

Return of Title IV (R2T4) Funds Policy and Procedures

1. Overview

The Return of Title IV (R2T4) process governs how federal financial aid eligibility is recalculated when a student withdraws from the University before completing a payment period or period of enrollment.

Sul Ross State University administers R2T4 in accordance with **federal regulations (34 CFR §668.22)**. This process requires coordination between the **Office of Financial Aid, Registrar, Bursar/Cashiers, and faculty**.

Students receiving federal financial aid are strongly encouraged to contact the Office of Financial Aid prior to withdrawing to understand the financial implications.

2. Institutional Responsibilities

Office of Financial Aid

- Calculates R2T4 and determines earned vs. unearned aid
- Returns funds to Title IV programs within required timelines
- Notifies students of results and post-withdrawal eligibility
- Maintains documentation and audit trail

Registrar's Office

- Processes official withdrawals
- Provides enrollment status updates and withdrawal dates
- Coordinates last date of attendance (LDA) verification

Faculty

- Verify enrollment at census
- Provide last date of academically related activity when requested

Bursar/Cashiers

- Processes student billing and outstanding balances
 - Issues refunds and manages payment arrangements
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3. When R2T4 Applies

An R2T4 calculation is required when a student:

- Begins attendance and **withdraws (officially or unofficially)** before completing **more than 60%** of the payment period
- Stops attending all courses (including unofficial withdrawals)
- Receives all **F, W, or I grades** and attendance cannot be confirmed

Not Subject to R2T4:

- Students who complete **more than 60%** of the term
- Students who never begin attendance

- Students enrolled in at least one course (not fully withdrawn)
 - Students receiving only **Federal Work-Study (FWS)**
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4. Withdrawal Types and Determination

Sul Ross is **not required to take attendance**; therefore, withdrawal types are determined as follows:

Official Withdrawal

- Student submits formal withdrawal
- Withdrawal date = date initiated or last date of academic activity (if documented)

Unofficial Withdrawal

- No formal withdrawal, but student stops attending
- Withdrawal date =
 - Last documented academically related activity, OR
 - **Midpoint (50%) of the term** if no documentation exists

Date of Determination

- The date the University becomes aware the student withdrew
 - Triggers the **45-day return deadline**
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5. Modules (Short-Term Courses)

For programs offered in modules (e.g., Summer I/II or mini-terms):

A student is considered withdrawn if they:

- Do not complete all scheduled modules, AND
- Do not confirm future attendance in a later module

If written confirmation is provided but the student fails to return, withdrawal date is:

- Last date of attendance in the most recent module
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6. R2T4 Calculation

Earned Aid Formula

Percentage Earned =

(Days attended ÷ Total days in payment period)

(Excluding scheduled breaks of 5+ consecutive days)

- Up to 60% → prorated earned aid
- After 60% → 100% earned

Unearned Aid

Unearned aid must be returned by the institution and/or student.

7. Order of Return (Updated)

Funds are returned in the following order:

1. Direct Unsubsidized Loans

2. Direct Subsidized Loans
3. Direct PLUS Loans (Parent/Graduate)
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant (FSEOG)
6. Iraq and Afghanistan Service Grant
7. TEACH Grant (if applicable)

Note: Federal Perkins Loans are no longer included (program ended).

8. Post-Withdrawal Disbursements (PWD)

If a student earned more aid than was disbursed:

- **Grants:** Automatically applied to student account
- **Loans:**
 - Student must be notified within **30 days**
 - Student has **14 days to accept or decline**

All PWDs must be made within **180 days** of withdrawal.

9. Return Deadlines

- Institution must return funds within **45 days** of Date of Determination
 - Post-withdrawal disbursement notification: **within 30 days**
 - Student credit balance refunds: **within 14 days**
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10. Institutional Charges and Student Responsibility

Returned funds may create a **balance owed to the University**.

Students are responsible for:

- Repaying institutional charges
 - Resolving outstanding balances with the Bursar
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11. Documentation and Systems

Sul Ross utilizes **COD and Banner** to:

- Perform R2T4 calculations
- Track withdrawal activity
- Maintain compliance records

The Financial Aid Office:

- Retains calculation worksheets and supporting documentation
 - Maintains a centralized tracking report for audit purposes
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12. Academically Related Activity (Definition)

Includes:

- Attending class (in-person or online)
- Submitting assignments
- Taking exams or quizzes
- Participating in interactive coursework

Does NOT include:

- Logging into an online course without participation

13. Leave of Absence (LOA)

An approved Leave of Absence may **exclude a student from being considered withdrawn** if:

- It meets federal LOA requirements
- Student returns within the approved timeframe

Otherwise, R2T4 applies.

14. Impact on Satisfactory Academic Progress (SAP)

Withdrawal may negatively impact:

- Completion rate
- Maximum timeframe

Students should review the **Satisfactory Academic Progress Policy** for continued eligibility requirements.

15. Student Notification

After R2T4 is completed, the University will notify the student of:

- Amount of aid earned
 - Amount returned
 - Any post-withdrawal disbursement eligibility
 - Outstanding balance owed
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16. Compliance Oversight

The **Director of Financial Aid** is responsible for:

- Policy enforcement
 - Staff training
 - Monitoring compliance with federal regulations
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