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**Return of Title IV Aid (R2T4) Policy**

The University of Bristol has an R2T4 Policy in place to ensure that the US Loan entitlement for students who withdraw or make a change to the status of their studies which deems them ineligible for US Loans, is recalculated based on the student’s period of attendance/entitlement.

**Student Change of Status**

**Students are strongly advised to email** [**us-loans@bristol.ac.uk**](mailto:us-loans@bristol.ac.uk) **as soon as they are considering, or have changed the status of their studies as follows :**

* Withdraw
* Suspend
* Transfer course
* Upgrade / downgrade
* Early submission of PhD thesis
* Early completion of studies
* Change from full-time to half-time or less than half-time

The US Loans team will automatically receive system notifications when a US national or dual US national student changes the status of their study. This email is triggered once the Faculty update the University system that a student status has changed. However, the process by which Faculties approve withdrawals and suspensions and update the University system can take several months.

**Students are strongly encouraged to email** [**us-loans@bristol.ac.uk**](mailto:us-loans@bristol.ac.uk) **at the earliest opportunity to discuss the change in status, so that advice can be provided on how to maintain eligibility for US Loans and meet the US Department of Education (ED) strict requirements on reporting a change of status.**

**Reporting a Change of Status to ED**

Under US Federal law, the University is required to report any changes to a student’s enrolment within tight timescales. ED determines that all UK foreign schools are considered attendance taking and that **the institution should report to ED when a student has withdrawn (officially or unofficially – see below), suspended or taken an official Leave of Absence within 14 days of their last date of attendance** (the 14 days includes holidays, breaks and weekends). (In certain unusual circumstances, this 14 days may be extended).

For students who **withdraw** from their studies, or **suspend for more than 180 days**, an R2T4 calculation must be completed, and any ‘unearned’ funds must be returned to ED no later than **45 days** after determining the withdrawal/end date.

For students who **complete their studies earlier than expected**, but who complete 49% of the payment period, no funds will need to be returned to the ED.

Postgraduate Research students may qualify for an ‘approved’ Leave of Absence (suspension of studies) **if they suspend for less than 180 days in a 12 month period** . If the student is granted an ‘approved’ Leave of Absence (LOA), the student is not considered to have withdrawn, and no R2T4 calculation is required. During the Leave of Absence, the student will not be eligible for any disbursements of federal aid. If the student is granted an ‘approved’ Leave of Absence, they will maintain in-school status for Title IV loan repayment purposes. Please refer to the [Leave of Absence Policy](file://ads.bris.ac.uk/folders/Professional%20Services/MISAPPUsers/Studfin_shared/4.%20North%20American%20Loans/US%20Loans%20for%20Auditors/Leave%20of%20Absence%20Policy.docx) for further guidance. Undergraduate and PG Taught students do not qualify for an ‘approved’ Leave of Absence.

**How to Calculate Unearned Funds**

As soon as the US Loans team has been notified of a US Loan student change of status as outlined above, a Return to Title IV (R2T4) calculation must be completed, to calculate the amount of Title IV program assistance that has been earned. This R2T4 calculation is a formula provided by the ED. A printout of the R2T4 calculation must be saved in the student’s file.

Withdrawal dates for students that officially withdraw will be determined by the completion of a withdrawal form. Withdrawal dates for students who unofficially withdraw will be the date that the School/Faculty become aware that a student ceased attendance. **The last date of attendance will be recorded on the R2T4 calculation form as the last date the student attended study. This date will be used to calculate the percentage of ‘earned’ funds (not the withdrawal date).**

If it is calculated that a student has completed **more than 60% of the payment period**, all assistance the student has received for that payment period (disbursement) is considered to have been earned and no funds need to be returned.

If it is calculated that a student has completed **less than 60% of the payment period**, the student is not considered to have earned all funds received for that payment period (disbursement). If the University has deducted Tuition Fees from this payment, the University must return funds to the ED, via the G5 system. Any funds the student has received after tuition fees have been deducted, are not to be repaid immediately but will be repaid as outlined in the student’s Master Promissory Note (MPN).

## Example Calculation

Student attended = 50 days

Total Number of days in a payment period = 110 days = 45% earned (less than 60%, so funds need to be returned)

$5000 were disbursed to the student.

$5000 x 45% = $2250 earned. $2750 therefore needs to be disbursed.

If the whole $5000 were transferred to tuition fees, the University needs to return $2750 via the ED systems

If the student received the whole $5000, the student repays via their MPN as normal.

The requirements for Title IV program refunds when a student withdraws are separate from the [University’s Refund Policy](http://www.bristol.ac.uk/students/support/finances/tuition-fees/refunds/). The student may therefore still owe funds to the University to cover unpaid institutional charges. The University may also attempt to collect any Title IV program funds from the students that the University is required to return.

If it is determined that refund money must be returned to the aid programme, the distribution of Federal Title IV funds will be allocated in the following order:

* Unsubsidised Loans
* Subsidised Loans
* PLUS Loans (Graduate or Parent)

The US Loans team will inform withdrawn students by email of the amount that the University is obliged to return to the US Federal aid programme, the amount (if any) that needs to be paid to the University by the student, and the amount (if any) that is due to be refunded to the student by the University.

## **Post-Withdrawal Disbursement**

If a student withdraws, and has Title IV aid that has been earned but not yet been disbursed, the appropriate amount of earned aid will be disbursed. This post-withdrawal disbursement will be offered to the student within 30 days of the last date of attendance, allowing the student 14 days to respond.

Funds will be disbursed directly to student as soon as possible, but no later than 45 calendar days after date of determination.

If the student submits a timely response that confirms that they wish to receive all or a portion of a direct disbursement of the post-withdrawal disbursement of loan funds, or confirms that a post-withdrawal disbursement of loan funds may be **credited to the student's account**, the institution must disburse the funds in the manner specified by the student, but no later than 180 days after the date of the institution's determination that the student withdrew

## **Your Right to Cancel**

Students will be emailed 30 days prior to a disbursement of the loan amounts due to be disbursed and amounts due to be disbursed to ledger (tuition and if applicable, accommodation fees). The email will advise you (and your parents if applicable) of your right to cancel your loans within 14 days.

## **Payment of Your Loan(s)**

The University will request your loan(s) seven days prior to your disbursement date via the ED systems. The University will disburse funds to your ledger for tuition fees, and accommodation fees (if applicable) on your disbursement date. Any remaining credit balance will be paid into the bank account you provide the US Loans team with details for, as soon as possible, and within 14 days of the disbursement date.

**Reporting your attendance to the US**

The University is required to report the status of its students on the NSLDS system every 60 days. This involves reporting any changes to the student’s graduation date, status (mode of attendance), transfer of course, completion or withdrawal of study.

When a student has withdrawn or suspended from their studies, they will be recorded as Withdrawn on the NSLDS US system, until they return to their studies, when they will be recorded as Full Time or Part Time. Provided the student is studying at least at 50% Full Time Equivalent, the student will be eligible for US Title IV Loans. This Withdrawn status is likely to be counted as the ‘grace period’ for repayment of US Loans. Students should contact their loan servicer for more information if required. The University must report a withdrawal or suspension of study via NSLDS within **14 days** of the withdrawal/suspension date.

**How Does the University Monitor Attendance?**

The University has a procedure in place where the US Loans team is automatically notified by email of any **US national or dual US national student changing status**. This ensures that the obligation to report back via NSLDS any status changes **within 14 days of the change** is met. **Students are strongly encouraged to email** [**us-loans@bristol.ac.uk**](mailto:us-loans@bristol.ac.uk) **at the earliest opportunity to discuss the change in status, so that advice can be provided on how to maintain eligibility for US Loans and meet the ED strict requirements on reporting a change of status.**

**Questions**

Please email [us-loans@bristol.ac.uk](mailto:us-loans@bristol.ac.uk) if you have any questions regarding this policy.

**US Loans Team**

**University of Bristol**

**Updated November 2024**

(Every effort has been made to ensure that this policy is as accurate as possible and meets the US Department of Education guidelines at the time of update. However, this policy may change in line with changes made by the US Department of Education at any time and will be updated accordingly as soon as possible).