

Policy Title:	Return of Title IV Funds (R2T4) (U.S.)		
Category:	<input type="checkbox"/> Institutional - Board	<input checked="" type="checkbox"/> Academic - Administrative	
	<input type="checkbox"/> Institutional - Administrative	<input type="checkbox"/> Employment - Administrative	
Approved by:	<input type="checkbox"/> Board	<input checked="" type="checkbox"/> President	
Date approved:	January 30, 2020	Effective date:	January 30, 2020
Policy Sponsor:	Vice President, Administration & Finance	Date last reviewed:	January 30, 2020
Date of Mandatory Review (expiry date)	January 2021	Date of last revision of Procedures	January 25, 2018

1 POLICY

All U.S. students who receive Title IV Federal Student Aid and who withdraw (including voluntary, academic, suspension and leave of absence) from CMCC will have their refunds processed according to the U. S. Department of Education Return of Title IV Funds (R2T4) Policy.

Institutional or other refund policies (e.g., Ministry of Colleges and Universities) do not impact the amount of Title IV aid earned under a Return of Title IV Funds (R2T4) calculation.

2 PURPOSE

To provide clarification on the processing of refunds to U.S. students receiving Title IV Federal Student Aid.

3 SCOPE

All U.S. students registered at CMCC who receive federal financial aid assistance from the U.S. Department of Education Federal Student Aid program.

Title IV Federal Student Aid includes, but is not limited to, U.S. Direct Loans (subsidized and unsubsidized), Parent PLUS loans, or Grad PLUS loans.

If a student never commences attendance for the period of enrollment, the student is not eligible for Title IV funds; therefore, the Return of Title IV Funds (R2T4) policy does not apply.

4 INFORMATION AND COMPLIANCE PLANS (not a comprehensive list)

The Registrar is responsible for processing all withdrawals and student status changes and for notifying the appropriate departments.

The Student Financial Aid and Awards Advisor is responsible for authorizing Title IV loans and performing the R2T4 calculation.

The Director, Business/Finance and Controller is responsible for transferring R2T4 funds to the student and/or to the U.S. Department of Education.

- U.S. Department of Education Return of Title IV Funds (R2T4) requirements

5 RELATED POLICIES (not a comprehensive list)

- Academic Standing and Status
- Leave of Absence
- Satisfactory Academic Progress (U.S.)
- Withdrawal and Refund

6 DEFINITIONS

A student will be deemed to be in academic attendance if they physically attend a class with direct interaction, submit an academic assignment, take an exam, attend a school-assigned study group, participate in an academically-related online discussion, or interact with faculty online about course subject matter.

The date of determination is the date the student provides notification, or the institution becomes aware that the student ceased attending.

Earned funds refers to the percentage of Title IV loan assistance equal to the percentage of the payment period or period of enrollment that the student completed.

Leave of Absence (LOA) means that the student is not registered and is on an approved Leave of Absence from the academic program.

For the purposes of Title IV loan administration, there will be two periods of enrollment (POE) per year. The first will begin on the first day of the first module for the academic year and it will end on the last day of the second module of the academic year. The second POE will begin on the first day of the third module and end on the last day of the fourth module of the academic year.

If the amount of earned Title IV funds exceeds the amount that has been disbursed, the difference is due to the student as a post-withdrawal disbursement (PWD).

Suspended indicates that the student has been suspended from the academic program for a designated period for academic/non-academic offences.

Unearned funds refers to the percentage of Title IV loan assistance that has not been earned by the student and that is calculated by determining the complement of the percentage earned.

Unofficial Withdrawal means that the student ceases to attend classes but fails to notify the Registrar in writing of their intent to withdraw. This status is only used for the purposes of assessing U.S. loan status and administering Title IV funds.

The withdrawal date is the date the student began the formal withdrawal process, or provided official notification: mid-point (if no notification); date of illness, accident, etc.; last date of attendance in an academically-related activity.

Withdrawn (Academic) means that the student was withdrawn by the institution for academic failure or for academic/non-academic offences.

Withdrawn (Voluntary) means that the student followed institutional policies regarding notification and unofficial withdrawal and voluntarily withdrew from the program.

New Policy Approved (date):

January 25, 2018 for use by Student Services
August 30, 2018

Policy Revision History (dates):

January 30, 2020

-----**END OF POLICY**-----

7 PROCEDURES

1. U.S. Federal Student aid is awarded to U.S. students who are in attendance at CMCC for the entire study period. Students who wish to withdraw from the program must notify the Registrar in writing and may no longer be eligible for the full amount of Title IV funds awarded. The date of withdrawal will be determined according to the withdrawal date as defined in section 6 of this policy. If a student fails all courses, the institution will determine whether the failing grades were earned (in which case the Satisfactory Academic Progress policy will apply) or were the result of non-attendance.
2. U.S. federal aid regulations mandate a Return of Title IV Funds (R2T4) calculation when a student withdraws from CMCC. The percentage of aid that must be returned by the student and CMCC is based on the number of days in attendance and by the number of days remaining in the period of enrollment.

Up to 60% of the period of enrollment, an otherwise eligible student earns Title IV aid on a pro rata basis. After a student completes more than 60% of the period of enrollment, the student has earned 100% of the scheduled Title IV funds for that period. A return calculation will be completed in all cases to determine whether a post-withdrawal disbursement (PWD) is required.

3. The Registrar will notify the Student Financial Aid and Awards Advisor of all withdrawals. If the student receives Title IV loans, the Student Financial Aid and Awards Administrator will determine the percentage of Title IV aid earned and notify the Director, Finance and Controller. The Director, Finance and Controller will return the unearned portion (if applicable) to the appropriate aid program on behalf of the student, first to Unsubsidized Direct Loans, then to Subsidized Direct Loans, and finally to Direct PLUS loans.

The amount of Title IV Funds Earned (R2T4) is calculated as follows:

$$\frac{\text{\# of days in attendance}}{\text{\# of days in the POE}} = \% \text{ of Title IV earned}$$

R2T4 calculations will calculate to four decimal places, rounded to the third decimal place and rounded up at five or more. Institutionally scheduled breaks of five or more consecutive days will be excluded from the R2T4 calculation entirely. Breaks of less than five consecutive days will be included in the R2T4 calculation.

If the calculation results in a PWD, the PWD funds may be used to pay outstanding tuition and fees directly to the institution without written confirmation from the student.

4. The institution must:
 - a. Within 30 days of the date of determination
 - perform the R2T4 calculation
 - notify the student of overpayment or PWD status
 - explain loan repayment obligations
 - advise the student of their right to decline some or all of the loan disbursement
 - request confirmation of any loan amount to be credited to the student's account or directly disbursed to the borrower, specifying a deadline of at least 14 days for required response. If no response is received, the institution may decide not to disburse funds, in which case the institution must notify the student in writing.
 - b. Within 45 days of the date of determination
 - return applicable unearned Title IV funds to the program accounts
 - make the PWD (grant funds) to the student, if applicable.
 - c. Within 180 days of the date of determination
 - make the PWD (loan funds) to the student, if applicable.
5. The student must:
 - a. notify the Registrar, in writing, of the intent to withdraw or apply for a Leave of Absence.
 - b. make satisfactory repayment arrangements for unearned Title IV funds that were already disbursed to them.

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Procedure Revision History (dates):

8 ATTACHMENTS

None