Office of Student Financial Aid

Return of Title IV Funds Policy and Procedure

Introduction

Under the Higher Education Act, the Return of Title IV Funds (R2T4) regulation governs the treatment of federal student aid when a student withdraws from the institution. This policy applies to all students receiving Title IV federal financial aid, including grants and loans, who withdraw before completing 60 percent of the academic term.

The purpose of R2T4 is to ensure that federal funds are awarded based on the amount of the term the student actually completed. The amount of Title IV aid a student earns is determined by the percentage of the enrollment period completed.

Determination of Earned Aid and Withdrawal

When a student withdraws, the institution must determine the percentage of the term completed to calculate the amount of aid earned:

- If a student completes 60 percent or less of the term, the earned aid is calculated based on the percentage of the period completed
- If a student completes more than 60 percent of the term, the student is considered to have earned 100 percent of their Title IV aid

Unearned funds must be returned to the appropriate Title IV programs in accordance with federal regulations.

The Return of Title IV Funds calculation is separate from the institution's refund policy, which is determined independently. The R2T4 process is mandated by federal law and must be followed regardless of institutional refund practices.

Notification of Withdrawal and Process

The Office of Student Financial Aid receives daily notification of student withdrawals through a custom report generated from the Student Information System (SIS), which is reviewed and consolidated by the Associate Director of Student Financial Aid into a master tracking report.