

**2015 CAPFAA  
Annual Winter Conference**

**Return to Title IV  
Calculations, Cross  
Campus Collaboration**

# Agenda

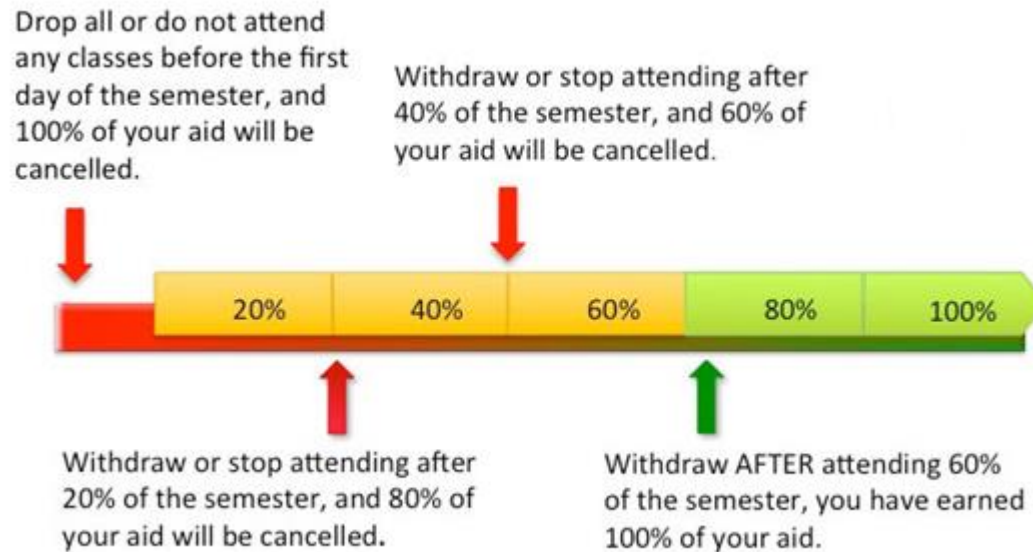
- ▶ Introduction
- ▶ Brief overview of R2T4 calculation, steps, and common definitions
- ▶ Important time frames for compliance
- ▶ Effect different departments have on the R2T4
- ▶ Case Studies
- ▶ Ending Summary - Importance of Communication

# A Return to Title IV Funds Calculation must be performed when a student:

- ▶ Withdraws
- ▶ Takes an unapproved Leave of Absence
- ▶ Is suspended/expelled
- ▶ Becomes deceased
- ▶ During modular sessions, stops attending or fails to begin attendance in a course he/she was scheduled to attend
- ▶ Fails to earn a passing grade in at least one course

# Determining the percentage completed:

- ▶ Financial aid is awarded to students under the assumption that they will attend school for the entire semester the aid was awarded.
- ▶ When a student withdraws, they may no longer be eligible for the full amount of Title IV financial aid funds they were originally scheduled to receive.



# Determining the percentage completed:

The amount of aid a student is eligible for is proportional to the percentage of the semester completed. Therefore, every day that passes can make a difference in how much aid is returned.

Example: The Fall 2015 semester began August 25th. John Husky withdraws on October 9th. Therefore, John is only eligible to keep **44.2%** of his aid.

To determine the percentage completed:

Days attended = Percentage completed

\*\*Days in Semester

46 days attended = 44.2% Completed

112 days in Semester

\*\* (minus any scheduled breaks of 5 or more days, example: spring break)

# The next step is to determine the amount of aid earned by the student:

Earned Aid = (Disbursed aid + Aid that could have been disbursed) X % completed

John Husky's Aid Awarded:  
\$2,865 Federal Pell Grant  
\$2,968 Federal Direct Loan - UnSub  
+ \$2,226 Federal Direct Loan - Sub  
**\$8,059**

Earned Aid = **\$8,059** X **44.2%** = **\$3,562.08**

# Amount of Unearned Title IV Aid due from the school:

Compare the amount of Title IV aid to be returned to amount of unearned charges and return the lesser amount.

Unearned aid = (Disbursed aid + Aid that could have been disbursed) X % completed  
= **\$8,059** X **55.8%** (100% - **44.2%**) = **\$4,496.92**

Unearned charges = charges X unearned percentage  
= **\$5,324** X **55.8%** (100% - **44.2%**) = **\$2,970.79**

John Husky's Institutional Charges:  
\$4,929 Undergrad Tuition  
\$234 Infrastructure Fee  
\$75 Technology Fee  
\$30 Activity Fee  
+ \$56 University Fee  
**\$5,324**

Therefore, **\$2970.79** must be returned back to the Title IV programs by the school.

# Title IV Funds must be returned in the following order:

- ▶ Unsubsidized Direct Student Loans
- ▶ Subsidized Direct Student Loans
- ▶ Perkins Loans
- ▶ Federal Direct Plus Loans
- ▶ Federal Pell Grants
- ▶ Iraq and Afghanistan Service Grant
- ▶ Federal Supplemental Educational Opportunity Grants
- ▶ TEACH Grants



# Definitions & General Principles

Date of Determination -

**Official Withdrawal:** Student begins school's withdrawal process or provides notification he/she will withdraw, or both. Date of determination is usually the earlier of the two dates.

**Unofficial Withdrawal:** Date of determination is the date the school becomes aware that the student has stopped attending.

**The Date of Determination is very important because this starts the 45 day clock that the university has to return the funds by before being out of compliance with Federal regulations.**

# Definitions & General Principles

Withdrawal Date - used to calculate the amount of earned and unearned funds. This date is driven by whether the institution is required to take attendance.

Schools not required to take attendance - UCONN

- Withdrawal date can be the date student began official withdrawal process or otherwise notified the school of his/her intent to withdraw
- Last date of documented attendance in an academically-related activity
- Date school determined that illness, accident, or personal grievous loss occurred
- Mid-point of semester, if student provides no notification
- Beginning of an approved Leave of Absence (LOA) if student does not return

# Definitions & General Principles

## Academically-related activities:

Academically-related activities include, but are not limited to:

- Class attendance
- Turning in a class assignment
- Taking an exam, tutorial or computer-assisted instruction
- Attending a study group that is assigned by the institution
- Participating in an online discussion about the course
- Initiating contact with a faculty member regarding the course material

Academically-related activities do not include:

- Living in institutional housing
- Participating in a school's meal plan
- Logging in to a distance education course without any other active participation
- Academic counseling or advising

**\*Documents required to support date**

# Definitions & General Principles

Leave of Absence - allows students to temporarily cease attendance, but still be considered enrolled. Only approved LOAs would prevent a return calculation from being required. If a student does not return from their LOA as scheduled, an R2T4 calculation will then be performed using the date the LOA began.

## Leave of Absence Requirements:

- ▶ School must have written formal policy
- ▶ No charges to student
- ▶ R2T4 calculation is required if LOA exceeds 180 days in a 12 month period, even if LOA is approved for longer
- ▶ School must explain effects of failure to return from LOA

# Definitions & General Principles

Post-withdrawal disbursement - The amount of Title IV funds earned by a student which exceeds the amount disbursed at the time he or she withdrew.

- ▶ Aid that could have been disbursed includes:
  - Undisbursed aid awarded to the student for which the student has established eligibility and has met all other conditions for a late disbursement.
  - Inadvertent overpayments - a disbursement inadvertently made after the student ceased attendance but before the school became aware.

**\*School must make or offer to make disbursement**

**\*\*School must receive confirmation for post-withdrawal disbursement of loan funds**

# Important Time Frames for Compliance:

Most time frames begin on the date of determination that a student has withdrawn. The University has:

## 30 days to:

- ▶ Determine the withdrawal date for a student who unofficially withdraws
- ▶ Notify student of eligibility for a post-withdrawal disbursement (funds student earned but were not disbursed at time of withdrawal).
- ▶ Notify student of grant overpayment

## 45 days to:

- ▶ Return Title IV funds after the institutional date of determination
- ▶ Make a PWD of grant funds

## 180 days to:

- ▶ Make a PWD of loan funds to student or parent

# Why is Cross-Campus Collaboration important in regards to the R2T4?

## Common R2T4 Audit Findings:

- ▶ Calculation errors
- ▶ Late R2T4 calculation and/or return of unearned Title IV funds
- ▶ Incorrect number of days
- ▶ Ineligible funds that could have been disbursed
- ▶ Improper treatment of grant overpayments
- ▶ Incorrect withdrawal date
- ▶ Mathematical and/or rounding errors

# Why is Cross-Campus Collaboration important in regards to the R2T4?

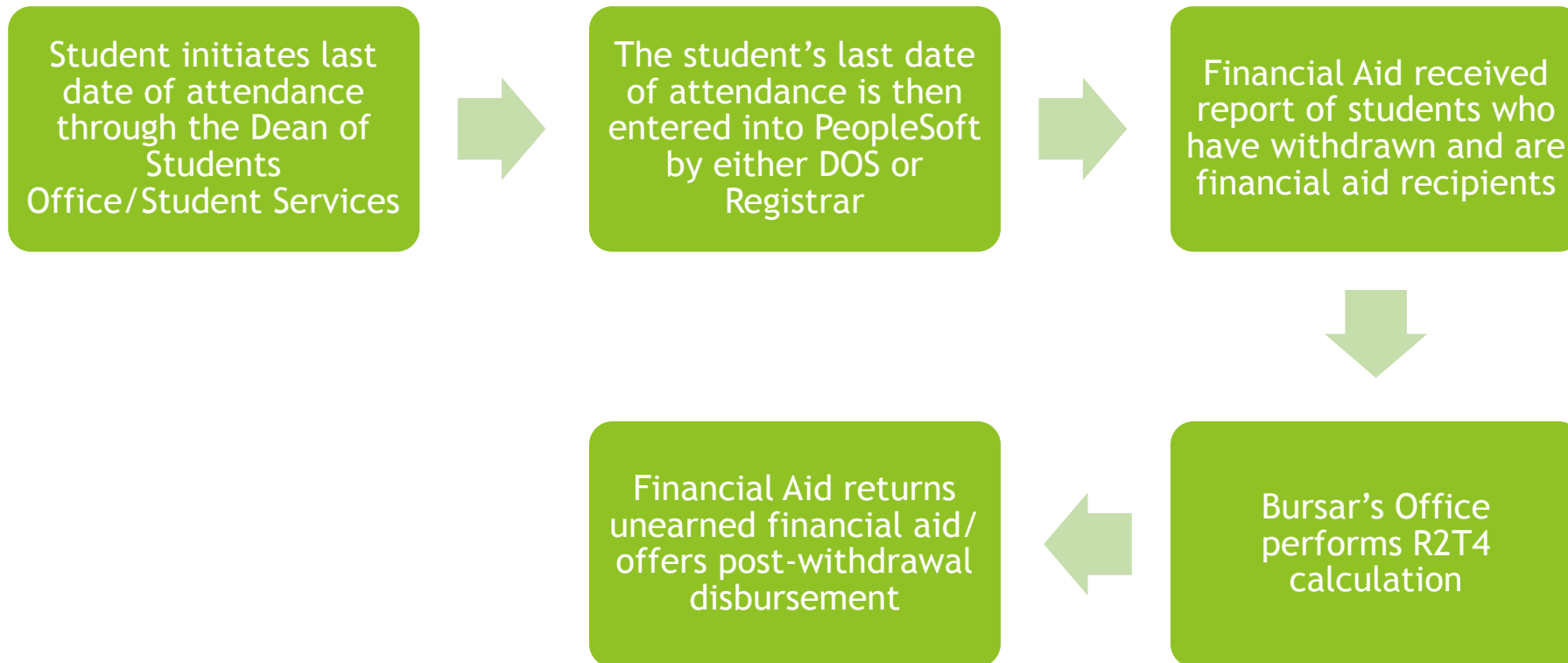
By communicating the needs of the R2T4 with departments across campus it can greatly reduce audit findings.

All Departments need to be aware of how their processes and procedures impact the R2T4 and continually look for ways to improve efficiency and communication.

We will go through the different departments that impact the R2T4 at UConn and how they can affect it.



# Broad Overview of the R2T4 Process at UConn:



# Dean of Students/ Student Services

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. The shapes are primarily triangles and polygons, creating a dynamic, layered effect. The overall composition is clean and modern, with the text centered on a white background.

# Dean of Students/ Student Services

This is the student's first stop and most critical point as some of the R2T4's most important factors are driven from here.

- ▶ Withdrawal date - determines amount of aid earned
- ▶ Institutional Determination Date - starts the clock for how long we have to return funds/offer post withdrawal disbursement

# Dean of Students/ Student Services

Primary roles associated with R2T4's:

- ▶ Helping student understand options and implications of withdrawing:
  - Personal
  - Academic
  - Financial - R2T4
- ▶ Processing the student's voluntary separation from the university
- ▶ Maintaining documentation of the student's withdrawal

# Dean of Students/ Student Services

How the Dean of Students/ Student Services can affect the R2T4 calculation:

Dates entered drive timeframes for compliance.

- ▶ If a student withdraws but the withdrawal is not processed until a month later then there are only 15 days remaining to process the R2T4.

Effective withdrawal dates (non-attendance taking institution) should always be either the date the student notified the institution or the last date of attendance.

- ▶ A student should not be given a retroactive withdraw date in order to give the student a greater refund of tuition and fees. Doing so can result in changing the R2T4 calculation.

# Office of the Registrar

# Office of the Registrar

Gatekeeper of official college records (grades, attendance (if applicable), withdrawal dates)

Scheduling - Academic Calendar

- ▶ The R2T4 percent of aid earned is driven from the academic calendar. If there are certain programs that do not follow the standard academic calendar, that could throw the amount of aid earned off.
- ▶ It is becoming more common to want to offer specialized courses/programs that are geared toward different time frames. Make sure you are aware of any of these that will have different total number of days for the payment period/period of enrollment.

# Office of the Registrar

## Records and Enrollment Services

- ▶ Input student's grades - If no grades are entered then that will signal an unofficial withdraw to be processed and an R2T4 to be calculated
- ▶ Make sure faculty are aware of importance of grades entered timely and correctly. For example, entering the grade XF (due to non-attendance) versus F (earned grade) will affect academic engagement



# Office of the Registrar

Perform required reporting of withdrawal dates and changes in enrollment status to the National Student Clearing House (A third-party vendor to whom MOST secondary schools in the U.S. submit files of student data). Once submitted, NSC parcels out this information and it is given to the Department of Education, NSLDS and other education finance organizations.

If incorrect data is entered into the system, it will be reported to the Department of Education and lenders inaccurately.

- ▶ This can lead to a discrepancy in the date on which the student moves into the deferment/repayment cycle, which means that lenders will not move students into repayment in a timely manner.

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the page, creating a modern, layered effect. The text is centered on a white background.

# Office of Student Financial Aid Services

# Office of Student Financial Aid Services

Reviews report of all students who have separated from the University and received aid.

Ensures that the amount of financial aid disbursed matches the student's enrollment at the time of withdraw.

Ensures the student has completed MPN/Verification - communicates anything that was incomplete at the time of withdraw to the Bursar's Office.

# Office of Student Financial Aid Services

Uses information provided by Academic Departments/ Registrar's Office/Dean of Students to determine Academic Engagement:

- ▶ Monitor grades in order to ensure that recipients of federal student aid complete the credits for which their aid was awarded
- ▶ Students who do not earn any credits in a given semester are required to demonstrate academic engagement by verifying their participation in academically-related activity at the University
- ▶ Students who do not respond by the deadline will be subject to an R2T4 calculation based on the 50% mark of the semester, reducing their financial aid awards by approximately half

# Bursar's Office

# Bursar's Office

Coordinates with the Financial Aid Office to determine the exact amount of Title IV aid that must be returned

Performs the R2T4 calculation

Keeps track of timeframes for compliance

Ensures all dates used in the calculation are accurate

# Bursar's Office

Retains supporting backup documentation from the Dean of Students Office/ Student Services

Communicates to the student the amount of aid returned, next steps, and balance due if any

Maintains record of all accounts receivables and follows institutional policy of debt collection

# Summary of Departments' Responsibilities to R2T4 Calculations

## Dean of Students/Student Services

- ▶ Determines type of withdrawal (leave of absence vs. withdrawal)
- ▶ Determines withdrawal date
- ▶ Drives Institutional determination date
- ▶ Maintains documentation of withdrawal

## Office of the Registrar

- ▶ Sets academic calendar
- ▶ Maintains student records/grades
- ▶ Reports student enrollment/changes to NSLDS
- ▶ Inputs withdrawal date in system



# Summary of Departments' Responsibilities to R2T4 Calculations

## Office of Student Financial Aid Services

- ▶ Ensures Financial Aid package is complete and accurate
- ▶ Coordinates with Bursar's Office the amount of eligible aid awarded
- ▶ Identifies/calculates last date of attendance for students with no passing grades (Academic Engagement)

## Bursar's Office

- ▶ Keeps track of deadlines
- ▶ Performs calculations
- ▶ Communicates to student changes to fee bill due to R2T4
- ▶ Maintains R2T4 records

# Case Studies

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the slide, creating a modern, layered effect. The text 'Case Studies' is centered in a clean, sans-serif font.

# Case Study 1

On October 8<sup>th</sup>, Luke went to the Dean of Students Office because he is having a hard time adjusting to college life. Luke is considering dropping some or all of his classes. To help him make a decision, he requests information of his options. After providing him with preliminary information, Luke says he needs some time to think it over and will schedule another appointment. Luke comes back to the Dean of Students Office on November 2<sup>nd</sup> where he states he stopped attending all classes on October 14<sup>th</sup>.

On November 2<sup>nd</sup>, Luke completes his withdrawal form with a withdrawal date of October 14<sup>th</sup>.

The Registrar's Office gets the signed form and enters the withdrawal date as November 2<sup>nd</sup>.

Financial Aid reviews the student's financial aid package and sends notification to the Bursar's Office to calculate his refund of Title IV funds.

**How did the Registrar's Office affect Luke's R2T4 calculation?**

# Case Study 1

## Based on October 14<sup>th</sup> withdrawal:

The University would be required to perform an R2T4 calculation and return a portion of Luke's aid:

First Day of Classes	Last Day of Semeste	Number of days
8/31/2015	12/20/2015	112
<b>Recess of 5 or more days</b>		<b>Less number of Days</b>
11/22/2015	11/29/2015	-8
<b>TOTAL DAYS OF SEMESTER</b>		<b>104</b>
<b>Calculate number of days attended</b>		
8/31/2015	10/8/2015	39
<b>LESS RECESS</b>		
39 days / 104 days		0.3750
<b>Percent TIV Aid Earned</b>		<b>37.50%</b>

## Based on November 2<sup>nd</sup> withdrawal:

Luke would be eligible to keep all his TIV funds:

First Day of Classes	Last Day of Semeste	Number of days
8/31/2015	12/20/2015	112
<b>Recess of 5 or more days</b>		<b>Less number of Days</b>
11/22/2015	11/29/2015	-8
<b>TOTAL DAYS OF SEMESTER</b>		<b>104</b>
<b>Calculate number of days attended</b>		
8/31/2015	11/2/2015	64
<b>LESS RECESS</b>		
64 days / 104 days		0.6154
<b>Percent TIV Aid Earned</b>		<b>61.50%</b>

# Case Study 1 Summary

## **How did the Registrar's Office affect Luke's R2T4 calculation?**

By the Registrar's Office entering November 2<sup>nd</sup> as the withdrawal date, this would cause an audit finding based on no return of aid being processed when an R2T4 calculation should have been completed. The November 2<sup>nd</sup> date does not match Luke's signed paperwork of his withdrawal date being October 14<sup>th</sup>.

# Case Study 2

Jameson goes to the Dean of Students Office on September 2<sup>nd</sup> inquiring about withdrawing from the semester and completes his withdrawal form. After speaking with the Dean of Students, Jameson decides that he wants to consult with his parents first before making a final decision on withdrawing. On November 10<sup>th</sup>, Jameson calls back the Dean of Students Office and states his parents agreed with his decision and he had not returned to classes since September 2<sup>nd</sup>.

Dean of Students submits the original withdrawal form signed by Jameson on September 2<sup>nd</sup>.

The Registrar's Office processes the withdrawal that day. After Financial Aid reviews the student's financial aid package, notifies the Bursar's Office to complete the R2T4. The Bursar's Office enters the Institution Determination Date as Sept 2<sup>nd</sup>, based on Jameson's signed form.

**How did the Dean of Students Office affect Jameson's R2T4 calculation?**

# Case Study 2

## Based on Institutional Date of Determination Sept 2<sup>nd</sup>:

The University is out of compliance with the regulation that requires the funds to be returned within 45 days after the date of determination of withdrawal.

<b>Institutional Date of Determination:</b>
9/2/2015
<b>Today's date:</b>
11/10/2015
<b>Days Elapsed:</b>
70

## Based on Institutional Date of Determination Nov 10<sup>th</sup>:

The University has time to perform calculation and return funds to remain compliant.

<b>Institutional Date of Determination:</b>
11/10/2015
<b>Today's date:</b>
11/10/2015
<b>Days Elapsed:</b>
1

# Case Study 2 Summary

## How did the Dean of Students Office affect Jameson's R2T4 calculation?

While it appears the University is out of compliance due to the 45 day deadline, this would not be an audit finding should the Dean of Students Office submit record of communication with the student on November 10<sup>th</sup>. However, if the Dean of Students Office does not retain any additional documentation that they spoke with the student after completing the form, the institutional determination date would remain the date Jameson signed the form to the auditors.

**\*\*Students should be required to complete an updated form when they officially withdraw to prevent issues such as this one.**



## Case Study 3

The Dean of Students Office meets with Peggy on September 21st. Peggy is a Nursing student whose courses began a week prior to the standard academic calendar. She decides that she wishes to withdraw from the semester. She completes her withdrawal form and signs it that day. The Registrar's Office also processes the form the same day and notifies Financial Aid to review the student's financial aid package.

After review, the Bursar's Office completes the R2T4 based on the standard academic calendar to determine the amount of aid earned.

**How did the Bursar's Office affect Peggy's R2T4 calculation?**

# Case Study 3

## Based on standard calendar:

Peggy's R2T4 calculation would be based on her earning 21.20% of her aid.

First Day of Classes	Last Day of Semeste	Number of days
8/31/2015	12/20/2015	112
<b>Recess of 5 or more days</b>		<b>Less number of Days</b>
11/22/2015	11/29/2015	-8
<b>TOTAL DAYS OF SEMESTER</b>		<b>104</b>
<b>Calculate number of days attended</b>		
8/31/2015	9/21/2015	22
<b>LESS RECESS</b>		
22 days / 104 days		0.2115
<b>Percent TIV Aid Earned</b>		<b>21.20%</b>

## Based on Nursing's academic calendar:

The University does not need to perform the R2T4 calculation.

First Day of Classes	Last Day of Semeste	Number of days
8/24/2015	12/20/2015	119
<b>Recess of 5 or more days</b>		<b>Less number of Days</b>
11/22/2015	11/29/2015	-8
<b>TOTAL DAYS OF SEMESTER</b>		<b>111</b>
<b>Calculate number of days attended</b>		
8/24/2015	9/21/2015	29
<b>LESS RECESS</b>		
29 days / 111 days		0.2613
<b>Percent TIV Aid Earned</b>		<b>26.10%</b>

# Case Study 3 Summary

## **How did the Bursar's Office affect Peggy's R2T4 calculation?**

The Bursar's Office completed the calculation incorrectly based on the percentage of TIV aid earned. The Bursar's Office would have requested the return of more aid than should have been. Therefore, this would result in an audit finding.

# Conclusion:

All Departments need to be aware of how their processes and procedures impact the R2T4 and continually look for ways to improve efficiency and communication.

Effective cross-campus communication is vital to achieving compliance and reducing audit findings.

Because dates and timelines are so critical, timely and accurate communication among all departments is necessary.

