



## **Return to Title IV Funds (R2T4) Policy**

Federal regulations prescribe the calculation of a student's eligibility for federal financial aid funds when the student completely withdraws (officially or unofficially) from the University during the semester. Students who withdraw from all classes prior to completing more than 60% of an enrollment term will have their eligibility for aid recalculated based on the percent of the term completed.

Example: a student who withdraws completing only 30% of the term will have "earned" only 30% of any Title IV aid received. The remaining 70% must be returned by the school and/or the student. The Office of Financial Aid and Scholarships encourages students to read the R2T4 policy on the CDU catalog carefully when thinking about withdrawing from all classes PRIOR to completing 60% of the semester. When a student has completed MORE than 60%, 100% of Title IV funds are earned.

### **The Office of Financial Aid and Scholarships will:**

1. Run a bi-weekly R2T4 report to determine students that may be subject to an R2T4 calculation.
2. Utilize the R2T4 on the web calculator to calculate and manage the treatment of Title IV funds.
3. Make all adjustment to student disbursements in Department of Education's Common Origination and Disbursement (COD) system and the CDU Student Billing System (PowerCampus) via CDU Financial Aid System (PowerFAIDS).
4. Communicate program refunds and amount to the Finance Office via the "R2T4 on the Web" worksheet.
5. Provided written notification to student as well as maintain documentation within the students file.

*After calculating the amount the student earned there are 3 possibilities:*

1. The amount disbursed = the amount earned
  - No further action necessary!
2. The amount disbursed exceeds the amount earned
  - The unearned portion must be returned to the programs

3. The amount disbursed is less than the amount earned

- Post-withdrawal disbursement

**Unearned Title IV aid shall be returned to the following programs in the following order:**

1. Direct Unsubsidized Loans
2. Direct Subsidized Loans
4. Direct PLUS loans
5. Pell Grants
6. SEOG
7. TEACH Grants
8. Iraq and Afghanistan Service Grant

**Written Notifications**

The University will notify students as follows:

- Any credit balances
- The obligation to repay student loan(s)
- Must be completed as soon as possible, and no longer than 30 days from date of determination