

Return of Title IV Funds Policy

The University of South Wales will follow this policy when a student in receipt of Title IV funding withdraws or suspends from their programme of study at the university.

All Federal Student Aid is considered under the generic term 'Title IV funding'. This is a reference to Title IV of the Higher Education Act of 1965 (HEA) which covers the administration of the United States federal student financial aid programmes. This includes Stafford, Direct Subsidized, Direct Unsubsidized and Graduate/Parent PLUS Loans administered through Swansea University. Students in receipt of one or more of these types of loans are considered as 'Title IV-funded'.

Throughout their study Title IV funded students are considered as 'earning' funding based on the time they are enrolled in each payment period. When a student ceases study (by either withdrawing or Interrupting their studies) they also cease to earn these funds. US federal regulations state that when a Title IV funded student ceases study, an assessment must be done to determine the amount of funds that the student received but did not earn within the relevant payment period.

All unearned funds must be returned to the US Department of Education; this is known as 'Return to Title IV' or 'R2T4'

The financial implications of withdrawing from the University or suspending your studies can be significant. You should consult with the [Federal Aid Officer](#) who will be able to advise you on the implications for fees and how to suspend any funding you are eligible to receive.

R2T4 assessment

The Federal Aid Officer will calculate the amount of Title IV Funds (US Federal Financial Aid) that has been "earned" and "unearned" using a formula provided by the US Department of Education.

The calculation will take into consideration the start and end date of the payment period, the end date of the student's study, the minimum time required to earn funding, the amount disbursed, and the different Title IV programs being used. **Please note:** In calculating the number of days, scheduled breaks of more than 5 days are excluded from the calculation (e.g. Christmas and Easter Vacation)

Once you have completed more than 60% of the payment period, all the assistance that you were scheduled to receive for that period is considered to have been earned.

As an example, if you complete 30% of the payment period, you will have earned 30% of the assistance you were originally scheduled to receive within that loan period. If you have completed 60% of the payment period, you have earned 100% of the assistance you were scheduled to receive.

Any unearned title IV funds which the student may have received must be returned to the US Government using the G5 system by the University within 45 days of the date of withdrawal. Loan funds must be returned in the following order, as set by the US Department of Education and not by the University:

1. Unsubsidized Federal Stafford loans
2. Subsidized Federal Stafford loans
3. Federal PLUS loans.

The requirements for Title IV Funds when you withdraw are separate from the [University's Fee and Debt management Policy](#) and University's Refund Policy (the refund policy is included in the Fee and Debt management policy). Students may still owe funds to the University to cover unpaid institutional charges.

Determination of Withdrawal Date

This will be the date your completed withdrawal form is received by the University. If there was a period of suspension/leave of absence before you withdrew, the date of withdrawal is the date on the withdrawal form.

When you are reported as a fail and withdraw, the date of withdrawal e.g. due to no communication from you, then the date of withdrawal will be determined by the academic department, normally the last known date of attendance.

Students funding their studies through US Federal Aid are required to inform [the Financial Aid Officer](#) of their withdrawal at the same time as notifying their respective Academic College Tutor/Administrator. To ensure compliance with the R2T4 guidelines, the process must ensure that the University's determination that the student withdrew is no later than 14 days after the last day of attendance commence.

Outcome of the R2T4 assessment

The calculation will determine how much of the Title IV funding the student received was earned and how much was unearned. Where the student received unearned funds, the calculation will also determine the order in which the funds need to be returned to the relevant Title IV programs.

The Federal Aid Administrator will notify the student of the outcome of the R2T4 assessment by email with 5 working days of completing the assessment.

If the student received more Title IV funds than were earned, these unearned funds must be returned: The Financial Aid Administrator will arrange with the Finance Office to return the relevant portion of funds to the US Department of Education. The US Department of Education require all funds to be returned within 45 days of the date the Academic College determines that a student has withdrawn/interrupted.

Once the assessment and calculation have been completed, a full breakdown will be produced and emailed to the student, detailing any balances owed to the University after repayment of the unearned funds.

The University of South Wales Finance Department will contact the student to request payment of any outstanding tuition and/or accommodation fee.

Post- withdrawal Disbursement process

The University makes disbursements “in advance” for the whole term. If the value disbursed to the student before withdrawal is less than the earned value, then a post-withdrawal disbursement will be made by bank transfer in pounds sterling to the student. A student who is owed a post-withdrawal disbursement will be notified within 30 days of the date of determination that the student withdrew.

The reason why there is a post-withdrawal disbursement:

The type and amount of loan funds that make up the post-withdrawal disbursement.

A reminder that the post-withdrawal disbursement is a loan and must be repaid along with the rest of their outstanding loans. The student can accept all, part, or none of the funds

The student has 14 days from the date of notification to respond with their decision to accept or decline some or all of the post-withdrawal disbursement funds

If the student does not respond to the notification within the 14 days, the University will not disburse the funds and notify the student in writing. The post-withdrawal disbursement will be distributed to the student's account within 180 days of the date the University determined the student withdrew.

Students responsibility

If a student did not receive all of the funds earned, a post-withdrawal disbursement may be due, but the student must give the permission for this to take place. However, the University of South Wales can automatically deduct without the student's permission, any charges due for tuition, fees and accommodation, if applicable, up to the amount of the outstanding charges.

A student may choose to decline some or all of the funds to avoid incurring additional debt. Any loan funds that a student, or parent are required to be repaid, must be in accordance with the terms of the promissory note.

Approved Leave of Absence

An approved Leave of Absence is a temporary interruption in a student's programme of study for a period of not more than 180 days in length. Students returning from an approved leave of absence are not required to re-apply for admission but must re-register on to their course.

If a student fails to return after an approved leave of absence or takes a period of absence that does not qualify as an approved leave of absence, then the date of withdrawal is the start date of the Leave of Absence and a Return of Title IV Calculation should be completed.

Unapproved Leave of Absence

The University may grant a period of suspension of studies to a student which does not qualify as an approved leave of absence. For Title IV purposes this will be considered a withdrawal for Title IV Funds purposes and a Title IV Funds Calculation will be undertaken.

NB. Students who do not attend even one class are ineligible for Title IV Funds and all proceeds will be returned to the USDE.