

US Federal Loans: Return to Title IV (R2T4) Policy

US federal law specifies that, should a student withdraw from their programme of study, the University of Oxford must complete a Return to Title IV (R2T4) calculation and arrange for any 'unearned' loan funds to be returned to the US Department of Education. For R2T4 purposes, a Leave of Absence (LOA) for longer than 180 days or an 'unapproved LOA' is also deemed to be a withdrawal (see further detail and definitions below). When considering US Federal loans the University is classed as an attendance taking institution.

An LOA is a temporary interruption in a student's programme of study and is equivalent to a suspension/suspension of status at the University of Oxford.

This policy covers the following topics:

- University of Oxford's procedure for withdrawing or taking leave of absence, including the offices designated to receive official notifications of intent to withdraw;
- University of Oxford's fee refund policy;
- Requirements regarding the treatment of Title IV funds when a student withdraws or takes leave of absence.

The policy should enable students to:

- Determine the procedures for withdrawing and the financial consequences of doing so;
- Estimate how much Federal Student Aid (FSA) he or she will retain, and how much he or she may have to return, upon withdrawing;
- Understand the difference and interaction between the University's refund policy and the federal Return requirements;
- Understand how the University might adjust a student's charges to take into account any Return of FSA funds the University might be required to make;
- Understand that if he or she withdraws, University charges that were previously paid by FSA funds might become a debit that the student will be responsible for paying;
- Understand the effects that a failure to return from LOA may have on loan repayment terms, including the expiration of the grace period.

This policy will also be used when calculating the return of funds to the US Department of Education for reasons other than withdrawal/leave of absence. The policy will be applied when a student completes or graduates earlier than anticipated; when a student becomes ineligible for federal aid at the University of Oxford following changes to their enrolment or other factors; or for any other reasons that federal aid funds are returned to the US Department of Education.

University of Oxford Procedure: Withdrawal or Leave of Absence (LOA)/Suspension

Graduate students: Students should complete the GSO29 Form for Withdrawal or the GS017 Form for Suspension of Status/Leave of Absence. The forms are available from: <http://www.ox.ac.uk/students/academic/graduates/forms/#d.en.7466> . The forms should be submitted to the Graduate Studies Assistant in your Department. The forms require the signature and comments of your Supervisor and College Tutor for Graduates. Once your withdrawal or leave has been processed or approved, you will receive a letter of confirmation from the Graduate Studies Office.



Undergraduate students: Students should follow the withdrawal or suspension process within their college. Normally this will involve meeting the Senior Tutor and/or Academic Registrar, and potentially also the Dean and/or Welfare Team. A formal letter will be sent once the request has been approved by the Senior Tutor, setting out any terms and conditions of the suspension or confirming the withdrawal.

Students funding their studies through US federal student loans are required to inform the US Loans Team of their withdrawal at the same time as notifying their college/the Graduate Studies Assistant.

University of Oxford Policy: Refunds of Fees

The amount of Title IV funds due for return as a result of a withdrawal is calculated independently of the tuition fee liability charged by the University.

For reference, the University Refund Policy is as follows, and is not to be confused with R2T4 calculations and refunds. Should a student withdraw from their programme of study, they will only be entitled to a refund of fees paid if they have not yet reached Monday of 4th week of the term in progress. Further information on the University’s refund policy is available from the Fees Clerk (fees.clerk@admin.ox.ac.uk) or at:

<http://www.ox.ac.uk/feesandfunding/fees/liability/payments>

Treatment of Title IV funds when a student withdraws (including unapproved LOA and LOA for more than 180 days)

When a student withdraws, the US Loans Team will calculate the amount of Title IV program assistance that has been earned up to that point, using a formula provided by the US Department of Education. Individual colleges or the Central Finance department (as applicable) are responsible for the transfer of R2T4 funds to the US Department of Education.

Loan funds must be returned in the following order:

1. Federal Direct Unsubsidized loans
2. Federal Direct Subsidized loans (awarded to undergraduates only)
3. Federal PLUS and Grad PLUS loans

The date of withdrawal used for R2T4 will normally be the date that the Director of Graduate Studies (DGS) or College Tutor for Graduates signed the GS029 form (whichever is later) or the date of the college letter to an undergraduate. For an unapproved LOA, it will be the date the student began the LOA, unless the LOA was requested retrospectively, in which case the date the DGS/College Tutor signed the GS017 form (for graduates) or the date of the college letter (for undergraduates) may be used.

The amount of loan funds earned is calculated as follows:

$\frac{\text{Number of study days completed}}{\text{Total number of study days in payment period}} = \text{Amount of loan funds earned}$
--

Standard payment periods at the University of Oxford for the year 2017-18 are:

	Loan Period	Total no. of days	Term dates Sun wk 0 – Sat wk 9	Non-study days*	Study days	Post-60% date for ref**
Loan Period 1:	01 October 2017 – 31 December 2017	92	01 October 2017 – 09 December 2017	10-31 Dec = 22 days	70	11 November 2017
Loan Period 2:	01 January 2018 – 08 April 2018	98	07 January 2018 – 17 March 2018	1-6 Jan = 6 days 18 Mar - 08 Apr = 22 days	70	18 Feb 2018
Loan Period 3:	09 April 2018 – 30 June 2018 <i>(9 month courses)</i>	83	15 April 2018 – 23 June 2018	09-14 Apr = 6 days 24-30 June = 7 days	70	27 May 2018
	09 April 2018 – 31 July 2018 <i>(10 month courses)</i>	114	15 April 2018 – 31 July 2018	09-14 Apr = 6 days	108	19 June 2018
	09 April 2018 – 30 September 2018 <i>(12 month courses)</i>	175	15 April 2018 – 30 September 2018	09-14 Apr = 6 days	169	26 July 2018

*Breaks of 5 or more consecutive days (i.e. outside of the term period week 0 through to week 9) are to be counted as non-study days. Any period under 5 consecutive days, and weekends in the study period, are study days.

** Students withdrawing on or after this date have completed 60% of the payment period and therefore no funds need to be returned to the US Department of Education. The day of withdrawal is counted as a completed day.

Once the student has completed more than 60% of the payment period, all the assistance that the student was scheduled to receive for that period is considered to have been earned. As an example, if the student completes 30% of the payment period, he or she has earned 30% of the assistance they were originally scheduled to receive within that loan period. If the student has completed 60% of the payment period, he or she has earned 100% of the assistance they were scheduled to receive.

If the student received more assistance than was earned, the excess funds must be returned to the US Department of Education by the University and/or the student. If the student received (or the University received on the student's behalf) less assistance than the amount earned, the student may be able to receive those additional funds as a post-withdrawal disbursement. The requirements for Title IV program funds when students withdraw are separate from the University's refund policy. Therefore, the student may still owe funds to the University to cover unpaid institutional charges. The University may attempt to collect from the student any Title IV program funds that the University is required to return.

Students who do not attend even initial lectures or seminars are ineligible to receive any Title IV funds and all loan proceeds will be returned to the US Department of Education. The student will be liable for any fees or outstanding balances owed to the college or University.

Unofficial withdrawals

An unofficial withdrawal occurs when a student ceases to attend the University, but the University has not received notice of this from the student. College administrators are required to advise the US Loans Team of any unofficial withdrawals of federal loan recipients. For R2T4 purposes, the US Loans Team will use as the date of withdrawal either:

- the last date of attendance as determined by the attendance records which are monitored for all students in receipt of a Tier 4 visa (currently monitored at the end of every term);
- where a student has attended past the last date of attendance recorded for the purpose of Tier 4 visa monitoring, the University will use the last verifiable date of attendance at an academically-related activity.

The unofficial withdrawal will then follow the normal procedure for returning Title IV loan funds.

Treatment of Title IV funds when a student takes approved LOA for less than 180 days

In order to qualify as an approved LOA for the purposes of federal aid (negating the need for the University to perform a Return calculation), the LOA must meet the conditions outlined below:

- the LOA must be approved by the University, in accordance with the Suspension procedures outlined above;
- the situation described as the reason for the LOA (which will normally be found on the GS017 form for graduates or in the college letter for undergraduates) must be one that leads to a reasonable expectation that the student will return from the LOA within the allowed time frame;
- the LOA, together with any additional leaves of absence, must not exceed a total of 180 days in any 12-month period, including days in which school is not in session;
- the student must resume training at the same point in the academic programme that he or she began the LOA;
- the LOA must be requested in advance, unless unforeseen circumstances prevent the student from doing so (for example, injury or illness);
- the University must inform the student of the possible consequences a withdrawal may have on the student's loan repayment terms, including exhaustion of the student's grace period.

A student granted an LOA that meets the criteria stated above is not considered to have withdrawn, and no Return calculation is required.

During the LOA, the University will not charge the student any additional institutional charges, the student's financial need will not increase, and therefore, the student will not be eligible for any disbursements of Federal Student Aid. A student who is granted an approved LOA maintains in-school status for Title IV loan repayment purposes.

The start date of the LOA for federal loans purposes is the date that the LOA comes into effect. Where an LOA is requested retrospectively, the date the DGS/College Tutor (whichever is



later) signed the GS017 form (for graduates) or the date of the college letter (for undergraduates) may be used.

If a student does not return from an approved LOA, or the LOA does not qualify as an approved LOA, the student will be deemed to have withdrawn for the purposes of federal aid and R2T4 will be required. One possible consequence of not returning from an LOA is that a student's grace period for Title IV program loan repayments might be exhausted.

Further Information

Please contact the US Loans Team (us.loans@admin.ox.ac.uk) for more information or consult: www.studentaid.ed.gov