US Federal Student Aid - Return of Title IV Funds Policy

1. US Federal law specifies how foreign schools must determine the amount of Title IV programme assistance (Direct Loans Programme) that students earn if they withdraw from their studies. Cliff College follows the requirements of the Return to Title IV in relation to Direct Loans and PLUS loans.

   If a Student wishes to withdraw they must follow the process explained in section 5.2 found below.

1.1 The Student Funding Team is responsible for calculating the return of Title IV funds and for the transfer of funds back to the US Department of Education. All funds must be returned to the Department within 45 days of when the College determined that a student withdrew.

2. When a student who began attendance withdraws during a payment period, the amount of Title IV programme assistance that has been earned up to that point is determined by a specific formula.

2.1 The date of withdrawal is the earlier of the date the student notified the College of their intent to withdraw or the date the student submitted the withdrawal form or the last date of attendance according to the College's records if no withdrawal notification is given.

2.2 If the student received (or the College received on the student's behalf) less assistance than the amount earned, the student may be able to receive those additional funds. If the student received more than was earned, the unearned funds must be returned by the College and/or the student. Without an official withdrawal form, the College will use the last day of attendance to compute the return of Title IV formula.

2.3 In the case where a student notifies their tutor or any other College department that he or she intends to withdraw, the student must be informed of the need to complete the official withdrawal form, document the date the student notified them and share that information with the Student Funding Team. Should the student subsequently fail to complete the withdrawal form or there is a time lapse between the notification and the filing of the form, the earlier date of notification will be used in calculating the return of Title IV funds.

2.4 In the case where a student is not permitted to progress in to the next term/semester, the Student Funding Team will contact the student's school to determine if failure to progress represents a lack of attendance. In the event it is determined that failure to progress is a result of lack of attendance, the Student Funding Team will ask the school to determine the last day of attendance according to their attendance records. This date will then be used in the return of Title IV calculation.

2.5 Students who do not attend even one class, are ineligible for Title IV funds and all of the loan proceeds will be returned to the lender.

3. The amount of assistance earned is determined on a pro rata basis.

The payment period is the semester for which the loan was certified; the percent of attendance is calculated by dividing the number of days attended by the total number of days in the payment period. Any scheduled break of five or more consecutive days during the payment period will be excluded from the R2T4 calculation (e.g. Easter break). For example, if the student completes 30% of the payment period or period of enrolment, the student has earned 30% of the assistance they were originally entitled to receive.

3.1 Once the student has completed more than 60% of the payment period or period of enrolment, all the assistance that the student was scheduled to receive for that period is considered to have been earned. If the student did not receive all of the funds that were earned, he or she may be due a post-withdrawal disbursement.

A written notice, in advance of any payment, will be provided to the student, or parent, informing them of the post-withdrawal disbursement and giving them the opportunity to reject (in part or in full) the disbursement. The notice will be provided within 30 days of the date of withdrawal. The notice will indicate the amount of the loan and indicate that if accepted then the student will be required to repay the loan in due course. The notice will also indicate any funds that the College will credit directly to its own account in payment of student fees. If the student does not wish to accept this direct disbursement to the College they will be given the opportunity to do so.

The College will also inform the student about the advantages of keeping loan debt to a minimum, and the options for how the student could use their post-withdrawal disbursement.

The student will need to respond to this notice within 30 days. If a student does not respond within this timescale, the student will be given a further 30 days to respond. If they have still not responded within 60 days then no disbursement will be given. Any disbursement that is accepted will be credited to the student's account within 180 days.

3.2 If a student has completed 60% or less of the payment period then return of funds will be calculated on a pro-rata basis so that:

Funds returned = %completed * total funds allocated.

4. Title IV funds are returned in the following order:

1. Unsubsidised Direct Loans
2. Subsidised Direct Loans
3. PLUS Loans (whether Graduate or Parent)

4.1 As a result of withdrawal and the return of Title IV funds to the lender, the student may still owe funds to the College to cover unpaid institutional charges. The College may also attempt to collect from the student any Title IV programme funds that the College was required to return.

5. Definitions:

5.1 Semesters
There are two semesters in each award year.

5.2 Interruption/Leave of Absence
The College defines interruption of studies to mean a voluntary cessation of academic study for a specified period. The College permits interruptions of study for part-time and full-time students, with good cause[1], for a minimum of one semester, up to one year at a time, at the end of this period, a further period of interruption can be granted (again to a maximum of one year) under exceptional circumstances.

Unapproved Interruption/Leave of Absence
The College may permit an interruption of studies that does not meet the conditions to be an approved Leave of Absence for Title IV purposes (for example, for academic reasons). However, any interruption that does not meet all of the conditions for an approved Leave of Absence is considered a withdrawal for Title IV purposes.

Official Withdrawal
A 'withdrawal' refers to a student's intent to completely terminate studies at an institution with no expectation of return. Students, who subsequently return to their studies, must re-apply for admission through the College's Admissions Office. An official withdrawal must include a notification of withdrawal.

All notifications of withdrawal should be addressed to the Academic Register, registrar@cliffcollege.ac.uk and give full details of why the student wishes to withdrawal.

Unofficial Withdrawal

An unofficial withdrawal is one where the College has not received notice from the student that the student has ceased or will cease to attend their course.

Even if a student unofficial withdrawals the College will still complete the process of calculating what funds are due to be returned and will make every effort to communicate this with the student.

Determination of withdrawal date

The last recorded date of attendance will constitute the student's withdrawal date.

Calculation of earned/unearned credit hours – How the R2T4 calculation works

[Federal Student Aid, an Office of the US Department of Education]

Step 1

Cliff College determines the net amounts of the *Title IV* id for which a student was eligible at the time of the withdrawal, including amounts disbursed and amounts that could have been disbursed.

Step 2 (clock hour)

Cliff College calculates the percentage of the period that the student was scheduled to complete upon withdrawal. If greater than 60%, the student earned 100% for the period.
Numerator: Number of hours the student was scheduled to complete
Denominator: Total hours in the period

Steps 3 & 4

The percentage completed (or scheduled to complete) is multiplied by the total amount of *Title IV* aid for which the student was eligible.

- **If the amount earned is less than the amount disbursed, a return to the Department is required.**
- **If the amount earned is greater than the amount disbursed, a PWD is required.**

Interruption/Withdrawal Request Forms
The form required by the College to request an interruption or a withdrawal is available through the Academic Registrar (registrar@cliffcollege.ac.uk).

Approved Interruptions
An interruption must meet certain conditions to be counted as a temporary interruption in a student's education instead of being counted as a withdrawal requiring the College to perform a return of Title IV calculation. If an interruption does not meet the conditions and the student is considered to have ceased attendance and to have withdrawn from the College, the College is required to perform a return of Title IV funds.

Approved Leaves of Absence
A leave of absence must meet certain conditions to be counted as a temporary interruption in a student's education instead of being counted as a withdrawal requiring the College to perform a return of Title IV calculation. If a leave of absence does not meet the conditions and the student is considered to have ceased attendance and to have withdrawn from the College, the College is required to perform a return of Title IV funds.

Leaves of Absence Request Forms
The form required by the College to request a leave of absence is available through the Academic Registrar (registrar@cliffcollege.ac.uk).

5.3 In order to qualify as an Approved Interruption:

a) **All requests must be submitted according to the College's interruption policy.**
b) **Students must apply in advance unless unforeseen circumstances prevent the student from doing so.**
c) **Situation must be generally 'non-academic' in nature and one that leads to a reasonable expectation that the student will return with the allotted timeframe.**
d) **All requests and queries with regards to this policy should be addressed to the Academic Registrar, registrar@cliffcollege.ac.uk.**

5.4 Completion of Coursework upon return

Extensions for the submission of assessed work, including for the dissertation module, should be commensurate with the reason for the request. For example, where a request for extension is based on certified illness for one week, an extension of one week should be granted.

Where an extension to a module necessitates an increase to the overall duration of the student's studies such that the completion of a programme extends into the following academic year or subsequent academic year for part-time students, students will be required to re-register.

5.5 Students who return earlier than anticipated

The College may permit a student to return to their course before the expiration of the student's interruption. However, until the student has resumed the academic programme at the point where he or she began the interruption, the student is considered to still be on the approved interruption. All students on approved interruptions are required to return to study at the latest at the point where they previously left the course.

5.6 Students who fail to return from interruption

If a student does not return to the College at the expiration of an approved interruption, the student's withdrawal date is the date the student began the interruption.

6. Consequences of Withdrawal

6.1 A student who is granted an approved interruption is considered to remain in an in-school status for Title IV loan repayment purposes. If a student on an approved interruption fails to return, the College (Student Funding Team) must report to the loan holder the student's change in enrolment status as of the withdrawal date. One possible consequence of not returning from an approved interruption is that a student's grace period for a Title IV programme loan might be exhausted. Therefore, in order for an interruption to be an approved, prior to the interruption, the College must inform the student who is a Title IV loan recipient of the possible consequences of a withdrawal may have on the student's loan repayment terms, including the exhaustion of the student's grace period.

6.2 The student will be formally notified in writing, by the Student Funding Team, about the change in their enrolment status, as of their withdrawal date. This notification will include the potential consequences of withdrawal with regards to the student's loan repayment terms, and detail any unearned funds that need to be returned. The student will also be notified that the return of unearned finds must be made as soon as possible, but no later than 45 days after the school-determined withdrawal date.

7. Unapproved Interruption

The College may have a separate interruption policy from the 'approved interruption' policy outlined above, however it will be counted as a withdrawal for the purposes of Direct Loans and PLUS fund.

Return of Title IV Responsibilities and Deadlines		
Party Responsible	**Requirement**	**Deadline**
Cliff College	Determining withdrawal date for student who withdraws without providing notification	14 days after the end of the earlier of: • Payment or enrollment period • Academic year in which student withdrew
Cliff College	Return of unearned Title IV funds	As soon as possible but no later than 45 days after date school determined student withdrew
Cliff College	Post-withdrawal disbursement to student's account for: Outstanding current (allowable) charges (tuition and fees, room and board, etc.). Minor (e.g., under £200) prior year charges that the school has authorization to retain	As soon as possible but no later than 180 days after the date school determined student withdrew, in accordance with requirements for disbursing Title IV funds
Cliff College	Written notification providing the student the opportunity to accept all or part of a post-withdrawal disbursement of Title IV loan to the student's account	Within 14 days of the school's determination that the student withdrew
Cliff College	Written notification of student's eligibility for a direct post-withdrawal disbursement of Title IV loan funds in excess of outstanding current (educationally related) charges	Within 14 days of the school's determination that the student withdrew
Cliff College	Post-withdrawal disbursement to student for earned Title IV funds in excess of outstanding current (educationally related) charges	From the date school determined student withdrew (1) loans as soon as possible but no later than 180 days

Cliff College	**Notification to student of outcome of late request for a post-withdrawal disbursement to student (request received by school after the specified period and school chooses not to make disbursement)**	**Not specified but as soon as possible**
Student	**Submit response instructing school to make post-withdrawal disbursement**	**Within specified number of days school allows for response**
Student	**Return of unearned Title IV funds**	**Loans—according to terms of the loan.**