

Return of Title IV Funds R2T4 Policy

Students earn Title IV Federal Financial Aid by attending class and if they are not enrolled long enough to earn all the aid, the 'unearned' portion must be returned to the US Department for Education.

The Return of Unearned Title IV Funds Policy applies if the student withdraws from study before 60% of aid has been earned. Cardiff University is required to notify the student within 45 days of determining the student's withdrawal date of any portion of unearned Title IV funds and return any overpayment to the US Department for Education.

Students who fund their studies via the US Federal Aid system are required to inform USFederalLoans@cardiff.ac.uk of their withdrawal from study.

If you have questions about the returning of Title IV program funds, students can call the Federal Student Aid Information Centre at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913.

Cardiff University's withdrawal policy and information on the process can be found [on your Student Intranet](#). Please also see the information about [Cardiff University's refund policy](#).

Registry must be informed as soon as you have decided to permanently withdraw from the University. All students are advised to discuss withdrawal with their personal tutor and/or the Student Advisory Service before taking a final decision.

1. What should I do when I have decided to withdraw from University?

Having discussed the possibility of withdrawal with your School and the Student Advisory Service and decided to withdraw permanently from the University, you must notify Registry and the Financial Aid Officer of your intention. You may do this online through SIMS Online or If you do not have internet access you should complete a Notification of Withdrawal Form which can be obtained from your School. The form must be completed and brought to your School, or sent by post, as soon as practicable after you have made the decision to withdraw permanently.

The end date of the student's study is the date that the student notified their Academic College of their intent to cease study or the date that the withdrawal/interruption request form was submitted, whichever is the earlier. This date will be the last date of attendance for Financial Aid purposes and will be recorded on the SIMS student system (institutional record) and used by the Financial Aid Officer to determine the Financial Aid that you have earned.

2. How will we calculate the amount to be paid back?

When a student withdraws during a payment period, the amount of Title IV program assistance that has been earned up to that point is determined by a specific formula and the University will use the last date of attendance to calculate the R2T4 formula.

The payment period is the academic year for which the loan was certified, and the percentage of attendance is calculated by dividing the number of days attended by the total number of days in the payment period. For example, if the student attends University for 50% of the payment or enrolment period, the student has earned 50% of the assistance they were originally scheduled to receive, the unearned balance is then returned to the US Department for Education.

Once the student has completed more than 60% of the payment or enrolment period, all the assistance that the student was due to receive for that period is considered to have been earned and no refund will be made. The Financial Aid Officer will use the R2T4 worksheets as provided by the US Department of Education to determine if a post-withdrawal disbursement is owed to the student.

Any unearned Title IV funds which the student may have received will be returned to the US government using the G5 system by the University.

Loan funds must be returned in the following order:

1. Unsubsidized Federal Stafford loans
2. Subsidized Federal Stafford loans
3. Federal PLUS loans

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Please note that after calculating the amount you have earned in financial aid if you have not earned enough to cover any charges due to the University, then the University will bill you for any outstanding balance and you will be required to pay this within 45 days.

If a student who is in receipt of Title IV aid is thinking about suspending their studies, returning to the U.S. or otherwise changing their enrolment status, they should seek advice from USFederalLoans@cardiff.ac.uk regarding the impact this will have on their entitlement and eligibility.

An 'approved' suspension/leave of absence, in terms of U.S. Direct Loan funding, can last for up to 180 days before a student has to enter repayment or return funds to their lender. If a suspending student has not returned to their programme at the same point after 180 days, we will use the last date of their actual attendance on the programme to calculate their 'earned' entitlement and the withdrawal date that is reported to the U.S. Department of Education.

3. Post-withdrawal Disbursement Process

The University makes disbursements "in advance" for the whole term. If the value disbursed to the student before withdrawal is less than the earned value, then a post-withdrawal disbursement will be made by bank transfer in pounds sterling to the student.

A student who is owed a post-withdrawal disbursement will be notified within 30 days of the date of determination that the student withdrew.

The notification will contain the following details:

- ⇒ The reason why there is a post-withdrawal disbursement
- ⇒ The type and amount of loan funds that make up the post-withdrawal disbursement
- ⇒ A reminder that the post-withdrawal disbursement is a loan and must be repaid along with the rest of their outstanding loans
- ⇒ The student can accept all, part, or none of the funds
- ⇒ The student has 14 days from the date of notification to respond with their decision to accept or decline some or all of the post-withdrawal disbursement funds
- ⇒ If the student does not respond to the notification within the 14 days, the University will not disburse the funds and notify the student in writing.
- ⇒ The post-withdrawal disbursement will be distributed to the student's account within 180 days of the date the University determined the student withdrew.

Any unearned Title IV funds which the student may have received will be returned to the US government using the G5 system by Cardiff University within 45 days of the date the school determined the student withdrew, with priority as follows: Federal Unsubsidised Stafford, Federal Subsidised Stafford, Federal PLUS (graduate or parent).

4. Student Responsibility

If a student did not receive all of the funds earned, a post-withdrawal disbursement may be due, but the student must give the permission for this to take place. However, Cardiff University can automatically

deduct without the student's permission, any charges due for tuition, fees and accommodation, if applicable, up to the amount of the **outstanding charges**.

A student may choose to decline some or all of the funds to avoid incurring additional debt.

Any loan funds that a student, or parent are required to be repaid, must be in accordance with the terms of the promissory note.