conditions and the student is considered to have ceased attendance and withdrawn from the school, the University is required to perform a Return calculation.

For an LOA to be considered an approved LOA (referred to as a "Concession" at Durham University, which is a shorthand for a "Concession to suspend studies"), the following criteria must be met: All requests for LOAs must be submitted in writing to the student's department and/or college and include the reason for the request. The form must be signed and dated and specify the date the student wants the LOA to begin and end.

The student must apply in advance for an LOA unless unforeseen circumstances prevent the student from doing so. The reason for the LOA must be generally non-academic and must be one that leads to a reasonable expectation that the student will return from the LOA within the allowed time frame.

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The total duration of the LOA, including any additional leaves of absence, must not exceed 180 days within 12 months, including days when the University is not in session.

- All requests for LOAs will be assessed by the relevant University Office.
- Students will receive written notification of the University's decision.

During the LOA, the University will not charge the student for any additional institutional fees. The student's financial need will not increase, and therefore, the student will not be eligible for any additional disbursements of Federal Student Aid. If a student is granted an LOA that meets the specified criteria, the student will not be considered to have withdrawn, and no calculation for return is required.

Upon the student's return from the leave, they will continue to receive the Federal Student Aid previously awarded for the period. Completion of coursework upon return: As approved LOAs are seen as temporary interruptions in a student's attendance, and since the academic programs at Durham University are term-based, with the payment period being the term, a student returning from an LOA must do so at a time when they can complete the term to fulfil the payment period and be eligible to receive a second or subsequent disbursement.

Students who return earlier than anticipated

The University may permit a student to return to class before the expiration of the student's LOA 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-day maximum for an approved leave of absence.

A student repeating coursework while on LOA must reach the point at which he or she interrupted training within 180 days of the start of the student's LOA.

Students who fail to return from LOAs.

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 the date the student began the LOA.

Explanation of consequences of withdrawal to loan recipients

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