



Randolph Community College Return of Title IV Funds (R2T4) Policy
Effective 8/1/2023

If a recipient of Title IV aid withdraws from all classes in a semester after beginning attendance, stops attending before the semester ends, does not complete all parts of term (modules) in which the student is enrolled as of the FA census date, and/or fails to earn a passing grade in any class; the amount of “earned” student financial assistance (SFA) must be determined. This policy is being put into effect as a result of the Higher Education Amendments of 1998 **(HEA 98) section 484B (a) (1) of the HEA and 34 CFR 668.22**. If the amount disbursed to the student is greater than the amount earned by the student, the unearned Title IV funds have to be returned. If the amount disbursed to the student is less than the amount of aid earned, the student is eligible to receive a post-withdrawal disbursement of the earned aid that was not received. **Students who were selected for verification and have not completed that process are not eligible for financial assistance and are not included under the policy.**

The Title IV funds in which RCC participates and are subject to repayment are:

1. Unsubsidized Federal Direct Loans **(Do not participate)**
2. Subsidized Federal Direct Loans **(Do not participate)**
3. Federal Direct Parent PLUS Loans **(Do not participate)**
4. Federal Pell Grant
5. Iraq and Afghanistan Service Grant
6. Federal Supplemental Education Opportunity Grant (FSEOG)

The Title IV funds will be repaid in the order that they are listed until the total unearned aid has been satisfied.

The earned and unearned Title IV aid will be determined from the student’s withdrawal date. RCC is classified as a school that is not required to take attendance for the R2T4 calculations, so the withdrawal date varies depending on the type of notification from the student.

*If a school is required to take attendance by an outside entity (e.g. Veteran’s Administration, Cosmetology Board) the attendance records for those students must be used to determine the withdrawal date as the last date of attendance (LDA).



OFFICIAL WITHDRAWAL: The student, or a college official in unusual circumstances, provides official notification of his/her intent to withdraw from school and stops class attendance.

For official withdrawals, the date to calculate R2T4 will be the LDA if known due to requirements of an outside entity. If not, it is the date the student dropped and/or was dropped.

Official notification from the student is any official notification that is provided in writing or orally. For example, acceptable official notification would include notification by a student via telephone, through a designated website, or notification provided orally in person. The responsibility for documenting oral notification is the schools; however, the school may request, but not require, the student to confirm his or her oral notification in writing.

Date of the school's determination that the student has withdrawn is the student's withdrawal date or the date of notification whichever is later.

UNOFFICIAL WITHDRAWAL: A Student that leaves school and does not notify the school of his/her withdrawal. There are two (2) categories of unofficial withdrawals for the purpose of R2T4 calculations.

1. Student did not begin withdrawal process or notify school of intent to withdraw due to circumstances (illness, accident, grievous personal loss, etc.) beyond the student's control.
2. All other withdrawals where the student failed to provide official notification to the school (commonly known as dropouts).

A student who stops attending class or leaves RCC without following the official procedures for withdrawal from a course or from RCC may receive a failing grade on his/her record for each course in question.

Failure to complete courses may also have a significant impact on a student's financial assistance status. When a student receives all failing grades, withdrawals, or a combination of these grades for a semester, he or she may be defined as 'unofficially withdrawn' for Title IV purposes. At the end of each term, if a last date of attendance cannot be determined, the student is assumed to have attended 50% of the enrollment period and the Return of Title IV calculation will be based on this length of attendance. Unofficially withdrawn students will be billed for resulting institutional charges and repayments of Federal Student Aid.

Date of the school's determination that the student has withdrawn is the date the school becomes aware that the student has ceased attendance. No later than **30 days** after the end of the payment period.



WITHDRAWALS AFTER RESCISSION OF OFFICIAL NOTIFICATION: A Student may provide official notification to the school of the intent to withdraw, and then change his or her mind. To allow a student to rescind his/her intent to withdraw for purposes of this calculation, the school must obtain a written statement from the student stating his/her intent to remain in academic attendance through the end of the payment period/semester. If the student subsequently withdraws after rescinding an intent to withdraw, (without returning to school) the withdrawal date is the date the student first provided notification to the school or began the school's withdrawal process, unless the school chooses to document a LDA at an academically-related activity.

PERCENTAGE OF PAYMENT PERIOD OR PERIOD OF ENROLLMENT COMPLETED: The percentage of the payment period is calculated once the withdrawal date has been determined. The percentage is determined by dividing the number of calendar days completed in the payment period by the total number of calendar days in the same period. Scheduled breaks of **five (5) consecutive days or more** and an approved leave of absence will be excluded. The same percentage of payment period completed will be equal to the aid earned by the student.

AMOUNT OF TITLE IV AID EARNED BY THE STUDENT: The amount of aid earned is calculated by multiplying the percentage of the payment period completed times the amount of aid disbursed and/or could have been disbursed.

If a student receives more Title IV aid than the amount earned, the College and/or the student must return the unearned funds.

The College must return the unearned aid for which the school is responsible.

Institutional charges are defined as expenses that a school assesses a student for educational expenses and are paid directly to the school. RCC determines books and supplies to be non-institutional charges to be incurred for R2T4 purposes. Students are allowed to charge books and/or supplies from the RCC Bookstore with Title IV funds, but are given a real and reasonable opportunity to purchase through other entities if they so choose. Title IV funds are typically disbursed shortly after the census date of the term, but students can seek access to these funds for books and supplies purchases prior to disbursement by requesting the *Request to Access Financial Assistance for Books and Supplies Prior to Scheduled Disbursement* form from the Office of Financial Assistance and Engagement.

RCC will return the school's portion of the unearned aid to the appropriate fund as soon as possible but no later than **45 days** after the school determined the student withdrew. The student is billed for the school's portion and the student's portion if any exist.



The student will be notified within **30 days** from the time that RCC determined the student withdrew from school about the amount owed to RCC. If the student does not pay back the overpayment to RCC, an accounts receivable balance will remain on the student's account and the student will be unable to register for future classes and/or receive an official academic transcript until the debt is paid.

Students who owe overpayments as a result of withdrawals generally will retain their eligibility for Title IV funds for a maximum of 45 days from the earlier of (a) the date the school sends the student notice of the overpayment, or (b) the date the school was required to notify the student of the overpayment.

POST-WITHDRAWAL DISBURSEMENT: If the amount disbursed to the student is less than the amount of aid earned, the student is eligible to receive a post-withdrawal disbursement of the earned aid that was not received. The College must notify the student of the amount and type of Title IV funds that they are eligible to receive within **30 days** of the date the school determined that the student withdrew. Payment must be made within **45 days** after the school determined the student withdrew for grants.

Return of Title IV Funds Process:

Student Withdrawal during Payment Period

Students earn financial assistance each time they attend class. A student who withdraws and/or stops attending all classes prior to the 60% point of the payment period or period of enrollment is required to return the unearned part of the financial assistance disbursed for that term. The college must determine the amount of Title IV assistance earned by the student as of the student's withdrawal date. The date of withdrawal is recorded by the Office of Admissions, Records and Registration, which processes the withdrawal, updates the student's academic record.

If the total amount of Title IV assistance earned by the student is less than the amount that was disbursed as of the withdrawal date, the difference must be returned to the Title IV programs. If the amount the student earned is greater than the amount disbursed, the difference between the amounts must be treated as a post-withdrawal disbursement. The Office of Financial Assistance and Engagement uses the Common Origination and Disbursement system R2T4 calculator as well as Ellucian Colleague's Return of Title IV Module to calculate the amount earned and amount to be returned, if applicable. **Once the calculation has been performed, the information is printed, a FATR/FATP (Financial Aid Transmittal Report) is processed in collaboration with the Business Office, and a copy of the calculation worksheet along with the notification letter is filed in the student's financial assistance file.**



Returns of Title IV funds are required to be processed as soon as possible. Students must be notified no later than **30 days** after the date the school determines the student withdrew. Funds must be returned no later than **45 days** after the date the school determines the student withdrew. The Office of Financial Assistance and Engagement processes Title IV returns regularly using the Colleague system. The Business Office returns funds using the federal G5 accounting system.

***** R2T4 Module Exemptions*****

Effective July 1, 2021

Under 34 CFR 668.22(l)(9), "A student in a program offered in modules is scheduled to complete the days in a module if the student's coursework in that module was used to determine the amount of the student's eligibility for Title IV funds for the payment period or period of enrollment." The school has two options to determine the number of days the student was scheduled to complete in the period that contains modules--the denominator in the R2T4 calculation:

Option 1: Using the student's enrollment schedule at a fixed point to determine the number of days the student was scheduled to attend during the period for R2T4 purposes--that is an R2T4 Freeze Date (RFD).

Option 2: Basing the number of days the student was scheduled to attend in the period on the student's enrollment status that was eventually used to determine the amount of the student's Title IV aid for the period, in which case any fluctuations in a student's enrollment status (adding or dropping coursework throughout the period) could cause the number of days to change up until the R2T4 calculation is performed (no RFD).

RCC chose option 2. RCC does not use a R2T4 Freeze Date. The following are exemptions to the R2T4 requirements.

- **Completed all requirements for graduation**
- **Successfully completed 49% or more of one module or combo of modules**
(Excludes breaks of 5 days or more and all days between modules)
(Do not round up) (No RFD)
- **Successfully completed half-time status (6 hours)**
- **Confirm attendance in future module no later than 45 days after the end of the module he or she was attending.**

In the new R2T4 regulations, schools that do not use an RFD must determine the number of days the student was scheduled to complete in the period by looking at the coursework that was used to determine the amount of the student's



eligibility for Title IV aid for the period. In other words, schools must include the days in a module in the denominator of an R2T4 calculation:

- If the student attended at least one day in the module; or
- The student did not attend at least one day in the module, but the module was eventually included when determining the amount of the student's Title IV aid.

R2T4 regulations are complex and any person assigned to monitor and perform the R2T4 process is expected to understand and accurately interpret the R2T4 principles and regulations. The most comprehensive guide to the R2T4 regulations can be found in the Federal Student Aid Handbook Volume 5/Chapter 1 on the FSA Partners Connect website at <https://fsapartners.ed.gov/knowledge-center/fsa-handbook> or at the U.S. Government Print Office (GPO) Electronic Code of Federal Regulations website <https://www.ecfr.gov> Code 34 CFR 668.22.

