

**Delgado Community College  
R2T4 Policy and Procedures Manual  
21-22**

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## Section 13: Return of Title IV Funds

### 13.1 Process Overview and Applicability

This policy explains how Title IV funds are handled when a recipient of those funds ceases to be enrolled (withdrawn) before the end of a payment period. If a student does not complete all the days in the payment period or period of enrollment that the student was scheduled to complete, a student is determined to be withdrawn for Title IV purposes.

Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive. Delgado must perform R2T4 calculations on all withdrawn students regardless of whether they earned 100% of funds (reference *R2T4 Not Performed* for any exemptions)

Delgado determines the earned and unearned portions of Title IV aid as of the date the student ceased attendance based on the amount of time the student spent in attendance. Up through the 60% point in each payment period, a prorated schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the payment period, a student earned 100% of the Title IV funds the student was scheduled to receive. For a student who withdraws after the 60% point-in-time, there are no unearned funds. Delgado reviews the account to determine whether the student is eligible for a post-withdrawal disbursement (PWD).

Because a student begins earning Title IV funds on the first day of attendance, even if the student withdraws before a school's census date, the school must perform an R2T4 calculation using the number of days the student attended classes. Whether a student owes or pays tuition has no bearing on the R2T4 process.

A student who is no longer enrolled and in attendance is no longer eligible for in-school status or an in-school deferment, so the school must report the student's enrollment status as withdrawn ("W") in NSLDS (National Student Loan Data System) Enrollment Reporting. See 34 CFR 685.309(b) and 34 CFR 682.610(c).

#### Overview of R2T4 Process

**Step 1:** Determine if the student is considered to have withdrawn) from the payment period or period of enrollment

**Step 2:** Determine if the student is eligible for an R2T4 calculation (reference *R2T4 Not Performed* for any exemptions)

**Step 3:** Determine the student's withdrawal date (reference 13.2 Withdrawal Date)

**Step 4:** Determine the percentage of earned aid (reference 13.3 Formula Calculation)

**Step 5:** Determine the amount of earned aid (reference 13.3 Formula Calculation)

**Step 6:** Determine the amount of unearned aid (reference 13.3 Formula Calculation)

**Step 7:** Determine the school and student shares of unearned aid (reference 135 Returning Unearned Funds)

**Step 8:** Allocate unearned aid (reference 135 Returning Unearned Funds)

**Step 9:** Make post-withdrawal disbursements (reference 13.4 Post-Withdrawal Disbursements)

If disbursed aid exceeds earned aid:

1. Determine the amount of unearned aid by subtracting earned aid from disbursed aid
2. Distribute the responsibility for returning unearned aid between Delgado and the student
3. If unearned funds must be returned, allocate unearned aid to programs from which the student was funded
4. Return the institution's share and any funds repaid by the student or refer the over-payment to ED within the required time frame

If earned aid exceeds disbursed aid (reference 13.4 Post-Withdrawal Disbursements (PWD)):

1. Determine the amount of a PWD by subtracting disbursed aid from earned aid
2. If a PWD is due, determine the sources from which it will be funded and credit any grant portion towards allowable and/or authorized unpaid charges.
3. Offer and obtain the student's, or parent's in the case of a parent PLUS, authorization to credit the loan portion of the PWD towards allowable and/or unpaid charges.
4. Directly disburse to the student any amount of a PWD of grant funds that are not credited toward allowable and/or authorized unpaid charges.
5. Offer the student, or parent PLUS borrower, any portion of the PWD disbursement of loan funds not credited towards unpaid charges and make the PWD if the offer is accepted.

## Policies

### **R2T4 is performed**

A number of processes outlined below tracks student withdrawals.

#### **Official Withdrawals**

Delgado Students can officially withdraw from the institution by dropping all courses through LoLA or by visiting the Registrar's office and completing the withdrawal form in person. Either method results in immediate withdrawal from the institution. When this occurs before the College's establish census date, the student must receive a post-withdrawal payment.

#### **Unofficial Withdrawals**

Following Delgado's Required Drop due to Non-attendance Prior to Census Day and FN Grade Procedures, instructors can issue the grade of FN to any student who has stopped attending their course after their initial attendance. If a student ends terms with all FN's or a combination of FN grades and W grades, the Registrar's office Unofficially Withdraws the student for Title IV purposes.

#### **Module Withdrawals**

Under the final regulations of October 29, 2010, a student enrolled in modules is considered to have withdrawn for Title IV purposes if the student ceases attendance at any point before completing the payment period or period of enrollment unless the school obtains written confirmation from the student that they will attend a module that begins later in the same payment period or period of enrollment. Students can confirm attendance in a future module by:

- Providing the school with written notice OR
- Registering for an additional module after the student has ceased attending

While the student's Banner record will not indicate that a student who drops all courses from a module while maintaining enrollment in a future module is withdrawn, the Financial Aid Office monitors these possible withdrawals for Title IV purposes. It performs all R2T4 calculations related to these types of withdrawals via COD tool.

### **R2T4 is not performed**

#### **Withdrawn vs. Enrollment Status Changes**

If a student drops courses and maintains enrollment in a term currently in session, the student's enrollment status changes. They are not considered Withdrawn.

#### **No Shows**

Before a student can be considered withdrawn, the College must establish that the student began attending the payment period. Instructors drop students who do not start their scheduled courses before census per [Delgado's Required Drop due to Non-attendance Prior to Census Day and FN Grade Procedures](#).

Students can also self-withdraw prior to the census. In the case of a student's self-withdrawing using LoLA, the student record does not indicate if the student began attending nor does it record a last date of attendance. In these cases, the Financial Aid office must request this information directly from the instructors.

#### **R2T4 Exemptions (Module Withdrawals for Title IV purposes)**

Students who are attending modules within a payment period may be eligible for R2T4 exemptions when they:

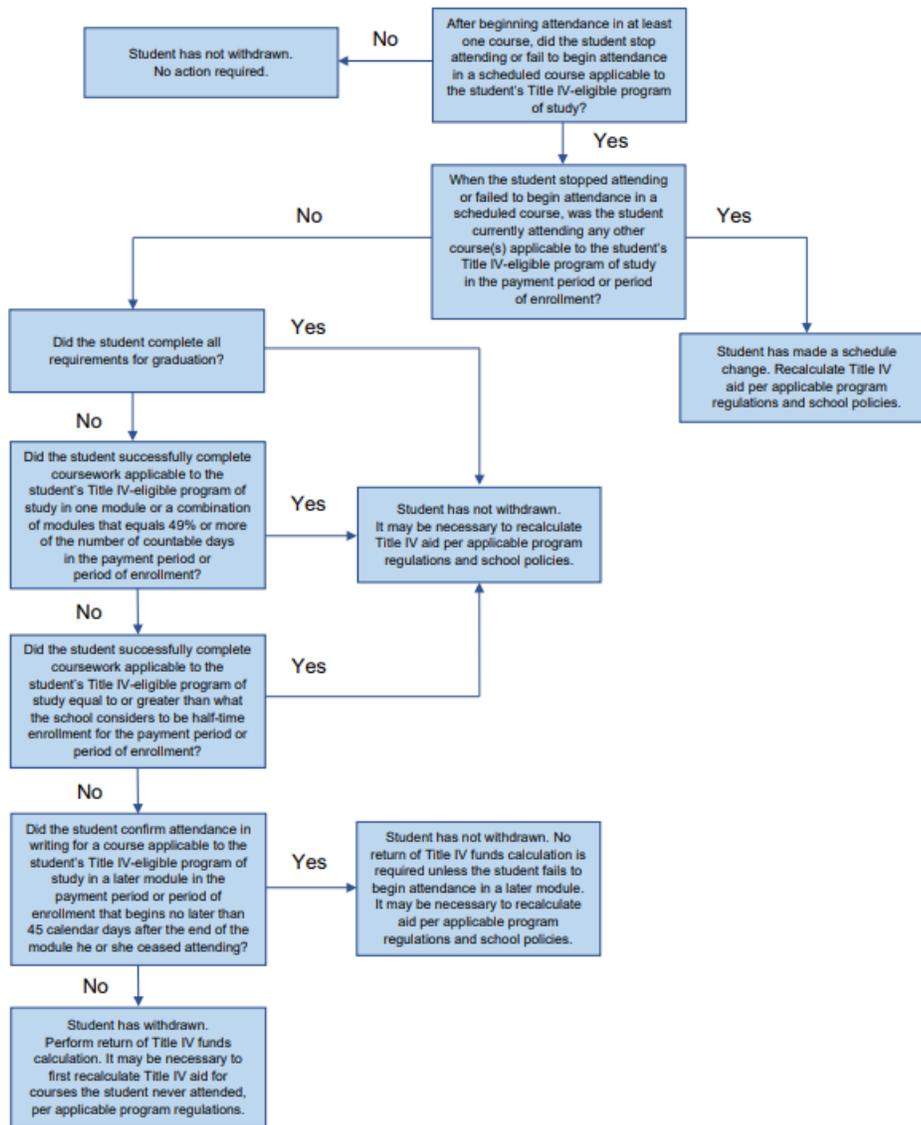
- a. Complete a program graduation requirements
- b. Successful completion of one or more modules equaling 49 percent or more of the countable days in the payment period or enrollment period the student was expected to complete
- c. Successful completion of coursework equal to what the school considers to be half-time enrollment
- d. Providing written confirmation at the time of withdrawal that the student will resume studies within the time frame specified in the regulations according to the student's program type. If a student is identified as being withdrawn from a module for Title IV purposes and does supply the Financial Aid Office with written confirmation of future attendance, the Financial Aid office does not perform an R2T4 calculation. The student enrollment status is monitored to ensure that the student does begin attendance in the future module.
- e. Students that add courses in a future module on the same day or after the student is withdrawn are considered to be providing the College written confirmation that they will resume studies. (Handbook Volume 5 Chapter 2, Page 5-72). The student enrollment status is monitored to ensure that the student does begin attendance in the future module.

The R2T4 team uses the decision tree below to determine if an R2T4 exemption is necessary.



## Determining Whether a Student Has Withdrawn from a Standard- or Nonstandard-Term Program Offered in Modules

Effective July 1, 2021 with Possible Early Implementation



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Decision tree taken from: <https://askregs.NASFFA.org/resources/GetResourceFile/46>

### When must the College not return Title IV funds?

#### R2T4 COVID Waiver

Delgado implemented the R2T4 COVID waiver as outlined in [Electronic Announcement, 4/3/20](#). If a student withdraws and indicates that the withdrawal was due to the COVID-19 Pandemic, the school performs the R2T4 calculation but does not return any Title IV funding to the federal government. The COVID indicator must be applied to all COD files of students who receive the COVID Waiver.

#### Attending past 60% enrollment

When an unofficial or officially withdrawn student attends 60% or more of a payment period, the Title IV funds are not required to be returned to the federal government.

#### Students only offered Work-Study.

If a student is only offered Work-Study, while they can not continue their work-study assignment, they are no requirement to return any Title IV funding.

#### R2T4 calculation change vs. R2T4 correction

An R2T4 calculation change occurs if the school is able to update information for the R2T4 calculation within the R2T4 deadline. A

correction occurred when a mistake was made in the R2T4 calculation.

## 13.2 Withdrawal Date

### Policies

Delgado is a non-attendance-taking institution for Title IV purposes following [Attendance Policy](#) Published in Delgado's College Catalog.

### **Determining the Student's Official Withdrawal Date for Title IV Purposes**

The Student's Withdrawal date is the date that the student begins the withdrawal process, provides notification of their withdrawal, or is their date of last academic activity. Definitions of each type of withdrawal discussed below can be reviewed in Section 13.1 Process Overview and Applicability; Types of Withdrawals Section of this policy.

#### **Official Withdraw**

For all Official Withdraws, the Registrar's office uses the date when the student's last class is dropped as the official withdrawal date. This is the date used whether the student completes the request through LoLA or in-person at the Registrar's Office. The Financial Aid office uses the date established by the Registrar's office as the withdrawal determination date for Title IV purposes.

#### **Unofficial Withdraw**

Students who begin attending a payment period and then stop attendance without officially withdrawing from Delgado are Unofficially Withdrawn from Delgado per [Attendance Policy](#).

For all Unofficial Withdraws, the Registrar uses either the latter of 2 dates. They either use the last date of attendance as recorded by the instructor or the date the student dropped the last course. The Financial Aid office uses the date established by the Registrar's office as the withdrawal determination date for Title IV purposes.

#### **Module Withdraw**

For students identified by the Financial Aid Office as a module withdrawal, the Financial Aid office uses the last date the student dropped a course within the withdrawn module as recorded in Banner as the withdrawal determination date for Title IV purposes.

### **Changes in a Student's Withdrawal date**

#### **Reinstatement**

Students who have been dropped from courses for non-attendance by the Census Day or who have dropped courses themselves may request reinstatement. Financial Aid monitors all students who are reinstated into courses through an internal report developed in coordination with the Registrar's office. Additional information about Reinstatement can be found in the College Catalog in the Attendance and Scheduling Section.

#### **Academic Appeals**

A student who believes a grade has been miscalculated must appeal within one semester of earning the grade. Grade appeals must follow the procedures outlined by the Academic Appeals Committee. In the rare case where a student may be withdrawn through an Academic Appeals process, the Financial Aid Office is notified and changes the student's enrollment status.

The Financial Aid is notified by the direct participation in the Academic Appeals process. The R2T4 Coordinator serves as a nonvoting member of the committee. They are to review all cases where the Committee's actions would change the student's enrollment status. Additional information about Academic Appeals can be found in the College Catalog in the Academic Appeals Section.

In these cases, the withdrawal date is the date the student completed their last academic activity. If it is determined that the student never attended the term, all Title IV aid is removed.

#### **Module Withdrawals**

When the student provides written confirmation of future attendance and does not return as scheduled, the student is considered to have withdrawn from the payment period or period of enrollment. The student's withdrawal date, in this case, would be the date that the student initially dropped the module courses, which triggered the initially written confirmation of future attendance.

### **Date of the Institution's Determination that the Student has Withdrawn**

Delgado Community College has 30 days from the date the institution becomes aware of the student's withdrawal (Institution's Determination Date) to perform the R2T4 calculation and 45 days from the Institution's Determination Date to return the money to the Department. In the case of Official Withdrawals, Unofficial Withdrawals, and Module Withdrawals, the date the student's last class is withdrawn is also the Institution's Determination date.

### **Date of the Institution's Determination when there are Changes in a Student's Withdrawal Date**

#### **Academic Appeals**

The date that the committee reviews the academic appeal serves as the Institution's Determination Date. If the appeal presents any actionable information that indicates an R2T4 would be necessary.

### **Module Withdraws**

The date on which the Institution became aware of the withdrawal (Institution's Determination Date) would be the census date of the future module that the student did not begin.

## **13.3 Formula Calculation**

### **Policies**

The R2T4 Coordinator leads the team that performs all R2T4 Calculations. The RT4 team uses Banner to process all single module R2T4 Calculations. When students are registered in multiple terms within a payment period or are a Module Withdrawn Student (reference section Module Withdrawals pg. 4), the R2T4 Team uses the COD R2T4 web-based application.

The R2T4 Coordinator pulls the Withdrawn students through the R2T4 Banner job following the R2T4 operational calendar. This report outlines all Official and Unofficially withdrawn students (reference section Official and Unofficial withdraws). Module Withdrawn students are identified through the internal report FFAM1075 - Part-of-term drops with future enrollment. This report is also run following the R2T4 Operational Calendar.

### **Determining the number of days in an enrollment period in a Module (R2T4 Freeze Date)**

Delgado uses the period of enrollment to calculate the student's percentage of aid earned. The enrollment period is determined by the R2T4 Freeze date (the denominator of the Percentage of Aid Earned calculation). Delgado's R2T4 freeze dates are established in the Student Handbook.

A student will only have one R2T4 Freeze Date apply to them within a payment period or period of enrollment. The institution will use the last R2T4 Freeze Date in the period that applies to a student. And, like Pell recalculation dates, an R2T4 Freeze Date applicable to a particular module is applicable only if the student actually starts attending that module. However, remember that if a student attends one day in a module, the days in that module must be included in the R2T4 calculation regardless of whether or not that course has been dropped by the student's latest R2T4 Freeze Date. [\[Guidance issued 08/20/2021\]](#)

### **Procedures**

Delgado used the Banner R2T4 Processing job outlined in the LCTCS Banner Financial Aid Return to Title IV Funds Processing Guide.

## **13.4 Post-Withdrawal Disbursements**

### **Policies**

If a student receives less Title IV aid than the amount earned, the school must offer a disbursement of the earned aid that was not received. This is called a post-withdrawal disbursement (PWD). Delgado makes all post-withdrawal disbursements within 180 days of the date that Delgado determines that the student withdrew. The amount of a post-withdrawal disbursement is determined by the R2T4 Calculation and has no relationship with incurred educational costs or tuition charged or not charged to the student. Delgado does not make any post-withdrawal disbursement of Title IV funds to the account or estate of a student who has died.

## **Tracking Post-withdrawal Disbursement Notifications**

The R2T4 team mails PWD notifications within 30 calendar days after the student's withdrawal date. They are also responsible for tracking any confirmations received and disbursing funds accordingly. All PWD notifications are kept in BDM.

Title IV grant funds do not require confirmation and are disbursed to a student's account. After all allowable charges are paid, the student is refunded the Title IV credit balance.

Students or Parents (in the case of Direct Parent PLUS Loans must confirm any post-withdrawal loan offers to receive the funds. Each PWD notification contains a deadline by which the student or parent must respond to the request to have the funds disbursed. Delgado is not required to disburse any loan funds if a student responds after the deadline.

Students are only eligible for loan funds that they have accepted and completed all MPN and Entrance Counseling before their withdrawal. When a student or parent accepts all or a portion of the PWD, Delgado disburses the funding within 180 days of the withdrawal determination date.

## **13.5 Returning Unearned Funds**

### **Policies**

Delgado determines the institutional and student shares of the unearned aid using the federal R2T4 guidance provided in Volume 5, Chapter 2 of the handbook.

The order of returning title IV funds is:

- Unsubsidized Direct Loans (other than Direct PLUS Loans)
- Subsidized Direct Loans
- Direct PLUS loans (parent)
- Federal Pell Grants for which a return of Title IV funds is required
- FSEOG for which return of Title IV funds is required

Iraq and Afghanistan Service Grant for which a return of Title IV funds is required

All funds unearned funds are returned as soon as possible but no later than 45 days after the date of determination of a student's withdrawal.

### **13.5.1 Overpayment Resolution**

#### **Policies**

Delgado returns funds on behalf of a student who owes an overpayment and considers the returned funds as the student's debt to the institution. In accordance with Delgado's debt collection procedures, the school will collect the portion of any assistance owed by the student. If no payment is received, holds will be placed on the student's account and the student will lose eligibility for Title IV aid unless the overpayment is paid in full or satisfactory repayment arrangements are made.