



## RETURN OF TITLE IV FUNDS (R2T4) POLICY

### FOR STUDENTS RECEIVING U.S. FEDERAL AID

*Effective date: February 2016*

*Last reviewed: October 2023*

*Policy Owner: International Student Advisory Service (Financial Aid Team), [international@chi.ac.uk](mailto:international@chi.ac.uk)*

The U.S. Federal regulations require the University of Chichester to complete a return of Title IV Funds calculation if a student in receipt of federal aid (Subsidised, Unsubsidised and PLUS) withdraws from their course. The calculation determines the student's entitlement to U.S. federal aid based on the period of their attendance. This policy explains how to withdraw from a course, in what circumstances to apply the Return of Title IV Funds and how to calculate the Return of Title IV funds.

The Return of Title IV funds policy will also apply if a student interrupts their studies e.g. by taking Leave of Absence for over 180 day period or if a student becomes ineligible for federal aid following changes to their enrolment or other factors.

It is important not to confuse the Refund of Title IV Funds policy with the University's tuition fee refund policy. After returning any "unearned" funds to the U.S. Department of Education the withdrawn student may still owe funds to the University to cover any unpaid tuition fees and/or accommodation fees.

University of Chichester's tuition fee policy is available on the University's website:

<https://www.chi.ac.uk/study-us/fees-finance/tuition-fees>

Our Institutional Refund Policy can be found in section 13 of the Tuition Fee Policy.

#### 1. Withdrawal from studies

If a student wishes to withdraw from their studies, they should complete a withdrawal form via Chiview. Once completed and signed the form is automatically sent to Academic Registry for processing. The student must also inform Chichester International Advice of their withdrawal by email [international@chi.ac.uk](mailto:international@chi.ac.uk), so that the Return of Title IV Funds can be promptly calculated. The date of withdrawal is the last date of attendance/academically-related activity as stated on the withdrawal form.

##### 1.1 Unofficial withdrawal from studies

If a student stops attending the University without completing the withdrawal form, Chichester International Advice will determine the last date of attendance (=withdrawal date) no later than 14 days of the student's last date of attendance/academic activity. The table below explains how the team monitor and determine the unofficial withdrawal date depending on the level of study.

Undergraduate and Postgraduate students	PhD students
The University of Chichester has an Attendance and Absence Policy and an	PhD supervisors keep attendance and engagement records for PhD students.

<p>Absence Management system that all students must adhere to. If a student stop attending their course/engaging with their studies and has therefore unofficially withdrawn from their studies, Chichester International Advice will be informed of this by Academic Registry within 14 days of the student's last date of attendance. *</p> <p>Student Attendance and Absence Policy is available on the <a href="#">website</a>.</p> <p><i>*Most US Federal Aid recipients are Student Route visa holders, which means that the university must report any change of circumstances, including unofficial withdrawals, to the UK Visas and Immigration, within 10 working days. See Appendix B of the above Student Attendance and Absence Policy.</i></p>	<p>When a PhD student in receipt of US Federal Aid commences their studies at the University, the supervisor is asked to report unofficial withdrawals no later than 14 days of the last date of attendance/academic activity. E.g. when a student does not attend sessions or meetings / engage in their research as agreed. Chichester International Advice will liaise with the supervisor, postgraduate research office and academic registry to clarify discrepancies / raise concerns.</p>
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## 2. How to calculate the title IV entitlement

When a student withdraws from the University a calculation of Return of Title IV Funds is carried out by Chichester International Advice. Unless the student completed at least 60% of their programme during the relevant payment period, the University and/or the student will need to repay “unearned” funds to the US Department of Education. The “unearned” funds must be returned within 45 days of the date of the withdrawal. The student may be asked to make further tuition fee or accommodation payments to the University in order to replace the refunded funds. Chichester International Advice will calculate the “earned” funds by using the U.S. Department of Education formula. No return of funds is required if the student's attendance equated to 60% or more of the payment period.

Loans must be returned in the following order:

1. Federal Direct Unsubsidised loans
2. Federal Direct Subsidized loans
3. Federal PLUS and Grad PLUS loans

The amount of loan funds “earned” is calculated as follows:

Number of study days completed ÷ total number of study days in the payment period = Amount of loan funds earned

Example: Undergraduate – level 4

Loan disbursement date	Relevant period	Number of study days*
Disbursement 1 - 1/10/2015	21/9/2015 - 18/12/2015	89
Disbursement 2 – 1/2/2016	18/01/2016 – 13/05/2016	105

*\*For Federal aid entitlement purposes a study day is any day in the relevant period that is available for study, regardless whether any teaching is scheduled. Scheduled breaks of 5 days or more are excluded from both attendance counted and payment period.*

Example: A first year student decides to withdraw from their course of studies on 31 October 2015. The student attended 41 days during an 89 day study period. The amount of loan funds “earned” in this case is calculated as follows:  $41 \div 89 = 0.46$ . The student is eligible for 46% of their federal aid disbursement and is required to refund 54% of the funds.

### Post-withdrawal disbursement

If the student received less assistance than the amount they “earned”, they will receive these additional funds as a post-withdrawal disbursement. After performing the calculations (as explained above) we will notify the student of any post-withdrawal disbursement due. This is done within 30 days of the date of determination that the student withdrew. The student will have at least 14 days to respond to the notification. Any credit balance is disbursed as soon as possible and no later than 14 days after the calculation of R2T4. The funds will be made by bank transfer in pounds sterling to the student or the parent (in case of a parent PLUS loan).

### Non-enrolment

Failure to register as a student at the university will make the student ineligible to receive any federal aid and all funds will be returned to the U.S. Department of Education.

### First year undergraduate student receiving federal aid for the first time

If a first year undergraduate student withdraws within the first 30 days of a programme, the student is deemed not have “earned” any federal aid.

### Leave of Absence

If a student wishes to take a break from studies they should follow the University’s intermission procedure, which is available on Moodle (Student Handbook). In addition, the U.S. Department of Education imposes restrictions on leave of absence for U.S. students in receipt of federal aid. Leave of Absence must not exceed 180 days in any 12-month period. If the student does not return after 180 days, the last date of attendance is used to calculate the “earned” loan amount and the date a student enters repayment. Students must contact Chichester International Advice if they wish to take a Leave of Absence in order to discuss the restrictions and to seek advice how leave of absence impacts on their visa (if applicable). Please see our Academic Regulations (Moodle – Student Handbook) for more information on policies related to Leave of Absence (intermission).

### **Further information:**

Students with questions regarding the Return of Title IV Funds policy can contact Chichester International Advice ([international@chi.ac.uk](mailto:international@chi.ac.uk)) or visit: <https://studentaid.gov/>