

****Prior to dropping or withdrawing from any course(s), it is highly recommended to consult with both an Advisor and Financial Aid staff person. Each situation is unique and understanding all academic and financial implications is important.****

What is R2T4?

- Return of Title IV Funds is a process where aid eligibility is reassessed after a total withdrawal from a payment period.
- Financial aid eligibility is awarded based on an assumption that the student will complete the payment period. Every day a student is actively enrolled in courses, a percentage of their aid award is earned.
- When a student does not complete and ceases enrollment, there is a remaining number of days where aid cannot be earned. This is the unearned aid that, in most cases, is returned to the Department of Education.

Who does the R2T4 policy impact?

- The Return of Title IV Funds policy applies to students who receive federal funds and are considered a total withdrawal per federal regulation.

Which financial aid programs are impacted by R2T4?

- Federal financial aid refers to the following Federal Title IV programs: Federal Direct Unsubsidized Loans, Federal Direct Subsidized Loans, Federal Direct PLUS loans, Federal Pell Grant and Federal SEOG.

What is a payment period?

- The date span of the course(s) in which a student registers. If a student has a class that is from January 15- March 19 and another that runs January 15 – May 6, the payment period is January 15 – May 6. It is the earliest starting date and the latest ending date.

What is considered a total withdrawal for Federal Financial Aid purposes?

- A student stops attending all courses with or without official withdrawal.
- A student does not complete course(s) that make up at least 49% of the payment period. I.e., Student A takes an early term course (8 weeks) and a full-term course (16 weeks).
 - Example: Student A completes the 8-week course with a “C” grade, but later withdraws from the 16 week course. This student is not considered a withdrawal for federal aid purposes.
- A student does not successfully complete half-time status (6 credits) in any timeframe of the payment period and withdraws from all other courses.
 - Example: Student B take 2 -3 credit Module A courses (4 weeks) and 2 – 3 credit full term courses (16weeks.) Student B completes both module B courses with a “B” grade. During week 10 the student totally withdrawals from the 2 – 16-week courses. This student is not considered a withdrawal for federal aid purposes.

How do I establish attendance in classes?

- Attendance must be “academic attendance” which constitutes more than simply logging into an on-line class or sitting in a seat in a physical class. There must be direct participation/interaction between the instructor and student regarding academic matters. Instructors will determine a student’s attendance based on federal guidelines and report last dates of attendance or nonattendance accordingly.
- Attendance is reported by the instructor. If a student did not establish attendance, they are considered as “Non-Attendance.” This is considered a reduction of credit hours. Aid will be adjusted accordingly.
- A student who has all classes marked as “Non-Attendance” did not earn any aid. All aid will be removed for the payment period and no R2T4 is needed

How is the portion of unearned aid determined?

- Recalculation is based on the percent of earned aid using the following formula:

$$\frac{\text{Number of days completed up to the last date of attendance.}}{\text{Total number of days in payment period}} = \text{Percent of earned aid}$$

- Federal financial aid is returned to the federal programs by the College based on the percent of unearned aid using the following formula:

$$(100\% - \text{percent of earned aid}) \times \text{Amount of aid disbursed toward institutional charges} = \text{Aid to be returned}$$

What happens if I had unearned aid?

- Edison State will return any unearned federal financial aid that was used to cover institutional costs. The student will then be billed by the College for the returned funds.
- The student must repay this amount in full or contact the Business Office to establish a satisfactory repayment plan. Unpaid debts will be turned over to the Attorney General and further registration at Edison State will be blocked.