



***Return of Title IV
Funds on the Web
Participant Workbook***



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Lesson 1 - Return of Title IV Funds on the Web

Objectives

In this lesson you will:

- Identify the features of Return of Title IV Funds (R2T4) on the Web
- Understand how to set up Web functions
 - Institutional Charges
 - School Calendar
 - User-Specified Fields
- Understand that systematic use of the reports will dramatically reduce the risk of potential audit liability

Key Terms

Institutional Charges

Institutional charges generally are defined as the charges for tuition and fees, room and board, and other educational expenses that are paid to the school directly.

School Calendar

This setup option in R2T4 on the Web allows the school to define the number of days or hours in a program's payment period or period of enrollment.

User-Specified Fields

User-Specified Fields are fields that you create in R2T4 on the Web to track data specific to your school. The fields can be formatted to collect numeric, string (text), date, or Boolean (yes/no) data.

Note about this training

On February 8, 2006, the President signed into law the Higher Education Reconciliation Act (HERA). This law had direct impact on the R2T4 calculation for all students who had a withdrawal date on or after 07/01/06. This training incorporates all changes made to the R2T4 calculation as a result of the HERA.

If you need assistance performing an R2T4 for a student who withdrew prior to 07/01/06, please see the electronic announcement posted 5/19/06 - HERA Operational Implementation Guidance (CPS, COD System, EDExpress Suite)---Updates to R2T4 on the Web and Archival of R2T4 PC Product Due to Higher Education Reconciliation Act of 2005.

R2T4 on the Web Features

R2T4 on the Web is a non-year-specific application developed to calculate the earned and unearned portion of Title IV program assistance. The application includes setup options that aid in the entry and calculation of earned and unearned aid. These setup options include entry of your school's calendar, institutional charges, and user-specified fields.

Navigation Menu for R2T4 on the Web

FAA Access to CPS Online - Return of Title IV Funds on the Web		
Student Record Status Create New Record Find Existing Record Institutional Charges School Calendar User-Specified Fields Reports Data Export	Welcome to Return of Title IV Funds on the Web (R2T4) Return of Title IV Funds (R2T4) is a non-year specific product that processes, calculates, manages and stores students' return of Title IV aid calculation records. Use the links on the left Navigation Bar to set up your school screens, student records and to access reports. The links below explain the R2T4 process and functionality.	
	Before You Start	Using R2T4
	Overview <ul style="list-style-type: none"> ■ What is R2T4? Gather the following: <ul style="list-style-type: none"> ■ Student's Withdrawal Information ■ Student's Title IV Aid Information ■ Student's Program Information ■ Student's Account Information ■ School Information 	Setup the School screens: <ul style="list-style-type: none"> ■ Institutional Charges ■ School Calendar ■ User-Specified Fields Student records: <ul style="list-style-type: none"> ■ Create a new student ■ Find an existing student
		Follow Up
		Overpayment Notification and Tracking reports: <ul style="list-style-type: none"> ■ Student Notification ■ School Portion of R2T4 to be Returned ■ Student Repayment Arrangement(s) - Completed ■ Student Repayment Arrangement(s) - Not Completed ■ Notification Tracking Status ■ Students With a Post-Withdrawal Disbursement ■ Student Listing ■ Student Records Referred to the

Notification Tracking Status

Just as important as calculating the earned and unearned aid is the process of tracking the student's record status. Tracking features include:

- Number of students waiting to be notified
- Number of students who have been notified but have not made arrangements to repay
- Number of students who have been notified and have made arrangements to repay
- Number of students for whom the school has not returned funds
- Number of students for whom the school has returned funds
- Number of students with a post-withdrawal disbursement
- Number of student records referred to the Department of Education

Reports

Six reports are provided to view aggregate data for your student population. Reports include:

- Student Listing
- Student Notification
- Student Repayment Arrangements
- School Portion of R2T4 Returned
- Students with a Post-Withdrawal Disbursement
- Student Records Referred to the Department of Education

Entering and tracking data for all students will help ensure that you follow through on the complete process of the return of funds. Use of the tracking functions will aid in determining which students have completed which portion of the process. Use of the reports will summarize and help you track where students are in the process as well. The combination of these tools will aid in documenting your process and provide an audit trail to help reduce the potential of audit liability.

Data Export

You can also easily download data to your PC using the Data Export feature. You have the option of using a comma-delimited text file or displaying data on a viewable Web page using the Browse Data option.

Note:



All users at your school must be enrolled for FAA Access to CPS Online to access the R2T4 Web site. Sign up at the SAIG Enrollment Web site: fsawebenroll.ed.gov

Steps to R2T4 on the Web Setup

1. Establish your Institutional Charges. Enter charges that are generic and applicable to most students.
2. Establish your School Calendar Profile Codes.
3. If you choose, create User-Specified Fields to track data specific to your school.

The first two options must be set up in sequence before you can enter the first student record.

Institutional Charges

You must enter program costs for your school's various programs prior to creating student records in R2T4 on the Web. You can create a unique six-character code to identify the institutional charges for each program.

Tip:



Set up one Institutional Charge code per term. Then, modify the individual charges at the record level.

This set of institutional charges is linked to a school calendar profile to create a unique set of charges for a particular range of dates. When you create a student record, you will select the appropriate school calendar profile (which includes an Institutional Charges code) that describes the withdrawn student's charges and range of dates.

Naming Conventions

Name the Institutional Charges codes in a unique way. You may use a combination of text and numbers. The following table shows **examples** of different charges for a program.

Code	Description
ENG011	Undergraduate On-Campus Engineering Program
ENG022	Undergraduate Off-Campus Engineering Program
ENG033	Graduate Engineering Program

Note:



After you assign an Institutional Charges profile to a student, you can no longer modify or delete the profile in Setup. However, you can modify the charges within a student's record.

FAA Access to CPS Online - Return of Title IV Funds on the Web

- Student Record Status
- Create New Record
- Find Existing Record
- Institutional Charges**
- School Calendar
- User-Specified Fields
- Reports
- Data Export

Update Institutional Charges Information

Award Year:	2007 <input type="button" value="v"/>
Institutional Charges Code:	0112
Program Title:	1 Time Undergraduate
Program Type:	All General Undergrad

Description	Amount
Tuition and Fees:	\$ 7852
Room:	\$ 6256
Board:	\$ 2640
<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>
Total:	\$ 16748.00

School Calendar

The School Calendar setup aids you in calculating the number of days or hours in the payment period or enrollment period based on the date range and any break days you enter. The calendar profile is associated with an Institutional Charges code. You select the Program Type and what to base the calculation on (Payment Period or Period of Enrollment).

For students who withdraw from semester, trimester, or quarter programs, a school must perform the return calculation on a payment period basis. For students who withdraw from a non-standard term-based or non-term-based educational program, the school has the choice of performing the return calculation on either the payment period or period of enrollment basis. The institution must use the same basis (payment period or period of enrollment) in its calculations for all students within a program who cease attendance. (Note: An exception to this rule is provided on page 4-2.)

Update School Calendar Profile Information

School Information		
Award Year	2007 <input type="button" value="v"/>	
School Calendar Profile Code:	Fall107	
School Calendar Profile Title:	Fall 2007	
Institutional Charges Code:	0112 <input type="button" value="Institutional Charges"/>	
Program Hour Type:	Credit Hour-Standard <input type="button" value="v"/>	
Calculations of R2T4 based on:	Payment Period <input type="button" value="v"/>	
Payment Period Start Date:	08312006	
Please enter this date in "mmddyyyy" format. For example, 08171975		
Payment Period End Date:	12152006	
Please enter this date in "mmddyyyy" format. For example, 08171975		
Clock-Hour Specific Fields		
Total Clock Hours in Period Selected:	<input type="text"/>	
Scheduled Break Days		
Starting Date	Ending Date	Description
11202006	11242006	Thanksgiving

Tip:



When searching and/or creating School Calendar Profiles, make sure you enter the desired award year. For example, selecting 2007 identifies the 2006-07 award year.

User-Specified Fields

Five pre-defined fields commonly used by schools are provided in the application by default:

- GPA
- Major
- Repayment Status
- Withdrawal Reason
- Leave of Absence Reason

These fields are found on the student record on the User Data tab. No setup is required for these fields.

In addition, you can create up to 10 User-Specified Fields to gather and track student data specific to your school. These fields can be formatted to collect data in four formats:

- Numeric – 10 characters in length (Valid values are numbers 0-9.)
- String (text) – 40 characters in length (Valid values are letters A-Z.)
- Date – 8 characters in length (MMDDYYYY format)
- Boolean (yes/no) format – 1 character in length (Y or N)

User-Specified Fields

A maximum of **10** user-specified fields can be added.

User-Specified Fields				
Field	Type	Length	Description	Action
1	Yes/No	1	Met with Counselor	Delete
2	<div style="border: 1px solid gray; padding: 2px;"> Yes/No ▼ </div> <div style="border: 1px solid gray; padding: 2px; margin-top: 2px;"> Select Yes/No Numeric String Date </div>		<input style="width: 100%;" type="text"/>	Add



Software Activity – R2T4 on the Web

Setup

In this exercise, you will set up R2T4 on the Web to prepare for entering student records. You will create an Institutional Charge record, a School Calendar record, and a User-Specified field. Instructions are provided for both standard term and clock-hour school examples. Complete steps for both school types. The award year for all examples is 2007.

Step	Action
1	Open a browser window to the FAA Access demo site: http://fafsademo.test.ed.gov Click the FAA Access to CPS Online Demo System button at the bottom of the page.
2	Click Next .
3	Log in using the User ID: eddemo and Password: fafsatest The first steps show the typical sequence for accessing the FAA Access to CPS Online demo site. Please be aware that you may be prompted for the demo site’s login ID (eddemo) and password (fafsatest) in a different sequence or multiple times.
4	You are now logged into FAA Access to CPS Online. Click Next . (You may be prompted to enter the User ID and Password again.)
5	Enter the following in the Confirming Your Identity screen: SSN: 999999999 First 2 letters of Last Name: XX Date of Birth: 01011900 PIN: 9999 Click Submit .
6	From the FAA Main Menu, select Return of Title IV Funds on the Web .
7	Type the TG number: 99999 Type the school code: E01002 Click Next .

Standard Term

Institutional Charges Setup

8	Click Institutional Charges in the left column.
9	Click Add in the middle of the page to add a new record.
10	Click the drop-down arrow in the Award Year field and select 2007 .
11	You will be creating a code for the Engineering program. Type EGR07 in the Institutional Charges code field.
12	Type Engineering in the Program Title field.
13	Type Undergraduate in the Program Type field.
14	Complete the amount fields as follows. Tuition: 7,235 Room: 6,750 Board: 2,375
15	When finished, click Submit .
16	Next, locate your new record using the Search function. Click the drop-down arrow in the Award Year field and select 2007 . Click Search .
17	A list of records for the 2007 year is displayed. Click the institutional Charges Code for the record you created to display the details.

School Calendar Setup

18	Click School Calendar in the left column.
19	Click Add in the middle of the page to add a new record.
20	Click the drop-down arrow in the Award Year field and select 2007 .

21	Type 07UGR for the School Calendar Profile Code to identify the undergraduate program starting in September.
22	Complete the other fields as follows: School Calendar Profile Title: Undergraduate Institutional Charges Code: EGR07 Program Hour Type: Credit Hour Standard Calculations of R2T4 based on: Payment Period Payment Period Start Date: 09012006 Payment Period End Date: 12152006
23	Click Submit when finished.

User-Specified Field Setup

24	You will create a field to indicate if the student’s academic counselor has been notified of the withdrawal. Click User-Specified fields.
25	Select Yes/No as the type for the field.
26	Type Notification Filed in the Description field.
27	Click Add . The added field is displayed.

Clock Hour

Institutional Charges Setup

1	Click Institutional Charges in the left column. A pop-up box may appear. Click OK to continue.
2	Click Add in the middle of the page to add a new record.
3	Click the drop-down arrow in the Award Year field and select 2007 .
4	You will be creating a code for the Medical Transcriptionist program. Type 90615 in the Institutional Charges code field.
5	Type September 2006 15 Week in the Program Title field.

6	Type Certificate in the Program Type field.
7	Complete the amount fields as follows. Tuition: 1750 Room: 0 Board: 0 Books: 250
8	When finished, click Submit .
9	Next, locate your new record using the Search function. Click the drop-down arrow in the Award Year field and select 2007 . Click Search .
10	A list of records for the 2007 year is displayed. Click the blue highlighted award year for your record to display the details.

School Calendar Setup

11	Click School Calendar in the left column.
12	Click Add in the middle of the page to add a new record.
13	Click the drop-down arrow in the Award Year field and select 2007 .
14	Type S67015 for the School Calendar Profile Code to identify the Medical Transcriptionist program starting in September.
15	Complete the other fields as follows: School Calendar Profile Title: Sept 2006 450Hr 15 Wk Institutional Charges Code: 90615 Program Hour Type: Clock-Hour Program Calculations of R2T4 based on: Payment Period Payment Period Start Date: 09182006 Payment Period End Date: 12152006 Total Clock Hours in Period Selected: 450
16	Click Submit when finished.

Business Process Worksheet

What are your school's typical institutional charges and calendar profiles?

Lesson 2 - Determining the Student's Withdrawal Date

Objective

After completing this lesson learners will be able to:

- Determine a student's withdrawal date

Key Terms

Date of the Institution's Determination that the Student Withdrew

The point in time when a school could reasonably be expected to know that a student has withdrawn. The date of the institution's determination that the student withdrew is used in many circumstances, such as establishing the time frame for when the Return calculation must be completed and funds returned by the school.

Payment Period

A school-defined length of time for which a specific payment of Title IV aid is made available to a student. For programs using academic terms, a payment period is equal to a term. For programs not using academic terms, schools must designate at least two payment periods within an academic year, pursuant to all applicable regulations ([34 CFR 668.4](#)).

Period of Enrollment

The academic period established by the school for which institutional charges are generally assessed (for example, the length of the student's program or the academic year, but consistent with the period for which loans generally are certified, not to exceed twelve months).

Key Terms (continued)

Withdrawal Date

For schools required to take attendance, this is the last date the student attended a class as documented by attendance records, as described in [34 CFR 668.22 \(b\)](#).

For schools not required to take attendance, this is the date the student began the withdrawal process, otherwise provided official notification of the intention to withdraw, the date of circumstances beyond the student's control that prevented notification, the midpoint of the period (in the case of an unofficial withdrawal), or in the case of a student who does not return from an approved leave of absence, the date the student began—or school determined student began—a leave of absence, as described in [34 CFR 668.22 \(c\) i-vi](#), as applicable.

Additional clarification is provided in [GEN-04-03 \(revised November, 2004\)](#).

Schools Required to Take Attendance

Policy to determine withdrawal date

The goal of the Return of Title IV Aid provisions is to ensure that a student doesn't receive more aid than they earned through attendance. As a result, schools identify the date that most accurately reflects the date a student ceases academic attendance. Schools that are required to take attendance are expected to have policies and procedures in place for routinely monitoring attendance records to determine, in a timely manner, when a student withdraws. At a school required to take attendance, we expect that the date of the institution's determination that the student withdrew is no later than 14 days after the student's withdrawal date—the last date of academic attendance as determined by the institution from its attendance records (34 CFR 668.22(b)(1)).

Example of determining a withdrawal date

Ms. Sparks, an FAA for a school, notices on October 10 that a student has not been in attendance since October 1. Ms. Sparks contacts the student and learns that the student has been ill but plans to come back the next week (and this falls within the time period for excused absences and absences allowed by state, accrediting agency, and other applicable policies).

For the moment, the school may delay taking any action. If the student does not return by October 15, however, the school must complete a R2T4 calculation using:

- Student's last day of attendance: October 1
- Date of the Institution's Determination that the Student Withdrew: October 10

For this example, the school returns any unearned funds by what date? _____

The screenshot shows a web application interface titled "Return of Title IV Funds on the Web". At the top, there are tabs for "Post Withdrawal", "Notes", and "User Data". Below these are sub-tabs for "Overview", "Demographics", and "R2T4". The main content area is titled "Return of Title IV Fund Worksheet". A section header reads "Step 1: Student and School Title IV Aid Information". The form contains the following fields:

- Name: Amy K. Ordonez
- Social Security Number: 111-22-3333
- Award Year: 2006 (dropdown)
- School Calendar: 06FA (dropdown) with a "Calendar Profile" link
- Is the school required to take attendance by an outside entity? (dropdown menu with options: Select, Yes, No)
- Withdrawal Type: (dropdown menu with option: Select)

Figure 1 - Return of Title IV Funds on the Web, choices for school's requirement to take attendance.

Note:



Review Dear Colleague Letters, like [GEN-06-05](#), and other announcements for Higher Education Reconciliation Act of 2006 changes to student and institutional eligibility and student assistance general provisions.

Schools Not Required to Take Attendance

The student's withdrawal date is defined differently for schools that are not required by an outside entity to take attendance. The student's withdrawal date for these schools is defined in [34 CFR 668.22 \(c\) i-vi](#). Students can officially or unofficially withdraw, plus there are other factors that play a part in resolving the date of the institution's determination that the student withdrew.

Determining the withdrawal date for students who officially withdraw

Students who notify the school of their intention to withdraw are considered to withdraw officially, whether or not they follow a school's prescribed withdrawal process.

If a student follows the school's prescribed withdrawal process, the withdrawal date is the date, as determined by the school, that the student began the process.

If a student does not follow the school's prescribed withdrawal process, the withdrawal date is the date, as determined by the institution, that the student otherwise provided official notification to the school, in writing or orally, of his or her intent to withdraw.

Policy to determine withdrawal date for unofficial withdrawals

A school that is not required to take attendance must have policies and procedures for determining whether a Title IV aid recipient who began attendance during a period either completed the period or should be treated as a withdrawal. For those schools not required to take attendance, it is possible that some schools may not know that a student has unofficially withdrawn until the school checks its records at the end of an academic period.

A school must develop policies and procedures to determine whether a student who began attendance and received, or could have received, an initial disbursement of Title IV funds unofficially withdrew during a payment period or period of enrollment. Regulations require that a school have a mechanism in place for identifying and resolving instances where a student's attendance through the end of the period cannot be confirmed. The school must make that determination as soon as possible, but no later than 30 days after the end of the payment period or period of enrollment, the academic year, or the program, whichever is earliest.

A student who leaves a school does not always notify the school of the withdrawal. For purposes of the R2T4 calculation, these unofficial withdrawals fall into two categories:

- Category 1: Withdrawal without student notification due to circumstances beyond the student's control
- Category 2: All other withdrawals without student notification

Categories of unofficial withdrawals

Category 1: Withdrawal without student notification due to circumstances beyond student's control

If the school determines that a student (or second party on student's behalf) did not begin the withdrawal process or notify the school of the intent to withdraw due to illness, accident, grievous personal loss, or other circumstances beyond the student's control, the withdrawal date is the date the school determines from its consideration of circumstances. The student's withdrawal date is the date the school determines that the student ceased attendance because of the circumstance, not necessarily the date of the occurrence.

The screenshot shows a web application interface with the following fields and options:

- Is the school required to take attendance by an outside entity?**: A dropdown menu with "No" selected.
- Withdrawal Type:**: A dropdown menu with "Select" chosen.
- Grade Level:**: A dropdown menu with "Select" chosen.
- Leave of absence days:**: A dropdown menu with "4 - Beyond the student's control (no notification)" selected. Other options include:
 - 1 - Began official withdrawal process
 - 2 - Otherwise provided official notification (expressed intent)
 - 3 - Unofficial withdrawal (no notification)
 - 5 - Unapproved/doesn't return from a leave of absence
 - 6 - Last date of an academically-related activity
 - 7 - Required to take attendance/last date of attendance
- Date Form Completed:**: A text input field with the placeholder "Please enter this date".

Figure 2 – R2T4 Web application, selecting Withdrawal Type, 4 – Beyond the student's control (no notification)

A special rule applies where a school determines the date the student ceased academic attendance due to circumstances beyond the student's control, as described in [Federal Student Aid Handbook, Volume 5 Chapter 2](#). (Important: As Chapter 2 was being prepared, Congress passed legislation that might substantially alter the Return of Title IV Funds. Check for Dear Colleague Letters that the Department of Education will issue on ifap.ed.gov that address changes subsequent to the new legislation.)

Notes:



- *Unless an outside entity has determined that an institution is required to take attendance, the institution is considered to be one that is not required to take attendance.*
- *Schools must develop policies and procedures to deal with unofficial withdrawals and must place withdrawal instructions in student consumer information.*

Categories of unofficial withdrawals (continued)

Category 2: All other withdrawals without student notification (unofficial withdrawals)

The second category of unofficial withdrawals encompasses all other withdrawals where official notification is not provided to the school. For these withdrawals, the withdrawal date is the midpoint of the payment period or period of enrollment.

Passing Grades vs. No Passing Grades

At least one passing grade

If a student earns a passing grade in at least one course offered over an entire period, the institution can assume that the student completed the course and, thus, completed the period. In this case, the provisions of 34 CFR 668.22 do not apply and therefore the school would not calculate the earned and unearned portion of Title IV aid..

No passing grades

If a student who began attendance, and has not officially withdrawn, fails to earn a passing grade in at least one course offered over an entire period, the school must assume that the student has unofficially withdrawn, unless the school can document that the student completed the period.

A school may be able to use its **academic grading policy** for awarding final grades to document that the student completed the period. This applies if the school has an official grading policy that differentiates between:

- Students who completed the course but failed to achieve the course objectives, and
- Students who did not complete the course

As a mechanism for determining unofficial withdrawal, this policy would help to determine whether a student who did not receive at least one passing grade nevertheless completed the period.

Later in this course, you will see a demonstration of creating an R2T4 record using R2T4 on the Web. Return calculations require knowing a student's Withdrawal Date. When using the Web application, you can select a Withdrawal Type of "3 – Unofficial Withdrawal (no notification)." If you plan to select Withdrawal Type 3 but you do not know the actual Withdrawal Date, you must still provide an approximate Withdrawal Date so the return calculation is performed correctly and includes the appropriate funds. This concept will be revisited in Lesson 4.

Note:



Compliance audits and program reviews may examine whether a school accurately assigns failing grades to students if the school uses its grading policy to determine whether a student with failing grades has unofficially withdrawn.

Using the Date of an Academically Related Activity as Student's Withdrawal Date

A school that is not required to take attendance may use a student's last date of attendance at an academically-related activity as the student's withdrawal date, as documented by the school.

If a student begins the school's withdrawal process or provides official notification of the intent to withdraw and then attends an academically related activity after that date the school can document, the school has the option of using either date as the student's withdrawal date.

Conversely, a school could choose to use an earlier date if it believes the last documented date of attendance at an academically related activity more accurately reflects the student's withdrawal date than the date on which the student began the school's withdrawal process.

The screenshot shows a web form with the following fields and options:

- Is the school required to take attendance by an outside entity?**: A dropdown menu with "No" selected.
- Withdrawal Type:**: A dropdown menu with "Select" selected.
- Grade Level:**: A dropdown menu with "Select" selected.
- Leave of absence days:**: A dropdown menu with "Select" selected.
- Date Form Completed:**: A text input field with the prompt "Please enter this date in".

The dropdown menu for "Withdrawal Type" is open, showing the following options:

- 1 - Began official withdrawal process
- 2 - Otherwise provided official notification (expressed intent)
- 3 - Unofficial withdrawal (no notification)
- 4 - Beyond the student's control (no notification)
- 5 - Unapproved/doesn't return from a leave of absence
- 6 - Last date of an academically-related activity
- 7 - Required to take attendance/last date of attendance

Option 6 is highlighted in blue.

Figure 2 - R2T4 on the Web, selecting Withdrawal Type - Last date of an academically related activity.

Some examples of academically-related activities include:

- Examinations or quizzes
- Tutorials
- Computer-assisted instruction
- Academic advising or counseling
- Completing an academic assignment, paper, or project
- Attend a school-assigned study group where attendance is taken

Exception for Schools Not Required to Take Attendance: Specific Programs or Distinct Cohorts of Students that Require Attendance to be Taken

A school that is generally not required by an outside entity to take attendance may have specific programs or distinct cohorts of students for which an outside entity requires the school to take attendance. If so, for students either attending a specific program or belonging to a distinct cohort for whom the school is required to take attendance, the withdrawal date is determined from attendance records, as defined in [CFR 668.22 \(b\)](#). When calculating returns for these students only, the school is considered to be required to take attendance.

Business Process Worksheet

What methods have you used to determine the withdrawal date for programs at your school that are not required, by an outside entity, to take attendance?

Lesson 3 - Principles of Title IV "Aid That Could Have Been Disbursed"

Objective

After completing this lesson, you will understand the impact of:

- 30-day delayed disbursements
- Late disbursements
- Inadvertent overpayments
- Verification not completed before withdrawal
- Unsigned promissory note

Key Terms

Interim Disbursement

An interim disbursement is a payment of Title IV funds to a student who is subject to verification but has not completed the verification process. If there is no conflicting data or reason to believe that the application data is inaccurate:

- For Federal Pell Grant, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent (SMART) Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), and Federal Perkins Loan funds – A school may withhold funds or make one disbursement for the student's first payment period.
- For Federal Work-Study (FWS) funds – A school may withhold funds or employ the applicant for the first 60 consecutive days after the student's enrollment in that award year.
- For subsidized Stafford Loan (Federal Family Education Loan [FFEL] and William D. Ford Federal Direct Loan [Direct Loan]) funds – A school may refuse to certify or originate a loan, or originate or certify a loan but not deliver loan proceeds to the borrower.

The school is liable if an interim disbursement causes an overpayment. For more information, see [Title 34 of the Code of Federal Regulations \(34 CcFR\), Section 668.58](#).

Conditions for a Late Disbursement

These conditions, as described in [34 CFR 668.164\(g\)\(2\)](#), include situations where:

- The Department of Education processed a Student Aid Report (SAR) or Institutional Student Information Record (ISIR) with an official Expected Family Contribution (EFC) for the student (except in the case of a PLUS Loan); and
- The institution certified or originated a FFEL or a Direct Loan; or
- The institution made an award to the student for a Federal Perkins Loan or FSEOG.

Post-Withdrawal Disbursement

A payment to a student after that student withdraws if the student received less Title IV aid than the amount earned. The grant funds that are available as this payment are first automatically applied to a student's account to cover tuition, fees, and room and board charges. The remaining grant and loan funds that can be offered as this payment first goes through a notification and approval process with the student/parent.

Aid That Could Have Been Disbursed

In addition to the amount disbursed, aid that could have been disbursed is also used in the return of Title IV aid calculation. Title IV Aid That Could Have Been Disbursed is grant or loan funds for which the student meets the conditions for a late disbursement, as described in 34 CFR 668.164(g)(2), and the student is otherwise eligible to receive such funds.

By the withdrawal date, the following conditions must be met:

- For all Title IV aid programs other than a PLUS loan, the Department processed a SAR/ISIR with an official EFC, and
- For a FFEL or Direct Loan, the institution certified or originated the loan, and
- For a FSEOG or Federal Perkins Loan, the institution made the award to the student.

A school calculates the amount of Title IV aid earned by the student by multiplying the total amount of Title IV aid that was disbursed and that could have been disbursed by the percentage of the period of enrollment or payment period completed.

As illustrated in Step 1 in the following portion of the R2T4 calculation worksheet, a school fills in the net amount of each type of Title IV aid that was disbursed or that could have been disbursed.

STEP 1: Student's Title IV Aid Information			
Title IV Grant Programs		Amount Disbursed	Amount that Could Have Been Disbursed
1. Pell Grant		\$700.00	\$700.00
2. Academic Competitiveness Grant			
3. National SMART Grant			
4. FSEOG			
	A.	\$700.00	C.
		Subtotal	Subtotal
Title IV Loan Programs		Net Amount Disbursed	Net Amount that Could Have Been Disbursed
5. Unsubsidized FFEL/Direct Stafford Loan			
6. Subsidized FFEL/Direct Stafford Loan		\$1,260.00	\$1,260.00
7. Perkins Loan			
8. FFEL/Direct PLUS (Graduate Student)			
9. FFEL/Direct PLUS (Parent)			
	B.	\$1,260.00	D.
		Subtotal	Subtotal
		E. Total Title IV aid disbursed for the payment period or period of enrollment. A. \$700 .00 + B. \$1,260 .00 = E. \$ \$1,960 .00	
		F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment. A. \$700 .00 + C. \$700 .00 = F. \$ \$1,400 .00	
		G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment. A. \$700 .00 B. \$1,260 .00 C. \$700 .00 + D. \$1,260 .00 = G. \$ \$3,920 .00	

Figure 1 - Return of Title IV aid calculation worksheet, illustrating Step 1.

Aid That Could Have Been Disbursed (continued)

Title IV Grant Programs	Amount Disbursed	Amount That Could Have Been Disbursed
Pell Grant	\$ 700	\$ 700
Academic Competitiveness Grant	\$	\$
National SMART Grant	\$	\$
FSEOG	\$	\$
Other Title IV Grant Funds* <i>*Do not include FWS, LEAP, or SLEAP</i>	\$	\$
Add Programs		
<hr/>		
A. Total Grant Aid Disbursed: Subtotal	\$ 700.00	
	This is a display field only, it holds a running calculation of the entered values.	
<hr/>		
C. Total Grant Aid that Could Have Been Disbursed: Subtotal	\$ 700.00	
	This is a display field only, it holds a running calculation of the entered values.	
<hr/>		
Title IV Loan Programs	Net Amount Disbursed	Net Amount That Could Have Been Disbursed
Unsubsidized FFEL/Direct Stafford Loan	\$	\$
Subsidized FFEL/Direct Stafford Loan	\$ 1260	\$ 1260
Perkins Loan	\$	\$
FFEL/Direct PLUS (Graduate Student)	\$	\$
FFEL/Direct PLUS (Parent)	\$	\$
<hr/>		
B. Total Net Loan Aid Disbursed: Subtotal	\$ 1260.00	
	This is a display field only, it holds a running calculation of the entered values.	
<hr/>		
D. Total Net Loan Aid that Could Have Been Disbursed: Subtotal	\$ 1260.00	
	This is a display field only, it holds a running calculation of the entered values.	
<hr/>		
E. Total Title IV Aid Disbursed: (Box A + Box B)	\$ 1960.00	
	This is a display field only, it holds a running calculation of the entered values.	
<hr/>		
F. Total of Title IV Grant Aid Disbursed plus the Title IV Grant Aid that could have been disbursed: (Box A + Box C)	\$ 1400.00	
	This is a display field only, it holds a running calculation of the entered values.	
<hr/>		
G. Total of Title IV Aid Disbursed plus the Title IV Aid that could have been disbursed: (Box A + Box B + Box C + Box D)	\$ 3920.00	
	This is a display field only, it holds a running calculation of the entered values.	

Figure 2 - Return of Title IV Funds on the Web using the same worksheet example from previous page. Note that FAAs complete the grey highlighted areas and the Web application calculates the remaining fields.

Impact of 30-Day Delay Disbursement Rule on Aid That Could Have Been Disbursed

A first-year, first-time borrower who withdraws before the 30th day of the program of study is prohibited from receiving any FFEL or Direct Loan funds as a post-withdrawal disbursement. GEN-04-03 provides, however, that FFEL or Direct Loan funds **must** now be included as Aid That Could Have Been Disbursed in the R2T4 calculation if the conditions for late disbursement (listed on page 3-3) were met, even though the 30-day delay rule was not met (the FFEL or Direct Loan funds cannot actually be disbursed).

For example, Becky is a first-time, first-year student. She is eligible for the following aid: \$1,500 from Pell, \$500 from FSEOG, and \$1,240 from a subsidized Direct Loan. The Direct Loan funds were not disbursed because of the 30-day delay rule, but the other funds were disbursed. Becky withdraws from her program after completing the first 25 days of the 100-day payment period. Becky's percentage of aid earned is 25%.

STEP 1: Student's Title IV Aid Information			
Title IV Grant Programs		Amount Disbursed	Amount that Could Have Been Disbursed
1. Pell Grant		\$1,500.00	
2. Academic Competitiveness Grant			
3. National SMART Grant			
4. FSEOG		\$500.00	
	A.	\$2,000.00	C.
	Subtotal		Subtotal
Title IV Loan Programs		Net Amount Disbursed	Net Amount that Could Have Been Disbursed
5. Unsubsidized FFEL/Direct Stafford Loan			
6. Subsidized FFEL/Direct Stafford Loan			\$1,240.00
7. Perkins Loan			
8. FFEL/Direct PLUS (Graduate Student)			
9. FFEL/Direct PLUS (Parent)			
	B.	\$0	D.
	Subtotal		Subtotal
E. Total Title IV aid disbursed for the payment period or period of enrollment.			
		A.	\$2,000.00
		+ B.	\$0.00
		= E.	\$2,000.00
F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment.			
		A.	\$2,000.00
		+ C.	\$0.00
		= F.	\$2,000.00
G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment.			
		A.	\$2,000.00
		B.	\$0.00
		C.	\$0.00
		+ D.	\$1,240.00
		= G.	\$3,240.00

STEP 3: Amount of Title IV Aid Earned by the Student	STEP 4: Aid to be Disbursed or Returned CONTINUED
Multiply the percentage of Title IV aid earned (Box H) times the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box G).	K. Title IV aid to be returned Subtract the amount of Title IV aid earned (Box I) from the Total Title IV aid disbursed for the payment period or period of enrollment (Box E). This is the amount of Title IV aid that must be returned.
$25\% \times \$3,240.00 = \text{I. } \810.00	$\$2,000.00 - \$810.00 = \text{K. } \$1,190.00$
Box H Box G	Box E Box I

Figure 2 – R2T4 worksheet Steps 1, 3, and 4 demonstrating example.

Note:



- Remember that a signed promissory note is required before loan funds are included as Aid That Could Have Been Disbursed (GEN-05-16) in a return calculation.

Verification Not Completed Before Withdrawal

Return of Title IV Aid Verification Rules

Schools must observe certain deadlines for submitting verification documents. First, the Department of Education establishes a deadline for submitting verification documents that apply to Pell program funds. Second, schools must have an institutional deadline established by which an applicant selected for verification submits all required verification documents for campus-based, FFEL, and Direct Loan Program funds. This second deadline is specified in [34 CFR 668.53\(a\)\(1\)](#).

A school must complete an R2T4 calculation and must notify the student/parent as well as offer the student/parent a post-withdrawal disbursement, within 30 days of the date the institution determines the student withdrew. Schools have 45 days to return any unearned funds due from the school. Schools then apply the rules in this table when completing return calculations.

If all required verification documents...	Then the school...	Pell	ACG	SMART	FSEOG	Unsub FFEL/ DL Stafford	Sub FFEL/ DL Stafford	Perkins	FFEL/Direct PLUS (grad)	FFEL/Directs PLUS (parent)
... are not received before the 30-Day Return of Title IV Funds deadline	... must return these funds disbursed on an interim basis	✓	✓	✓	✓			✓		
... are not received before the initial R2T4 calculation	... only includes these Title IV funds not subject to verification in the R2T4 calculation as Aid That Was Disbursed or Aid That Could Have Been Disbursed					✓			✓	✓
... are received before initial R2T4 calculation	... includes these funds in the R2T4 calculation	✓	✓	✓	✓	✓	✓	✓	✓	✓
... are received after the 30 days but before verification deadline	... performs new R2T4 calculation with these funds	✓	✓	✓	✓		✓	✓		

A Pell applicant selected for verification must complete the process within the deadline published in the Federal Register or 120 days after the last day of the student’s enrollment, whichever is earliest.

Cash Management Requirements

The conditions for late disbursements must be met to include aid subject to verification, as aid that could have been disbursed, if verification is not completed before date of withdrawal (see [34 CFR 668.164\(g\)\(2\)](#)).

Inadvertent Overpayments

An inadvertent overpayment occurs when a school disburses funds to a student who is no longer in attendance, for example, when a school makes a scheduled disbursement on Monday to a student who dropped out on the previous Friday. Inadvertent overpayments are included in return calculations as Aid That Could Have Been Disbursed rather than Aid That Was Disbursed.

The policy regarding inadvertent overpayments in GEN-04-03 was developed to prevent the burden of a school having to return Title IV, HEA program funds, and disburse them again if a post-withdrawal disbursement was due.

- Allowing the school to hold an inadvertent overpayment while it determines if the student is owed a post-withdrawal disbursement does not affect the amount of aid a student would receive under a return calculation. Only a student who meets the criteria for a late disbursement is entitled to keep funds disbursed as an inadvertent overpayment.
- If an inadvertent overpayment does not meet the criteria for a late disbursement, as described earlier, neither the school nor the student may retain any portion of the overpayment.
- A school must treat inadvertent overpayments as Aid That Could Have Been Disbursed rather than Aid That Was Disbursed. If the inadvertent overpayment could not have been made as a late disbursement under the regulations, the school must return the entire amount of the overpayment. If the overpayment could have been made as a late disbursement, the school must return only the unearned portion of the inadvertent overpayment.
- Schools must return the inadvertent overpayment within 45 days of the date of the school's determination that the student withdrew (the time frame for a school's return of Title IV funds under [34 CFR 668.22\(j\)\(1\)](#)). A school must return an inadvertent overpayment in accordance with the applicable regulations for returning overpayments.

For example, if a late disbursement would have been prohibited because the student had withdrawn and the disbursement would have been a late second or subsequent disbursement of a FFEL or Direct Loan, the inadvertent overpayment must be returned because the student had not successfully completed the period of enrollment for which the loan was intended ([34 CFR 668.164\(g\)\(4\)\(ii\)](#)).

Notes:



- *Schools are required to have the administrative capability to prevent inadvertent overpayments on a routine basis. Specifically, a school is expected to have in place a mechanism for making the necessary eligibility determinations prior to the disbursement of any Title IV, HEA program funds. This includes a process to report withdrawals immediately to those responsible for making such disbursements.*
- *A pattern or practice of making these inadvertent overpayments would raise questions during a program review.*

Activity

As assigned by your instructor, read the scenarios listed below and answer the questions.

Scenario 1 (30-Day Delay)

A first-time, first-year student starts class on September 1 and withdraws on September 28. A Stafford loan for \$1,000 that has been certified has not been disbursed because of the 30-day delay rule. Note that this school was not able to invoke low cohort default waivers for the 30-day delay rule.

What amount should be included in:

Total aid disbursed? \$_____ Total aid that could have been disbursed? \$_____

Notes _____

Scenario 2 (No 30-Day Delay)

A second-year student starts class on September 1 and withdraws on September 28. A Stafford loan for \$1,000 that has been certified has not been disbursed because of a processing delay.

What amount should be included in

Total aid disbursed? \$_____ Total aid that could have been disbursed? \$_____

Notes _____

Activity (continued)

As assigned by your instructor, read the scenarios listed below and answer the questions.

Scenario 3 (Late Disbursement)

A school performs R2T4 calculations on a period-of-enrollment basis. A student withdraws after completing 500 of the 550 clock hours scheduled to complete of a 9-month, 900 clock-hour program with two payment periods of equal length. The student withdrew one week before the calendar mid-point of the loan period. This student received \$990 in Direct Loan funds for the first payment period; \$990 in Direct Loan funds for the second payment period has not been disbursed.

What amount should be included in:

Total aid disbursed? \$_____ Total aid that could have been disbursed? \$_____

Notes _____

Scenario 4 (Late Disbursement)

A school performs R2T4 calculations on a period-of-enrollment basis. A student withdraws after completing 500 clock hours of a 9-month, 900 clock-hour program with two payment periods of equal length. The student withdrew one week after the calendar midpoint of the loan period. This student received \$990 in Direct Loan funds for the first payment period; \$990 in Direct Loan Funds for the second payment period has not been disbursed.

What amount should be included in:

Total aid disbursed? \$_____ Total aid that could have been disbursed? \$_____

Notes _____

Activity (continued)

As assigned by your instructor, read the scenarios listed below and answer the questions.

Scenario 5 (Verification Completed Before Withdrawal)

A second-year student who was selected for verification was awarded a \$750 Pell Grant, a \$650 ACG, and a \$500 FSEOG. The student had submitted all required documents prior to withdrawal.

What amount should be included in:

Total aid disbursed? \$_____ Total aid that could have been disbursed? \$_____

Notes _____

Scenario 6 (Verification Not Completed Before Withdrawal)

A third-year student who was selected for verification received a PLUS loan of \$4,050. The student was also awarded a \$550 Pell Grant and a \$2,000 National SMART Grant pending verification. The student submitted a verification worksheet and federal tax returns; however, one form was missing the signature. The student withdrew. The 45-day deadline to calculate Title IV funds to be returned is approaching, and you expect the student will provide the missing signature soon. What should you do?

What amount should be included in:

Total aid disbursed? \$_____ Total aid that could have been disbursed? \$_____

Notes _____

Lesson 4 - Percentage of Title IV Aid Earned

Objectives

In this lesson you will:

- Calculate the percentage of aid earned for a student who withdraws from a clock-hour or credit hour program, using payment period or period of enrollment.
- Understand how the percentage of time the student spent in school affects the percentage of aid earned.

Key Terms

Aid Disbursed

Title IV program funds are disbursed when a school credits a student's account with funds or pays a student or parent directly with:

- Title IV funds received from the Department of Education
- Federal Family Education Loan (FFEL) Program funds received from a lender
- Institution funds used before receiving Title IV program funds

Payment Period

A school-defined length of time for which a specific payment of Title IV aid is made available to a student. For programs using academic terms, a payment period is equal to a term. For programs not using academic terms, schools must designate at least two payment periods within an academic year, pursuant to all applicable regulations (34 CFR 668.4).

Percentage of Aid Earned

The percentage of aid earned is the proportion of the Title IV aid a student earned before withdrawing. It is based on the proportion of the period attended to the period for which the aid was awarded.

Period of Enrollment

The academic period established by the school for which institutional charges are generally assessed (for example, the length of the student's program or the academic year, but consistent with the period for which loans generally are certified, not to exceed twelve months).

Using Payment Period or Period of Enrollment

The use of payment period or period of enrollment is important for many aspects of the return calculation. For example, if a school is determining the treatment of Title IV funds on a payment period basis, the student's Title IV program assistance to be used in the calculation is the aid that is disbursed or that could have been disbursed for the payment period. Also, the institutional charges used in the return calculation would have to reflect the charges for the payment period.

R2T4 on the Web requires you to indicate whether the calculation is on the basis of a payment period or a period of enrollment. The institution must use the same basis (payment period or period of enrollment) in its calculations for all students within a program who cease attendance with the following two exceptions:

- For students who transfer to or re-enter a non-term-based or non-standard term-based educational program, a school may use either payment period or period of enrollment when performing a return calculation.
- A school may use one basis for transfer students and another for re-entry students in the same program, provided all transfer or re-entry students as a cohort within a program have their return calculation made on the same basis. For example, a school may choose to use payment period for all transfer students in its nursing program, and use period of enrollment for all re-entry students in the same nursing program.

Notes:



- *For those students who attended a standard term-based (semester, trimester, or quarter) educational program, the R2T4 calculation must be determined on a payment period basis. Note that making multiple disbursements within a payment period does not create a new or additional payment period.*
- *For those students who withdraw from a non-standard term-based or non-term-based educational program, the school has the choice of performing the return calculation on either payment period or period of enrollment basis.*

Percentage of Aid Earned

According to the Title IV regulations, the percentage of Title IV aid earned by a student is equal to the percentage of the period completed by the student.

$$\text{Percentage of Period Completed} = \text{Percentage of Title IV Aid Earned}$$

Step 2 of the return calculation calculates the percentage of Title IV aid earned. The percentage of the period (payment period or period of enrollment) completed by the student is determined by using the period begin and end dates. The withdrawal date is used to determine the point in time that the student withdrew, thus creating an end date for the number of days completed.

The percentage of the period completed is calculated as follows:

Percentage of Period Completed: Clock-Hour Programs	Percentage of Period Completed: Credit Hour Programs
<u>Number of hours scheduled to complete[^]</u>	<u>Number of days completed in the period*</u>
<u>Total number of hours in the period[^]</u>	<u>Total number of calendar days in period*</u>
<i>[^]Excused absences do not get counted as completed hours</i>	<i>*Excluding 5 or more consecutive days of institutionally scheduled breaks AND days that the student was on approved leaves of absence</i>
Example: Step 2 of clock-hour return calculation from R2T4 on the Web:	Example: Step 2 of credit hour return calculation from R2T4 on the Web:
Step 2: Percentage of Title IV Aid Earned	Step 2: Percentage of Title IV Aid Earned
Withdrawal Date: 09/29/2006	Withdrawal Date: 10/15/2006
Hours scheduled to complete: 650	Payment period/period of enrollment start date: 08/21/2006
Total hours in period: 72.2 %	Payment period/period of enrollment end date: 12/15/2006
H. Percentage of payment period completed: 100 %	Number of completed days: 56
	Total number of days in the period: 117
	H. Percentage of payment period completed: 47.9 %

R2T4 on the Web calculates the days and percentage earned based on the school calendar and withdrawal date parameters you assign to the student's record.

Note:



If the percentage of payment period completed for either clock-hour or credit-hour program is greater than 60%, then the student is considered to have earned 100% of the student's Title IV aid.



Software Activity – Create a Record and Calculate Percentage of Title IV Aid Earned

In this exercise, you use the setup records you created for Institutional Charges and a School Calendar to create a new student record and calculate the percentage earned for this second-year student enrolled in a credit hour program.

The student was enrolled in the fall term and has notified you of her withdrawal date of 9/29/2006. You will be using the School Calendar and Institutional Charges records you set up in Lesson 1.

Step	Action
1	Open a browser window to the FAA Access demo site: http://fafsademo.test.ed.gov Click the FAA Access to CPS Online Demo System button at the bottom of the page.
2	Click Next .
3	Log in using the User ID: eddemo and Password: fafsatest
4	You are now logged into FAA Access to CPS Online. Click Next . (You may be prompted to enter the User ID and Password again.)
5	At the Confirming Your Identity screen, enter the following: SSN: 999999999 First 2 letters of Last Name: XX Date of Birth: 01011900 PIN: 9999 Click Submit .
6	From the FAA Main Menu, select Return of Title IV Funds on the Web .
7	Type the TG number: 99999 Type the school code: E01002 Click Next .

Create a New Record

1	Click Create New Record in the menu on the left side of the screen.
2	Type the student's Social Security Number: 300-11-2467 (or a number assigned by your instructor) . Click the Submit button .
3	The record will open to the Demographics tab. Complete the Student Information and Permanent Address sections using the following (or make up your own data): Ordonez for Last Name Amy for First Name 300 11 2467 for Social Security Number 02161984 for Date of Birth R321654 for Driver's License Number 123 Main St. for Permanent Address Pleasant for City MI for State 48109 for Zip Code Click the Submit button .
4	Click the R2T4 tab.
5	Select 2007 for Award Year.
6	Click the Calendar Profile button to select the School Calendar value.
7	Click on 2007 next to the Profile Code 06UNGR. Note that 06UNGR is a Profile Code that is based on Payment Periods.
8	Type 09292006 for Withdrawal Date. Note the information on the screen relating to Withdrawal Date: <i>If you do not know the date of withdrawal and intend to select Withdrawal Type 3 (Unofficial Withdrawal), you must still provide an approximate withdrawal date so the correct R2T4 calculation is performed.</i>
9	Click the Next button.
10	Select No for Is the school required to take attendance by an outside entity?

Percentage of Title IV Aid Earned

<p>11</p>	<p>Since the student notified you of her intention to withdraw, select 1 – Began official withdrawal process for Withdrawal Type.</p> <p>QUESTION A: What constitutes <i>official notification</i>? _____</p> <p>_____</p> <p>_____</p>
<p>12</p>	<p>Select the Grade Level value: 2 – 2nd yr./sophomore.</p>
<p>13</p>	<p>There are no Leave of Absence days in the period, so leave the field blank.</p>
<p>14</p>	<p>Since the student is officially withdrawing and you are completing the R2T4 calculation on the same day, type 09292006 for Date Form Completed.</p>
<p>15</p>	<p>Also, type 09292006 for Date of the school’s determination that the student withdrew.</p>
<p>16</p>	<p>Under Title IV Grant Programs, Pell Grant: Type 875 for Amount Disbursed</p> <p>Under Title IV Grant Programs, Academic Competitiveness Grant: Type 650 for Amount Disbursed</p> <p>Under Title IV Loan Programs, Subsidized FFEL/Direct Stafford Loan: Type 1455 for Net Amount Disbursed</p> <p>Since this calculation is based on payment periods, note that you do not enter any Amount That Could Have Been Disbursed information.</p> <p>QUESTION B: The Total Title IV Aid Disbursed is automatically calculated for you. What is the amount of Total Title IV Aid Disbursed that is calculated? _____</p>
<p>17</p>	<p>Step 2 is where the tool helps you determine the percentage of aid earned based on the withdrawal date. Note that the Withdrawal Date already contains 09292006 from what you entered when you first started to add this R2T4 record.</p>
<p>18</p>	<p>Under Step 5, click the Charges button.</p> <p>An Institutional Charges window opens. You may modify the charges for this student here.</p> <p>Click the Submit button to accept the charges displayed.</p>
<p>19</p>	<p>Click the Submit button at the bottom of the screen (you may need to scroll down).</p>

20	The page entitled Return of Title IV Fund Worksheet, Record 1 of 1 displays. Click the View Printable Page button to view, save, and/or print a copy of the information.
21	Scroll to view Step 2. QUESTION C: What is the calculated number of completed days? _____ QUESTION D: What is the calculated number of days in the period? _____
22	QUESTION E: What is the calculated percentage of the payment period completed? _____

Business Process Worksheet

How does your school ensure timely entry of student records for return calculations and accurate data entry?

Lesson 5 - Overpayment Notification Page and Reports

Objectives

In this lesson you will:

- Identify notification tools to manage compliance
- Review reporting features generated through Return of Title IV Funds (R2T4) on the Web

Key Term

Notification Tracking Status

The Notification Tracking Status page of R2T4 on the Web shows a statistical overview of outstanding R2T4 student records and their notification or repayment status.

Notification and Reports

After you enter a new student record and complete the R2T4 calculation, there are steps remaining to complete the process. Depending on the outcome of the R2T4 calculation, you may need to:

- Send appropriate notifications to the students and parents
- Return funds
- Make a post-withdrawal disbursement

For grant overpayments, you will need to:

- Send the student a notice
- Report to the National Student Loan Data System (NSLDS)
- Refer the grant overpayment to the Department of Education, if necessary.

Your school must meet all regulatory deadlines as provided in the law, and R2T4 on the Web provides tools for you to record and track the actions regarding each student. The Notification Tracking Status page provides you options for tracking overpayment notifications for students and when funds have been returned by the school to the Department. The Reports function provides you with several options for printing a summarization of records in the various notification stages.

Notification Tracking Status

Select Student Record Status from the menu options of the R2T4 on the Web page to view the Notification Tracking Status options. Each view provides a list of records in the notification stage listed. There are four views that relate to the tracking of overpayment notifications, two views for tracking the school’s return of funds and one view for tracking post-withdrawal disbursements.

The tables below provide the sequence of the records appearing in each view. As you make updates to the data in the view, such as a notification date, the software automatically moves the record to the next view in the process.

Tracking Overpayment Notifications

Step	View	Update
1	Number of students waiting to be notified	Complete the date the student was notified
2	Number of students who have been notified but have not made arrangements to repay	Complete the Action Date and select the Repayment Arrangement Type
3	Number of students who have been notified and have made arrangements to repay	Update the Action Date and select the Repayment Arrangement Type as necessary
4	Number of student records referred to the Department of Education	Enter the Date School Referred Student to the Department

Tracking Returned Funds

Step	View	Update
1	Number of students for whom the school has not returned funds	Complete the date the school returned funds
2	Number of students for whom the school has returned funds	Update the date the school returned funds if necessary

Tracking Post-Withdrawal Disbursements

Step	View	Update
1	Students with a Post-Withdrawal Disbursement	<p>Complete the date the school notified the student/parent of loan</p> <p>Complete the date the school offered the post-withdrawal disbursement to the student or parent</p> <p>Complete the date the student responded to the offer</p>

Notification Tracking Status

Welcome to Return of Title IV Funds On The Web! Here is the current status of your outstanding records.

Status Information

Number of students waiting to be notified:	1	View
Number of students who have been notified but have not made arrangements to repay:	1	View
Number of students who have been notified and have made arrangements to repay:	2	View
Number of students for whom the school has not returned funds:	4	View
Number of students for whom the school has returned funds:	3	View
Number of students with a Post-Withdrawal Disbursement:	0	View
Number of student records referred to the Department of Education:	1	View

Student Notification

The R2T4 on the Web site includes a quick view of students who have not been notified to return Title IV funds. These are students whose Title IV funds (unsubsidized FFEL/Direct Loan, subsidized FFEL/Direct Loan, Perkins, FFEL/Direct PLUS Loan, Pell Grant, FSEOG, ACG, National SMART, and other Title IV funds in Step 9 of the R2T4 tab are greater than zero.

Note:



Grants where the original amount of the overpayment is less than \$50 do not appear on the Student Notification page, because they do not have to be repaid. Loans of less than \$25 do appear on the page but must be repaid.

To access the Student Notification view, click View next to the Status Information row for Number of students waiting to be notified. Type the date the student was notified, and click Submit to move the record to the next view.

The Days Remaining field automatically calculates the number of days between the Date School Determined Student Withdrew and R2T4's system date. Remember that this date can be negative, indicating that the deadline was exceeded. A school must return the unearned portion of Title IV funds for which it is responsible as soon as possible, but no later than 45 days after the school determined the student withdrew.

Student Notification

School must notify students of Title IV grant overpayments over the de minimis amount within 30 days of the school's Date of Determination that the student withdrew. For more information on the de minimis amount please click on "Need help with this page."

Social Security Number	Student Last Name	Student First Name	School Calendar Profile	Award Year	Date School Determined Student Withdrew	Days Remaining	Date Student Notified	Selected
330-01-0111	Skaggs	Lauren	06UNGR	2007	10/09/2006	14	<input type="text"/>	<input type="checkbox"/>

Default Date:

Tip:



Enter an individual Date Student Notified value for each student listed or the records for several or all of the students at once by entering a date for the Default Date, selecting the Selected checkbox next to the students you want to update with the default date. Then click the Fill All Selected button. You can also click the Select All button to select all of the students listed, and then click Fill All Selected to use the default date you have entered.

Student Repayment Arrangements

The next two views provided on the Notification Tracking Status page identify students that have been notified and distinguish whether they have made repayment arrangements. The first view provides the opportunity to record the type of repayment arrangement made.

Not Completed

To access the Student Repayment Arrangements - Not Completed view, click View next to the Status Information row for Number of students who have been notified but have not made arrangements to repay.

Students Repayment Arrangements - Not Completed

A student will remain eligible for Title IV funds through and beyond the earlier of 45 days of the school notification date or 45 days from the date the school was required to notify the student (within 30 days after the date the school determined the student withdrew). The student must successfully complete 1, 2 or 3 below within the application period.

Repayment Arrangement Types:

1. Pay the school in full
2. Make satisfactory repayment arrangements with the school
3. Make satisfactory repayment arrangements with the Department of Education
4. No satisfactory arrangement made
5. Made arrangements, but did not comply with arrangements

Note: For payment arrangement types 3,4 and 5: The record must be reported and referred to the Department of Education.

Changes to this page will be submitted immediately using page navigation buttons.

Social Security Number	Student Last Name	Student First Name	School Calendar Profile	Award Year	Date Student Notified	Days Remaining	Action Date	Repayment Arrangement Type
330-01-0107	Sutter	Alexis	06UNGR	2007	10022006	7	<input type="text"/>	Select

The Student Repayment Arrangement - Not Completed page shows a list of students for whom you need to enter the Repayment Arrangement Type and the Action Date for the Repayment.

Type the date of the repayment action taken and select from the five action types:

1. Pay the school in full
2. Make satisfactory repayment arrangements with the school
3. Make satisfactory repayment arrangements with the Department

4. No satisfactory arrangement made
5. Made arrangements, but did not comply with arrangements

Completion and submission of these fields moves the record to the completed view.

Completed

This view lists students who have been notified of their obligations regarding a Title IV grant overpayment and have made repayment arrangements.

To access the Student Repayment Arrangements - Completed view, click View next to the Status Information row for Number of students who have been notified and have made arrangements to repay.

Students Repayment Arrangements - Completed

Repayment Arrangement Types:

1. Pay the school in full
2. Make satisfactory repayment arrangements with the school
3. Make satisfactory repayment arrangements with the Department of Education
4. No satisfactory arrangement made
5. Made arrangements, but did not comply with arrangements

Note: For payment arrangement types 3,4 and 5: The record must be reported and referred to the Department of Education.

Changes to this page will be submitted immediately using page navigation buttons.

Social Security Number	Student Last Name	Student First Name	School Calendar Profile	Award Year	Date Student Notified	Days Remaining	Action Date	Repayment Arrangement Type
330-01-0102	Champion	Enid	06UNGR	2007	09/30/2006	13	11012006	3
330-01-0103	Baldrige	Jason	06UNGR	2007	09/25/2006	35	10052006	1

You can update both the Repayment Arrangement Type and Action Date on this page.

Note:



For payment arrangement types 3, 4, and 5: The record must be reported and referred to the Department.

For students who only owe loan funds, enter a repayment status of 1 or 2 on either the completed or not completed page to move the record to the next view.

Student Records Referred to the Department of Education

The record will appear in this view:

- If the repayment arrangements have been completed for the students you have indicated and you selected the Repayment Arrangement Type of 3, 4, or 5, or
- If the type is blank and more than 45 days have elapsed since the school notified the student that a return of Title IV funds is required

This is the final view related to the tracking of overpayment status for the student.

To access the Students Referred to the Department of Education view, click Student Record Status on the R2T4 menu. Click View next to the Status Information row for Number of Student Records Referred to the Department of Education.

Student Records Referred to the Department of Education

Social Security Number	Student Last Name	Student First Name	School Calendar Profile	Award Year	Date Student Notified	Days Remaining	Repayment Arrangement Type	Date School Referred Student to ED
330-01-0102	Champion	Enid	06UNGR	2007	09/30/2006	5	3	<input type="text"/>

Note:



When a date is entered in the Date School Referred Student to the Department field, the student is removed from the Student Records Referred to the Department of Education status page, but remains on the Student Records Referred to the Department of Education Report.

Note:



For more information about the referral process consult the Federal Student Aid Handbook, Volume 5- Overawards, Overpayments, and Withdrawal Calculations, Chapter 1 – Overpayments and Overawards.

Students with a Post-Withdrawal Disbursement

If you have completed the Post-Withdrawal Disbursement tab for the student, a summary of all records entered is provided for students with post-withdrawal disbursements at a complete or an incomplete status.

To access the Students With a Post-Withdrawal Disbursement view, click Student Record Status on the R2T4 menu. Click View next to the Status Information row for Number of Students With a Post-Withdrawal Disbursement.

On the Students with a Post-Withdrawal Disbursement page, you can update the date your school notified the student or parent of the crediting of a post-withdrawal disbursement of loan funds to the student’s account, the date the school offered the post-withdrawal disbursement to the student or parent, and the date the student or parent responded to the offer.

Students with a Post-Withdrawal Disbursement

Social Security Number	Student Last Name	Student First Name	School Calendar Profile	Award Year	If Loan: Date School Notified Student/Parent	# Days Left From 120	Date School Offered PWD to Student/Parent	Date Student Responded To Offer	# Days Left From 14	# Days Left From 30
330-01-0102	Champion	Enid	07FS	2007	<input type="text"/>	55	<input type="text"/>	<input type="text"/>		

Note:



- After you answer “Yes” to the “Post-Withdrawal completed?” question on the student’s Post-Withdrawal tab, the student is removed from the Students With a Post-Withdrawal Disbursement status page, but remains on the Students With a Post-Withdrawal Disbursement Report.

School Portion of Title IV Funds To Be Returned

Two views are provided of students for whom the school must return an unearned portion of Title IV funds. The first lists records for which funds must be returned. The second provides a list of the funds returned with the returned date.

To access this view, click Student Record Status on the R2T4 menu. To view School Portion of Title IV Funds To Be Returned, click View in the Status Information row for Number of Students for whom the school has not returned funds.

The School Portion of Title IV Funds To Be Returned page shows a list of students for whom you still must record the date you returned the unearned portion of the student’s Title IV funds to the appropriate sources.

To complete this process, enter the date your school returned unearned Title IV funds for the student to the appropriate source in the Date School Returned Funds field. A school must return the unearned portion of Title IV funds as soon as possible but no earlier than the date the school determined the student withdrew or later than 45 days after the school determined the student withdrew.

School Portion of Title IV Funds To Be Returned

School must return the unearned portion of Title IV funds as soon as possible, but no later than:

- 30 days after the school determined that the student withdrew if the withdrawal date is prior to July 1, 2006, or
- 45 days after the school determined that the student withdrew if the withdrawal date is on or after July 1, 2006.

Social Security Number	Student Last Name	Student First Name	School Calendar Profile	Award Year	Date School Determined the Student W/drew	Days Remaining	Date School Returned Funds
330-01-0107	Sutter	Alexis	06UNGR	2007	10/01/2006	6	<input type="text"/>
330-01-0112	Walker	Teresa	06UNGR	2007	10/01/2006	6	<input type="text"/>
330-01-0111	Skaggs	Lauren	06UNGR	2007	10/09/2006	14	<input type="text"/>
330-01-0110	Ang	Perry	06UNGR	2007	10/22/2006	27	<input type="text"/>

[Submit](#) [Cancel](#)

School Portion of Title IV Funds Returned

After adding the date the school returned funds, the records appear in this view. To access this view, click Student Record Status on the R2T4 menu. To view School Portion of Title IV Funds Returned, click View in the Status Information row for Number of students for whom the school has returned funds.

The School Portion of Title IV Funds Returned page shows a list of students for whom the date you returned the unearned portion of the student's Title IV funds to the appropriate sources has been recorded. You can update the Date School Returned Funds value for each student listed.

School Portion of Title IV Funds Returned

School must return the unearned portion of Title IV funds as soon as possible, but no later than:

- 30 days after the school determined that the student withdrew if the withdrawal date is prior to July 1, 2006, or
- 45 days after the school determined that the student withdrew if the withdrawal date is on or after to July 1, 2006.

Social Security Number	Student Last Name	Student First Name	School Calendar Profile	Award Year	Date School Determined Student W/drew	Days Remaining	Date School Returned Funds
330-01-0103	Baldrige	Jason	06UNGR	2007	09/22/2006	31	10062006
330-01-0101	Williams	Jillian	06UNGR	2007	09/15/2006	38	09222006
330-01-0102	Champion	Enid	06UNGR	2007	09/30/2006	45	09302006

Reports

The Reports option provides summary reports for each of the items found in the Notification views. The following six reports are provided:

- Student Listing
- Student Notification
- Student Repayment Arrangements
- School Portion of R2T4 Returned
- Students With a Post-Withdrawal Disbursement
- Student Records Referred to the Department of Education

To print each of the reports, select Reports from the menu. Each report is generated using selection criteria for the records to include based on the types of data included in the report.

Select the options desired and click Submit to view the report. The report will be generated in a separate window. A Print this Page button allows you to send the report to the printer.

A brief description of the contents and a screen capture of each report are provided below.

Student Listing

This report is a list of the records in your database by withdrawal date, withdrawal reason, last name, and Social Security Number. You must enter values for all of the report options to generate the report.

Report Date: 11/09/2006

U.S. DEPARTMENT OF EDUCATION

PAGE: 1

Report Time: 10:18:24

RETURN OF TITLE IV FUNDS

Student Listing

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Social Security Number	Name	School Calendar Profile	Award Year	Withdrawal Type	Withdrawal Date
330-01-0110	Ang, Perry	06UNGR	2007	Unofficial withdrawal	10/15/2006
330-01-0103	Baldrige, Jason	06UNGR	2007	Intend to withdraw	09/22/2006
330-01-0102	Champion, Enid	06UNGR	2007	Official withdrawal	09/30/2006
330-01-0111	Skaggs, Lauren	06UNGR	2007	Official withdrawal	10/15/2006
330-01-0107	Sutter, Alexis	06UNGR	2007	Official withdrawal	10/15/2006
330-01-0112	Walker, Teresa	06UNGR	2007	Beyond control	10/01/2006
330-01-0101	Williams, Jillian	06UNGR	2007	Official withdrawal	09/15/2006

Student Notification

This report shows the students whose grant (Pell, ACG, National SMART, or FSEOG) amounts in Step 9 of the R2T4 tab are greater than zero. Students appear on this report regardless of their Repayment Arrangement Type.

Report Date: 11/09/2006

U.S. DEPARTMENT OF EDUCATION

PAGE: 1

Report Time: 10:19:52

RETURN OF TITLE IV FUNDS

Student Notification

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Social Security Number	Name	School Calendar Profile	Award Year	Days Remaining	Date Student Notified
330-01-0111	Skaggs, Lauren	06UNGR	2007	-1	

Student Repayment Arrangements

Students appear on this report if Step 7 on the R2T4 tab contains amounts and they have been notified to make repayment arrangements.

Report Date: 11/09/2006

U.S. DEPARTMENT OF EDUCATION

PAGE: 1

Report Time: 10:21:19

RETURN OF TITLE IV FUNDS

Student Repayment Arrangements

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Social Security Number		Name				
School Calendar Profile	Award Year	Date Student Notified	Days Remaining	Action Date	Repayment Arrangement Type	
330-01-0103	Baldrige, Jason					
06UNGR	2007	09/25/2006	35	10/05/2006	Pay the school in full	
330-01-0102	Champion, Enid					
06UNGR	2007	09/30/2006	13	11/01/2006	Make arrangements with Dept. of Ed.	
330-01-0107	Sutter, Alexis					
06UNGR	2007	10/02/2006	7			

Note:



The Student Notification Page and the Student Repayment Arrangements page will list all students who owe any title IV money including students who just owe loans.

School Portion of R2T4 Returned

This report is a summary of the students who have an amount in the Unearned Title IV aid due from the school field in Step 6 on the R2T4 page that is greater than zero for which you have either completed or not completed the return of Title IV funds. The report lists the students' Social Security Numbers, names, school calendar profiles, award years, dates the school determined the students withdrew, days remaining, and the School Repaid Dates.

Report Date: 11/09/2006

U.S. DEPARTMENT OF EDUCATION

PAGE: 1

Report Time: 10:22:47

RETURN OF TITLE IV FUNDS

School Portion of R2T4 Returned

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Social Security Number	Name	School Calendar Profile	Award Year	Date School Determined Student W/drew	Days Remaining	School Repaid Date
330-01-0110	Ang, Perry	06UNGR	2007	10/22/2006	12	
330-01-0103	Baldridge, Jason	06UNGR	2007	09/22/2006	16	10/06/2006
330-01-0102	Champion, Enid	06UNGR	2007	09/30/2006	30	09/30/2006
330-01-0111	Skaggs, Lauren	06UNGR	2007	10/09/2006	-1	
330-01-0107	Sutter, Alexis	06UNGR	2007	10/01/2006	-9	
330-01-0112	Walker, Teresa	06UNGR	2007	10/01/2006	-9	
330-01-0101	Williams, Jillian	06UNGR	2007	09/15/2006	23	09/22/2006

Students With a Post-Withdrawal Disbursement

This report is a list of the student records in your database with post-withdrawal disbursements at a complete or an incomplete status. The report displays all fields and values available on the Students With a Post-Withdrawal Disbursement page.

Report Date: 11/29/2006

U.S. DEPARTMENT OF EDUCATION

PAGE: 1

Report Time: 12:23:30

RETURN OF TITLE IV FUNDS

Students With a Post-Withdrawal Disbursement

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Social Security Number		Name						
	School Calendar Profile	Award Year	If Loan: Date School Notified Student/Parent	# Days Left From 120	Date School Offered PWD to Student/Parent	Date Student Responded To Offer	# Days Left From 14	# Days Left From 30
330-01-0102		Champion, Enid						
	07FS	2007		55				

Student Records Referred to the Department of Education

The report is a list of the student records in your database referred to the Department. The report displays all student records, fields, and values available on the Student Records Referred to the Department of Education page.

Report Date: 11/09/2006

U.S. DEPARTMENT OF EDUCATION

PAGE: 1

Report Time: 10:23:51

RETURN OF TITLE IV FUNDS

Student Records Referred to the Department of Education

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Social Security Number		Name				
School Calendar Profile	Award Year	Date Notification Sent	Days Remaining	Repayment Arrangement Type	Date School Referred Student to ED	
330-01-0102	Champion, Enid					
06UNGR	2007	09/30/2006	13	3		



Software Activity – Print the Student Listing Report

In this exercise, you will print the Student Listing Report to view a list of all the students for whom you have created a record in R2T4 on the Web.

Step	Action
1	Open a browser window to the FAA Access demo site: http://fafsademo.test.ed.gov Click the FAA Access to CPS Online Demo System button at the bottom of the page.
2	Click Next .
3	Log in using the User ID: eddemo and Password: fafsatest
4	You are now logged into FAA Access to CPS Online. Click Next . (You may be prompted to enter the User ID and Password again.)
5	At the Confirming Your Identity screen, enter the following: SSN: 999999999 First 2 letters of Last Name: XX Date of Birth: 01011900 PIN: 9999 Click Submit .
6	From the FAA Main Menu, select Return of Title IV Funds on the Web .
7	Type the TG number: 99999 Type the school code: E01002 Click Next .

Print the Student Listing Report

8	Click Reports on the R2T4 menu.
9	Click Student Listing .
10	Enter the Withdrawal Start Date: 09012006
11	Enter the Withdrawal End Date: 10312006
12	Click the down arrow next to Withdrawal Type and select Began official withdrawal process .
13	Click the down arrow next to Sort by and select Social Security Number .
14	When finished, click Submit .
15	Click Print This Page to print the report.
16	The Print dialog box displays. Click Print to send the report to the printer. Depending on your printer situation, you may not want to send this report to the printer.
17	Click Close Window when finished.

Appendix A

Glossary

Aid Disbursed

Title IV program funds are disbursed when a school credits a student's account with funds or pays a student or parent directly with:

- Title IV funds received from the Department of Education
- Federal Family Education Loan (FFEL) Program funds received from a lender
- Institution funds used before receiving Title IV program funds

Aid that Could Have Been Disbursed

Any undisbursed Title IV aid for the period that the school uses as the basis for the Return calculation is counted as aid that could have been disbursed.

Conditions for a Late Disbursement

These conditions, as described in [34 CFR 668.164\(g\)\(2\)](#), include situations where:

- The Department of Education processed a Student Aid Report (SAR) or Institutional Student Information Record (ISIR) with an official Expected Family Contribution (EFC) for the student (except in the case of a PLUS Loan); and
- The institution certified or originated a FFEL or a Direct Loan; or
- The institution made an award to the student for a Federal Perkins Loan or FSEOG.

Date of the Institution's Determination that the Student Withdrew

The point in time when a school could reasonably be expected to know that a student has withdrawn. The date of the institution's determination that the student withdrew is used in many circumstances, such as establishing the time frame for when the Return calculation must be completed and funds returned by the school.

Higher Education Reconciliation Act (HERA)

On February 8, 2006, President Bush signed the Higher Education Reconciliation Act of 2005 (HERA), Pub. L. 109-171. The Act provides changes to the Higher Education Act of 1965, as amended (HEA) that affect the general provisions for the federal student financial aid programs authorized by Title IV of the HEA, as well as provisions on student and institutional eligibility.

Institutional Charges

Institutional charges generally are defined as the charges for tuition and fees, room and board, and other educational expenses that are paid to the school directly.

Interim Disbursement

An interim disbursement is a payment of Title IV funds to a student who is subject to verification but has not completed the verification process. If there is no conflicting data or reason to believe that the application data is inaccurate:

- For Federal Pell Grant, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent (SMART) Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), and Federal Perkins Loan funds – A school may withhold funds or make one disbursement for the student’s first payment period.
- For Federal Work-Study (FWS) funds – A school may withhold funds or employ the applicant for the first 60 consecutive days after the student’s enrollment in that award year.
- For subsidized Stafford Loan (Federal Family Education Loan [FFEL] and William D. Ford Federal Direct Loan [Direct Loan]) funds – A school may refuse to certify or originate a loan, or originate or certify a loan but not deliver loan proceeds to the borrower.

The school is liable if an interim disbursement causes an overpayment. For more information, see Title [34 of the Code of Federal Regulations \(34 CFR\), Section 668.58](#).

Notification Tracking Status

The Notification Tracking Status page of R2T4 on the Web shows a statistical overview of outstanding R2T4 student records and their notification or repayment status.

Payment Period

A school-defined length of time for which a specific payment of Title IV aid is made available to a student. For programs using academic terms, a payment period is equal to a term. For programs not using academic terms, schools must designate at least two payment periods within an academic year, pursuant to all applicable regulations ([34 CFR 668.4](#)).

Percentage of Aid Earned

The percentage of aid earned is the proportion of the Title IV aid a student earned before withdrawing. It is based on the proportion of the period attended to the period for which the aid was awarded.

Period of Enrollment

The academic period established by the school for which institutional charges are generally assessed (for example, the length of the student’s program or the academic year, but consistent with the period for which loans generally are certified, not to exceed twelve months).

Post-Withdrawal Disbursement

A payment to a student after that student withdraws if the student received less Title IV aid than the amount earned. The grant funds that are available as this payment are first automatically applied to a student's account to cover tuition, fees, and room and board charges. The remaining grant and loan funds that can be offered as this payment first goes through a notification and approval process with the student/parent.

School Calendar

This setup option in R2T4 on the Web allows the school to define the number of days or hours in a program's payment period or period of enrollment.

User-Specified Fields

User-Specified Fields are fields that you create in R2T4 on the Web to track data specific to your school. The fields can be formatted to collect numeric, string (text), date, or Boolean (yes/no) data.

Withdrawal Date

For schools required to take attendance, this is the last date the student attended a class as documented by attendance records, as described in [34 CFR 668.22 \(b\)](#).

For schools not required to take attendance, this is the date the student began the withdrawal process, otherwise provided official notification of the intention to withdraw, the date of circumstances beyond the student's control that prevented notification, the midpoint of the period (in the case of an unofficial withdrawal), or in the case of a student who does not return from an approved leave of absence, the date the student began—or school determined student began—a leave of absence, as described in [34 CFR 668.22 \(c\) i-vi](#), as applicable.

Additional clarification is provided in [GEN-04-03 \(revised November, 2004\)](#).

Appendix B

Return of Title IV Funds Business Process Worksheet

Business Process Worksheet

Process Step	Issues to Consider
1. Set up Institutional Charges	<ul style="list-style-type: none"> • Determine naming convention / codes to use • Determine if you will use generic charge and modify at record level or set up multiple charge records • Create codes as needed
2. Set up School Calendar	<ul style="list-style-type: none"> • Determine enrollment periods for groups of students or start dates • Identify any scheduled break days (credit hour programs) • Create codes as needed
3. Create User-Specified fields	<ul style="list-style-type: none"> • Determine if you will use the fields • Determine the type of field you will create <ul style="list-style-type: none"> – Numeric – String (text) – Date – Boolean (yes/no) format
4. Determine Withdrawal Date	<ul style="list-style-type: none"> • Identify your policy <ul style="list-style-type: none"> – Do you take attendance? • Determine how you will collect or identify withdrawal information
5. Determine aid that could have been disbursed	<ul style="list-style-type: none"> • Did the student meet the late disbursement requirements on the date of withdrawal • If you are prohibited from making the disbursement on the day of the withdrawal, you can include as aid that could have been disbursed, but have to return the entire amount • If you are not prohibited from making the disbursement on the day of the withdrawal, you must return the unearned portion of aid
6. Entry of a student record	<ul style="list-style-type: none"> • Collection of demographic data • Entry of student notification and/or school determination of withdrawal date • Entry of post-withdrawal disbursement data • Entry of user-specified or other user data fields

Process Step	Issues to Consider
7. Calculate percentage of aid earned	<ul style="list-style-type: none"> • Determine payment period or period enrollment as basis to use for calculation • For credit hour, determine number of days completed in the period and the total number of calendar days in the period • For clock hour, determine hours scheduled to complete and total number of hours in the period
8. Track overpayment notification	<ul style="list-style-type: none"> • View the number of students waiting to be notified <ul style="list-style-type: none"> – Complete the date the student was notified • View the number of students who have been notified but have not made arrangements to repay <ul style="list-style-type: none"> – Complete the Action Date and select the Repayment Arrangement Type • View the number of students who have been notified and have made arrangements to repay <ul style="list-style-type: none"> – Update the Action Date and select the Repayment Arrangement Type as necessary • View the number of student records referred to the Department of Education <ul style="list-style-type: none"> – Enter the Date School Referred Student to ED
9. Track return of funds	<ul style="list-style-type: none"> • View the number of students for whom the school has not returned funds <ul style="list-style-type: none"> – Complete the date the school returned funds • View the number of students for whom the school has returned funds <ul style="list-style-type: none"> – Update the date the school returned funds if necessary • Track Title IV Grant repayment

Process Step	Issues to Consider
	<p>arrangements with the school - if the student fails to meet the agreement for repayment, report and refer the overpayment to ED immediately.</p>
<p>10. Track post-withdrawal disbursements</p>	<ul style="list-style-type: none"> • Record the date the school notified the student/parent if a loan was included • Receive a response from the student (or parent PLUS borrower) indicating that they will accept loan funds • Record the date the student responded to the offer
<p>11. Monitor reports</p>	<ul style="list-style-type: none"> • Identify schedule for printing reports based on notification process and number of days for each step in the notification process • Use the data export feature to download and create your own report data

Appendix C

Resources

Resources

FSA Download

<http://www.fsadownload.ed.gov>

2006-2007 School Electronic Process Guide

Information for Financial Aid Professionals (IFAP)

<http://www.ifap.ed.gov>

34 CFR 668.22

34 CFR 668.58

34 CFR 668.164

Higher Education Rehabilitation Act (HERA) of 2005, Pub. L. 109-171

HERA Final Regulations Federal Register: November 1, 2006 (Volume 71, Number 211)

Return of Title IV Aid Worksheets

Treatment of Title IV Funds When a Student Withdraws From a Credit Hour Program

Treatment of Title IV Funds When a Student Withdraws From a Clock-Hour Program

2006-2007 Federal Student Aid Handbook

Volume 5 — Overawards, Overpayments, and Withdrawal Calculations

Chapter 1 – Overpayments and Overawards

Chapter 2 — Withdrawals and the Return of Title IV Funds

Electronic Announcements, Bulletins, Letters

DCL GEN-00-24: Return of Title IV Aid--Volume #1

DCL GEN-04-03: Return of Title IV Aid

DCL GEN-04-12: Return of Title IV Aid (This updates information provided in GEN-04-03.)

DCL GEN-05-07: Requesting Approval to Make a Late Disbursement Beyond the 120-Day Period

HERA Resources

<http://www.ifap.ed.gov/IFAPWebApp/currentHERAPag.jsp?p1=c>

All of Federal Student Aid's published information that relates to the Enactment of the Higher Education Reconciliation Act of 2005 ("the HERA"), Pub. L. 109-171 is available at this site.

HERA Considerations

For a post-withdrawal disbursement – reference Federal Register Volume 71, No. 153, published August 9, 2006:

- Automatic crediting of grant funds: Schools may automatically credit student accounts with grant funds to cover tuition, fees, and room and board. This may occur without notification or approval processes.
- Post-withdrawal disbursement: Remaining grant and loan funds that can be offered as a post-withdrawal disbursement go through a notification and approval process prior to crediting the student account with these remaining grant and loan funds.
- Notification: If a student is due to receive a post-withdrawal disbursement, then the school must notify the student in writing that the disbursement is available and must receive the student's (or parent's) confirmation **BEFORE** crediting a student's account.
 - The school must send notification as soon as possible, but no later than 30 calendar days after the date the school determines the student withdrew, including:
 - Notice of any post-withdrawal disbursement (PWD) of loan funds the institution wishes to credit to the student's account
 - Request for confirmation of post-withdrawal disbursement of loan funds that the institution wishes to credit to the student's account
 - Type and amount of loan funds
 - Clear explanation that student (or parent) may accept or decline all or a portion of the funds
 - Clear explanation that student (or parent) who does not confirm that a PWD of loan funds may be credited to a student's account may **NOT** receive any of those funds as a direct disbursement **UNLESS** the institution agrees
 - Clear explanation/reminder about the student's obligation to repay loans
 - Deadline for student/parent confirmation of post-withdrawal disbursement actions (see Confirmation), advising that a late response to the notice is honored only by the institution's discretion

- Confirmation (by student/parent): Generally, the student (or parent[s]) then has 14 calendar days from the date the school sent the notification to accept or decline any or all portions of a post-withdrawal disbursement.
 - Note that a school may establish a deadline later than 14 calendar days as long as the later deadline applies to both:
 - Confirmation of loan disbursements to student's account, and
 - Direct disbursements of a post-withdrawal disbursement
 - Late confirmation (past the 14 days or at later deadline set by the school) may be honored at the school's discretion. If the school decides not to honor a late confirmation, the school needs to notify the student/parent in writing that no disbursements will be made.
- If a student submits a timely response accepting all or a portion of a post-withdrawal disbursement, per the student's or parent's instructions, then:
 - If the student owes money to the school, the school pays itself first
 - If the student wants the funds disbursed directly to them and doesn't want the funds to pay the school what the student owes, the school does not have to disburse
 - The school must disburse funds within 120 days of the date of the institution's determination that the student withdrew

For 45 days to return unearned Title IV funds:

- Schools now have 45 days (up from 30) to return unearned Title IV funds.

For Grant Overpayment Protection

- Under the Higher Education Reconciliation Act (HERA), the amount of a grant overpayment due from a student is limited to the amount by which the original grant overpayment amount exceeds half of the total Title IV grant funds received by the student.
 - Note that grant funds received is the sum of Title IV grants disbursed plus Title IV grants that could have been disbursed (Step 1, Box F in the R2T4 Web application and the paper worksheet)
- A student does not have to repay a grant overpayment of \$50 or less per program.

Access to R2T4 on the Web

<http://www.fafsa.ed.gov/FAA/faa.htm>

You will need your User ID and PIN to access this site.

FAA Access Demo Site

<http://fafsademo.test.ed.gov>

User ID: eddemo

Password: fafsatest