1. Purpose
This describes the instances and process for returning Title IV federal funding.

Special Note: R2T4 is a different process than the tuition refund policy. Federal funding needs to be returned within 30 days after the student has been withdrawn or approved for the LOA.

2. Related Policy/Authority
This R2T4 process complies with The Higher Education Act (HEA) Amendments of 1998, Section 484B, as well as the program integrity regulations, 34 CFR 668.22, set forth governing the treatment of Title IV funds when a student withdraws from an institution.

3. Faculty/Staff Responsibilities
Director of Financial Aid
Associate Controller
Registrar

4. Definitions/Abbreviations
R2T4 – Return of Title IV
HEA – Higher Education Act
LOA – Leave of Absence
SIS- Student Information System

5. Procedural Steps
The College operates on credit hours with standard terms, and each term contains modules, as well as courses that span the enrollment term. In accordance with the federal code 34 CFR 668.22(c)(1), The College is not required to take attendance.

The Office of Registrar is designated to be notified of a course withdrawal or request for leave of absence.

Return of Title IV (R2T4) is calculated for a payment period and is either for the standard term of fall or spring. A student is considered withdrawn from a term/module if the student does not complete all the days in the term/module that the student was scheduled to complete.
There are three types of withdrawals, and a temporary leave request (Leave of Absence-LOA) that are governed by the return to Title IV (R2T4) federal calculation regulations:

1. **Official Withdrawal** – An official withdrawal occurs when the student withdraws or is withdrawn administratively, from all courses in the term, or withdraws from all courses scheduled to complete.

2. **Unofficial Withdrawal** – An unofficial withdrawal occurs when the College does not receive notice that the student has ceased attending school.

3. **Modular Withdrawals** – In accordance with the federal code 34 CFR 668.22(a)(2)(i), a student is considered to have withdrawn from a module (courses that do not span the entire length of the payment period or period of enrollment), if the student does not complete all the days in the module that the student was scheduled to complete.

4. **Leave of Absence** - the College has a formal policy regarding leave of absence B9090. For financial aid purposes, all new leaves of absence will be treated as a withdrawal effective the first day of the leave and a return calculation of federal aid will be performed. A return calculation could result in having to repay all or a portion of your financial aid back to the College.

**Returning Unearned Title IV Funds**

Institutional charges are used to determine the portion of unearned Federal Student Aid that the school is responsible for returning. The Office of Financial Aid will complete the R2T4 process through the Common Origination Disbursement (COD) system. The College will return the unearned portions of Title IV aid to the Department of Education through COD and the SIS Billing and Financial Aid modules, which may result in the student having a balance pending with the Business Office and will be determined by the COD R2T4 calculation. A student is responsible for paying back any unearned funds that the College has returned. The student is responsible for all unearned Title IV program assistance that the school is not required to return. The student is notified in writing via email and/or by physical mailing, of these amounts and outcomes from the Return of Title IV calculation. Unearned funds are returned through COD system to the Department of Education through Title IV programs in the following order: Direct Unsubsidized Stafford Loan, Direct Grad PLUS Loan. The student repays unearned loan funds on the normal loan repayment schedule as stated in the MPN and/or Disclosure Statements. Unearned funds returned by the College will be repaid to the appropriate Title IV program no later than 45 days after the withdrawal date. The student is also notified in writing that they must complete the Federal Exit Counseling:

(https://studentaid.gov/app/counselingInstructions.action?counselingType=exit)

To ensure accuracy of the R2T4 Process there is a four-tiered review process and includes the following staff:

- Financial Aid Advisor
- Financial Aid Assistant Director
- Director of Financial Aid
An electronic student folder will be created to securely archive the R2T4 process information, e.g. R2T4 Post-Withdrawal Disbursement letters, Exit letters, billing ledgers, financial aid offer letter, and all other pertinent documentation.

**Post-Withdrawal Disbursement**

For students that have not received financial aid before starting withdrawal procedures, they will be advised in writing of their post-withdrawal eligibility within 30 days of the start of the withdrawal process. A post-withdrawal disbursement is the Title IV aid that was not disbursed before a student withdrew, but which the student had earned based on a Return of Title IV funds calculation. Post withdrawal disbursements are made no later than 180 days after the withdrawal date. The amount of a post-withdrawal disbursement is determined by following the requirements for calculating the “earned” Federal Student Aid funds. For a post-withdrawal disbursement, a withdrawn student must have accepted the loan (Direct Unsubsidized Loan or Grad PLUS) and completed the MPN before the withdrawal date.

**Withdrawal and Leave of Absence Process**

When voluntarily withdrawing from the College the student is required to submit a signed and dated letter to the Registrar requesting a withdrawal from the College. Additional details about the withdrawal process can be found in the Student Handbook, 10. Withdrawal-from-the-College. It is required that any student who leaves the College for any reason go through the Checkout Process. Failure to complete the process may cause the College to withhold all records pertaining to the medical student.

### 6. Reports/Charts/Forms/Attachments/Cross References

- College Policy B9511 – Withdrawals and Return of Title IV Funding ([https://bcomnm.org/policy-b9511/](https://bcomnm.org/policy-b9511/))
- College Standard Operating Procedure RR.004-Withdrawals ([https://bcomnm.org/about-bcom/sop/](https://bcomnm.org/about-bcom/sop/))
- Registrar Website – Withdrawal Procedures - [https://bcomnm.org/students/resources/office-of-the-registrar/](https://bcomnm.org/students/resources/office-of-the-registrar/) - Under Registrar Services

### 7. Maintenance

Director of Financial Aid
Assistant Director of Financial Aid
8. Signature

Approved by 5.23.2023
Department Head of Financial Aid Date

9. Distribution List

Internal/External

10. Revision History

<table>
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<tr>
<th>Revision Date</th>
<th>Subsection #</th>
<th>Summary of Changes</th>
<th>New/Cancellation/Replacement Procedure? (if applicable)</th>
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<td>5</td>
<td>Clarification in Returning Unearned Title IV Funds to include a four-tiered review process.</td>
<td>4.20.2021</td>
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<td>3, 4</td>
<td>Updated those responsible and definitions</td>
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