We are required to complete a Return to Title IV (R2T4) calculation for US Federal loan recipients who withdraw their studies during the course of the academic year. The withdrawal may be an official, unofficial or a result of academic failure.

An official withdrawal is defined as a student following College procedures summarised on our Changes to Registration Status webpage and in full in the Procedure for Leavers who withdraw. For the purposes of US loans, if the student informs us of their decision to withdraw before the official record is updated, we will use the date provided by the student as the student’s date of withdrawal.

All other withdrawals will be classed as unofficial withdrawals. Students who do enrol and/or never attend classes are ineligible for the US loans therefore their US loans will be cancelled. The College is required to inform UK Visas & Immigration of any change of enrolment for international students.

The R2T4 calculates the amount of ‘unearned funds’ loan funds paid to the student. The ‘unearned loan funds’ must be returned to the US Department of Education. The return amount will be calculated using the number of days the student attended in the given term and the total number of days in the given term.

A Return to Title IV (R2T4) calculation for US Federal loan recipients is also required where recipients undertake an interruption of study longer than 180 days or go on an unauthorised interruption.

**Interruption of Studies/Withdrawal procedure**
The Procedure for Leavers who withdraw policy provides information about the procedure involved to request an interruption of studies or withdrawal. US loans recipients are required to inform Student Financial Support team and the Registry of their withdrawal/interruption of studies with 5 days. The withdrawal/interruption of studies date is the date the student completed the formal University process. This date is entered on the University student records system. There must be a reasonable expectation that the student will return from the period of absence.

Leave of Absence retains the ‘in-school’ states for 180 days after which the students is reported as having been withdrawn. This may effect student’s loans repayment grace period.

**Failing your Course**
Where a student fails all exams, assessments or modules, we will contact the student to establish whether the failed grades were earned or represent a lack of attendance.

If the grades were earned then we will apply the Satisfactory Academic Progress Policy 2019.

If it is determined that the grades were a result of non-attendance then the last date of attendance will be used in the R2T4. Students who do not attend any classes are ineligible for the US loans as a result their loans will be cancelled.

**Withdrawal and tuition fee refund policy**
The Imperial College London Tuition Fees and Fee Policy 2019-20 is available on our 2019-20 Tuition Fees webpage, and this provides the College’s tuition fee refund policy.
Post Withdrawal Disbursements

If a student did not receive their disbursement at the beginning of the payment period and decides to withdraw, the student is eligible for the amount of loan earned in this period.

The loan amount will be calculated and offered as a post-withdrawal disbursement. We will perform the Title IV calculation and notify the student of any loans overpayment or post-withdrawal disbursement.

We will make any post-withdrawal disbursement available to the student (or parent in the case of a Parent PLUS loan) within 180 days from the date of the withdrawal.

Return of Overpayment – Withdrawal and Interruption of Study for more than 180 days

Title IV financial aid recipients who withdraw, are administratively withdrawn or interrupt their studies using the formula provided by the US Department of Education.

The Student Financial Support team are responsible for the correct calculation of the unearned funds using the formula provided by the US Department of Education. Central Finance are responsible for the transfer of R2T4 funds to the US Department of Education.

Title IV financial aid recipients who receive an overpayment resulting from changes in enrolment, cost of attendance and general eligibility will be required to return funds necessary to eliminate overpayments within a specified time frame.

In accordance with federal regulations, refunds are allocated in the following order:

- Unsubsidized Direct loans
- Subsidized Direct loans
- Direct PLUS loans

The following calculation has been provided by the US Department of Education to calculate the amount of unearned funds:

\[
\frac{\text{Number of days enrolled on the program}}{\text{Total Number of days in the payment period}} \times \text{Amount of loan funds earned}
\]
Calculation of Title IV entitlement

<table>
<thead>
<tr>
<th>Loan period</th>
<th>Total number of days</th>
<th>Term dates</th>
<th>Non study days</th>
<th>Study days</th>
<th>Post 60% date for R2T4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Jan 2018 - 31 Mar 2018</td>
<td>90</td>
<td>6 Jan to 23 Mar 2018</td>
<td>1 - 6 Jan 2018 = 6</td>
<td>75</td>
<td>24 Feb 2018</td>
</tr>
<tr>
<td>1 Apr - 30 Jun 2018</td>
<td>91</td>
<td>28 Apr to 29 Jun 2018</td>
<td>1 - 28 Apr 2018 = 28</td>
<td>63</td>
<td>27 May 2018</td>
</tr>
<tr>
<td>1 Apr - 30 Sept 2017</td>
<td>183</td>
<td>29 Apr to 30 Sept 2017</td>
<td>1 - 28 Apr 2018 = 28</td>
<td>155</td>
<td>3 Jul 2018</td>
</tr>
</tbody>
</table>

Where a student withdraws or interrupts study after completing 60% of the payment period, he/she is deemed to have earned 100% of the loan funds therefore there is no requirement to return funds.

Students who have received more loan funds than earned, the unearned funds must be returned to the US Department of Education by the University or the student.

If the student has earned less than the earned amount of loan funds, the difference could be paid as a post withdrawal disbursement.

The College’s tuition fee policy and R2T4 policy have different requirements. Therefore the student may owe funds to the College to cover any unpaid institutional charges.

The College will collect any unearned us loan funds required to be returned from the Student.

**College and Student Responsibilities**

Imperial College London responsibilities in regard to the return of Title IV funds include:

- providing each student with the information given in this policy
• identifying students who are affected by this policy and completing the Return of Title IV funds calculation for those students, and
• returning to Title IV programs any Title IV funds which have been applied to tuition fees.

Student responsibilities include:

• notifying the College of the student’s intent to withdraw from all courses, and
• returning to Title IV programs any funds that were disbursed directly to the student and for which the student was determined to be ineligible through the Return of Title IV Funds calculation.

Federal regulations require the University to return unearned funds directly to the student’s lender with 45 days. If the return of the funds creates a balance due on the student account the student will responsible to pay the full balance on their account.

Please note that this policy applies to unofficial withdrawals, official withdrawals, interruptions and academic failures.

Please contact the Student Financial Support team if further information is required on this policy.

Updated May 2019