

FINANCIAL AID

RETURN OF TITLE IV FEDERAL AID FUNDS POLICY (R2T4)

A US Federal Aid loan is awarded on the assumption that the student will attend University for the entire period for which the funding is granted. Where a student withdraws or drops to below 50% attendance during a payment period, the amount of Title IV funding that has been 'earned' up to that point is calculated in accordance with the US Department of Education's regulations.

The University must arrange for 'unearned' funds to be returned to the US Department of Education; this process is known as R2T4. Oxford Brookes University follows the US Department of Education's requirements for returning funds alongside the University's own [Withdrawal Policy](#) and [Debt Policy](#).

The R2T4 policy applies to students who:

- withdraw permanently from the University;
- have approved or unapproved temporary withdrawal longer than 180 days;
- fall below half-time enrolment status;
- are academically excluded;
- otherwise become ineligible for Title IV aid.

For guidance on how to request approved temporary withdrawal or inform Oxford Brookes that you are leaving, please refer to '[Time out from your course](#)' and '[Leaving the University](#)'.

Date of withdrawal

Oxford Brookes University will use the best information available to determine the withdrawal date, normally identified as follows:

- Permanent withdrawal: the date declared on the M200 (undergraduate) or F200 (postgraduate) and confirmed by Faculty, otherwise the date received in Student Central.
- Approved temporary withdrawal: the date declared on the M201 (undergraduate) or F201 (postgraduate) and confirmed by Faculty, otherwise the date received in Student Central. If a student does not return at the expiration of the period of approved temporary withdrawal, the student's withdrawal date is the date the student began the period of approved temporary withdrawal. For retrospective temporary withdrawal, the date of withdrawal is the last day of attendance as confirmed by the Faculty.
- Unapproved temporary withdrawal: the start of relevant semester.
- Below half-time enrolment: the start of the student's academic year during which the enrolment status changed.
- Academic exclusion: the date of the relevant Modular Examination Committee.

The Financial Aid team carry out monthly enrolment checks to ensure that they are aware of any changes in a student's status.

If a student does not attend even first lectures or seminars, they are not eligible to receive any Title IV funding and all funding will be returned to the US Department of Education by the University.

Determining the amount of Title IV funds to be returned:

The amount of Federal Aid earned is calculated by dividing the number of days of attendance by the number of days in the payment period. The payment period is the term for which the loan was certified. For example, a student who attends for 40% of the payment period is considered to have earned 40% of the aid for that period. If a student has completed more than 60% of the payment period, federal regulations consider that they have earned 100% of Federal Aid for that period, and there are therefore no unearned funds to be returned.

In accordance with federal regulations, funds must be returned in the following order:

- Direct Unsubsidized
- Direct Subsidized
- Direct PLUS

A copy of the document used for the R2T4 calculation will be emailed to the student and/or Parent PLUS borrower, together with details of the University's and borrower's responsibilities.

Oxford Brookes' responsibilities include:

- providing each student with the information given in this policy;
- identifying students who are affected by this policy;
- completing the R2T4 calculation for students who are subject to this policy;
- returning the Title IV funds that are due;
- informing the student if they have to return unearned funds;
- notify the student of the requirement for them to complete Exit Counselling;
- notify the US Department of Education of the change in a student's enrolment status via NSLDS within 30 days.

Timeframe for the return of Title IV funds

Students in receipt of US Federal Aid must notify the [Financial Aid team](#) immediately of a pending withdrawal or if they are going to fall below half-time enrolment, in order to meet the US Department of Education requirement that the R2T4 process begins no less than 14 days after the student's change of enrolment status.

The University has 45 days from the date it determined that the student's enrolment status changed to return to the US Department of Education all unearned funds for which the University is responsible. The student (or parent, in the case of Parent PLUS loans) must return unearned funds to the US Department of Education within the same timeframe and in accordance with Master Promissory Note they signed for that loan.

Post-withdrawal disbursements

If the student received (or the University received on the student's behalf) less funds than the amount earned, the student may be eligible for a post-withdrawal disbursement. However, the University can deduct without the student's permission, any charges due for tuition, accommodation and fees up to the amount of the outstanding charges.

The Financial Aid team will contact the student or Parent PLUS borrower via email, prior to making any post-withdrawal disbursement of loan funds, to establish whether those funds should be credited to the student's account or disbursed directly to the student or Parent PLUS borrower. A response is required within 14 days. This must take place no later than 30 calendar days of the student's change of enrolment status.

The notice must identify the type and amount of the loan funds it wishes to credit the student's account, or disburse directly to the student or parent, advising that they may accept or decline all or a portion of the funds.

Once the Financial Aid team has received confirmation from a student or Parent PLUS borrower that a post withdrawal disbursement is to be made, it must be processed as soon as possible but no later than 180 days after the date of the University's determination that the student withdrew.

Please note that this R2T4 policy is separate to the [University's refund process](#) and applies only to Title IV funds.

The requirements for Title IV program funds when students withdraw are separate from the University's refund policy. Therefore, the student may still owe funds to the University to cover unpaid institutional charges. The University may attempt to collect from the student any Title IV program funds that the University is required to return.

Last reviewed by Financial Aid, May 2017