

## Withdrawal and Return of Title IV Funds Policy

Last Updated: 10/20/2020

Associated Handbook/CFR Reference: FSA Handbook Vol. 5, 34 CFR 668.22

When federal financial aid funds are disbursed, the expectation is that the student will attend the entire period of enrollment for which the funds were awarded. If students only complete a portion of the semester or term, they have only earned a portion of their federal financial aid. In some cases, this means that funds must be returned to the government, otherwise known as Return of Title IV Funds (R2T4).

There are two types of withdrawal, official (discontinuance) and unofficial.

**Official Withdrawal (Discontinuance)** – student drops all classes for a given semester/term, does not complete all modules the student was scheduled to attend (modules are classes that do not span an entire semester), or drops all aid-eligible classes but remains enrolled in some classes. Non-aid-eligible classes include:

- a. Audited classes
- b. Repeated classes (more than twice)
- c. Classes added after the census date or after initial evaluation for packaging (for Pell only)

Instructions for officially withdrawing can be found on the Registrar's office website at <https://enrollment.byu.edu/registrar/discontinuance>.

**Unofficial Withdrawal** – Students who remain enrolled in a class but at some point, cease participation resulting in a 0.0 GPA. If a student receives either an E, W, NS, or I in **all classes** in which they are enrolled for a semester or module, that student is an unofficial withdraw. These are identified at the end of the semester after grades are posted.

Because an official or unofficial withdrawal will affect a student's current federal financial aid and potentially their future financial aid eligibility, Brigham Young University strongly encourages students to meet with an Enrollment Services Counselor prior to making a final decision about withdrawing from classes.

### Determination of Withdrawal Date

For students who officially withdraw from the college, the day of withdraw is the date that the student submitted the withdrawal (discontinuance) form and/or the date of the student's notification of their intent to withdraw.

For students who drop all courses during the add/drop period in a module or semester, the day of withdraw is the day the courses were dropped.

For students who unofficially withdraw from a module or session, the day of withdraw is either the last day the student participated in the class (in the case where participation records exist) or the mid-point of the semester (in the case where participation records do not exist).

### Proof of Attendance/Participation

We are required to document proof of attendance/participation for all federal aid eligible classes. We do this through the following:

- Testing Center site
- Learning Suite site
- Canvas report
- DISCO1 screen
- PET01 screen
- Email professors if nothing is identified by previous options
- Call professors if no response.

If the student was federal Pell Grant eligible and we do not get proof of attendance/participation for a portion of the classes, then a federal Pell Grant recalculation will be required before the R2T4 calculation can be completed. If the student received only loans, then we are only required to have proof of attendance/participation in at least one class.

Participation is defined as, but not limited to:

- Completion of Exams or Quizzes.
- Completion of an academic assignment or project.
- Class attendance.
- Participation in an online or in-class discussion about academic matters.
- Contact with a faculty member to ask a question about the academic subject being studied.
- Attendance at a study group that is mandatory for the class and where attendance is taken.

### Federal Financial Aid Calculation

The federally required calculation is based upon the idea that students earn financial aid in proportion to the amount of time in which they were enrolled. For example, a student who withdraws in the second week of class has earned less than someone who withdraws in the fifth week of class.

Once a student has completed 60% of the weeks of a semester, the student is considered to have earned all the financial aid they were awarded and will not have to return any funds.

Students who receives federal financial aid, but never attends classes, the Financial Aid Office must return all disbursed aid to the respective federal and institutional aid programs.

**IMPORTANT:** Students may receive a partial cancellation of their tuition and fees because of their withdrawal. Brigham Young University's tuition/fee cancellation policy is separate from the federal regulations on repayment of unearned aid.

### How "Earned" Federal Financial Aid is Calculated

Institutions are required to determine the amount of Title IV financial aid that was "earned" by a withdrawing student. This calculation must be completed within 30 days of the date the school determines that the student has withdrawn. The school is required to return any unearned funds within 45 days. The calculation is completed by the Financial Aid Office.

The percent earned is equal to the number of calendar days completed up to the withdrawal date divided by the total number of calendar days in the semester/payment period. Breaks of 5 days or longer are not included in the count of total days in the payment period.

$$\text{Earned Percent} = \text{Number of Days Completed} \div \text{Total Days in Payment Period}$$

$$\text{Unearned Percent} = 100\% - \text{Earned Percent}$$

### Calculating Institutional Charges

Institutional charges are the charges that were initially assessed to the student up to the discontinuance date. Do not take into consideration any adjustments that happened because of the student's discontinuance.

Included in these charges are:

- Tuition
- Pro-rated tuition
- Class fees
- Pro-rated class fees
- On campus room (rent)
- On campus meal plans
- Program fees (study abroad)

### Order of Return to Federal Aid Programs

In accordance with federal regulations, unearned aid will be returned to the federal programs within 45 days of the student's withdrawal in the following order:

- Federal Direct Unsubsidized Loan
- Federal Direct Subsidized Loan
- Federal Direct GRAD PLUS Loan
- Federal Direct Parent PLUS Loan for Undergraduate Students
- Federal Pell Grant

### Post-Withdrawal Disbursements

When the total amount of the Title IV assistance earned as of the withdrawal date is more than the amount that was disbursed to the student, the difference between the two amounts will be treated as a post-withdrawal disbursement.

- Post-Withdrawal Disbursement of Federal Grant Funds
  - Brigham Young University will automatically credit the student's account with a late disbursement of Federal Pell Grant for current institutional charges (tuition, fees, room and board). Excess funds will be refunded to the student. The post-withdrawal disbursement will be made within 45 days of the date the institution determined the student withdrew.
- Post-Withdrawal Disbursement of Federal Loan Funds
  - If a post-withdrawal disbursement includes federal loan funds, Brigham Young University must obtain the students, or parent if a PLUS loan, permission before it can be disbursed. The borrower will be notified within 30 days of the date of determination of withdrawal of the opportunity to accept all or a part of the post-withdrawal disbursement. The student or parent has 14 days from the date of notification to respond. Brigham Young University will disburse the loan funds within 180 days of the date of determination of the student's withdrawal date. Loan funds will be applied towards the outstanding semester charges on the student's account and may pay up to the amount of the allowable charges. Any remainder will be refunded directly to the student or parent.

## Student Notification of Results of Calculation

Upon completion of the Return of Title IV Funds calculation, students will receive notification through YMessage indicating the amount of aid that will be returned. Brigham Young University will return the required funds on the student's behalf to the appropriate federal and institutional aid program(s) by charging the student's account. Students will be able to view the return and any resulting account balance on their student account immediately after the return of funds has been processed.

The student is responsible for all charges resulting from a Return of Title IV calculation. If a student fails to pay or make payment arrangements on their student account balance, the student's academic records will be placed on financial hold. This means the student will not be permitted to register for future classes or receive transcripts until the balance is paid.

## Timing and deadlines

The R2T4 calculation must be completed in thirty days from the date of determination. Then we have an additional 15 days (45 total) to return the funds to the government.

## Modules:

The rules surrounding withdrawal and modules are slightly different. Students enrolled in modules are held accountable for attending the number of days in the modules in which they are scheduled to attend (currently enrolled).

The timing of a dropped class in the modular programs is also important. If a student drops courses in a later module while still enrolled in a current module within a semester, the student is not considered to be withdrawn. However, a recalculation of financial aid eligibility based on the change in enrollment status (full-time, three-quarter time, half-time) may still be required.

If a student ceases enrollment in a current module, but plans to attend a later module within the same semester, the student must notify the financial aid office in writing of their plans to attend the later module to avoid being considered a withdraw for the purposes of this calculation. If written notification is not received, the student is considered to have withdrawn and the return of funds calculation is completed. If, however, the student does continue to attend in a later module within the same semester, even if they failed to notify the Financial Aid Office that they would, prior calculations due to non-communication are reversed.

## Return of Title IV Funds (R2T4)

Last Updated: 12/28/2018

Query (if applicable): BYUFA\_DISC\_VER\_CMPL\_AFTER  
SFS\_SI\_DFA\_ADVANCED4

Run Frequency: Weekly

Update query yearly: Yes/Beginning of term

No/DFA holds will update

### **Brief description of purpose of report and associated policy.**

When federal financial aid funds are disbursed, the expectation is that the student will attend the entire period of enrollment for which the funds were awarded. If students only complete a portion of the semester or term, they have only earned a portion of their federal financial aid. In some cases, this means that funds must be returned to the government, otherwise known as Return of Title IV Funds (R2T4).

There are two types of withdrawal, official (discontinuance) and unofficial (walkaway).

Official Withdrawal (Discontinuance) – student drops all classes for a given semester/term or drops all aid-eligible classes, but remains enrolled in some classes. Non-aid-eligible classes include:

- a. Audited classes
- b. Repeated classes (more than twice – identified on C163)
- c. Classes added after the census date or after initial evaluation for packaging (for Pell only)

1 – When a student has a discontinuance date and aid disbursed to their account, PeopleSoft puts a DFA service indicator/hold on their account. The indicator puts a hold on refunds, as well as stopping the tuition calc from running on that particular student. The DFA allows us to (1) query out the students who have discontinued with financial aid, (2) keeps the student from being refunded money he/she may have to repay and (3) makes it easier for us to determine the institutional charges at the time of discontinuance.

2 – There are some people who need an R2T4 calculation done who do not show up on the query. The main groups that aren't caught in the DFA process are (1) students who could have had aid disbursed and (2) students who withdraw from all aid-eligible classes, but do not discontinue completely (3) students who complete a block class then discontinue from all other classes.

## Procedural Step-by-Step

At the beginning of each term start a new spreadsheet.

1. Go to box.byu.edu > Financial Aid > R2T4 > R2T4 Master\_New.xlsm
2. On the 'Add-ins' tab select 'File Setup' then 'Set term dates' (for each term eg. 2185, 2186-Law, 2182-2<sup>nd</sup> block only)
  - a. Enter the 4-digit term code for the semester you're working on
  - b. Enter the start date of the semester (mm/dd/yyyy)
  - c. Enter the last day of finals for the semester
  - d. Enter the number of days of any scheduled break over 5 days
3. Save new spreadsheet under box.byu.edu > Financial Aid > R2T4 > R2T4-History > then term (eg. 2185.xlsm)

Run the query weekly:

1. Go to Main Menu > Reporting Tools > Query > Query Manager, run the SFS\_SI\_DFA\_ADVANCED4 query (export to Excel)
2. In your DFA sheet for that semester, under the 'File Setup' tab select 'Insert New Sheet'
3. Copy the entire information from the query results and paste it into cell A2 of this new sheet (titled today's date)
  - a. Convert the values (IDs in column A) to numbers
4. On the 'File Setup' tab click 'Sheet Setup' to organize and format the information

Registrars' list:

You will also get a list from the Registrars' office each week with a list of all students who discontinued since they last sent you a list. This list will include students with aid and without aid. When you get the email you will need to do the following:

1. Save the file to box.byu.edu > Financial Aid > R2T4 > Registrars Disc List > filename (eg. 09-12-2018 20185 Financial Clearance List 1.xlsx)
2. Click on the two title cells and unmerge the data
3. Insert two columns on the left (column A & B)
4. Move BYU ID info from column E to column A, remove the hyphens from all ID #'s, then delete column E
5. In column B use VLOOKUP to weed out the students you already have on your lists
  - a. In the first cell next to a BYU ID type the VLOOKUP formula: = VLOOKUP
  - b. Select the value you want to look up (the ID in column A)

- c. Comma
  - d. Select where you want excel to search for the value (the entire tab of the latest DFA query from spreadsheet)
  - e. Push F4 (removes \$ in the formula)
  - f. Comma
  - g. Write which column of information you want excel to display in the tab you're writing the formula. You put the number of the column you want.
    - i. For our purposes here, it doesn't really matter; you're just trying to find the students who are not on your list already, so I just put '1'
  - h. Type "false"
  - i. Close parentheses
6. Copy the VLOOKUP formula to each cell in column B, then copy & paste special – values
  7. Run the query BYUFA\_ISIR\_LIST, export to Excel and convert the values (IDs) to numbers
  8. Add the following three titles to columns I, J & K – PWD?, FA Notes, ISIR
  9. In ISIR column use VLOOKUP to identify students with an ISIR (use the IDs in column A and the results of the query above), copy & paste special – values
  10. Use the filters at the top of the table to only display those ID's that returned "N/A" and mark them as 'No' in column I (PWD?) and 'NO ISIR' in column J (FA Notes). No further review needed for these students.
  11. In column B, Use the filters at the top of the table to only display those ID's that returned "N/A" – these are the students that need to be reviewed.
  12. Look up each remaining student to determine if they had aid disbursed or could have had aid disbursed and need to be added to the discontinuance (R2T4) spreadsheet
    - a. Look up each student on Main Menu > BYU Custom > Financial Aid > BYU FA Use > Financial Aid Status-Admin
    - b. Click the appropriate aid year
    - c. Things to look at/for
      - i. EFC Status
      - ii. Pell Eligible (EFC)
      - iii. Required for verification
        1. Not completed – not eligible
        2. Completed – should have shown up on my query
      - iv. SAP Status
      - v. Edit Messages - review which message it is and if they could be eligible
      - vi. To Do Items Completed
        1. Not checked—not eligible
        2. Checked—may be eligible
      - vii. Accept Award Offers



1. Not checked—not eligible for loans
  - a. So if they do not have a Y next to ‘Pell Eligible’ and the accept awards box isn’t checked, they could not have been disbursed aid
2. Checked—may be eligible for loans
- viii. If a loan is listed then check to see if it has been originated.
  1. Originated before discontinuance date – eligible
  2. Not originated – not eligible
- ix. Remaining Pell eligibility – have they received their full Pell award (150%) for the aid year.
- x. You will also need to look on REG01 to check their Reg Status
  1. ConEd Only – not eligible
  2. BGS – not eligible
  3. Visiting student – not eligible
- xi. Also check REG03 (especially for discontinuances during the add/drop period) for timing of the dropped class – could they have begun attendance? Use the CLS 02 (Course Offering) screen to check times and dates of classes. (SAAS Reports > Financial Aid > Discontinuance\_During\_Add\_Drop – report helps with tracking)
13. After finding the students who potentially could have been disbursed aid, look for anything in the Notes column of Diane’s sheet. Occasionally there will be fees to reverse there. Reverse any fees/adjust any tuition according to the notes
14. To add the students who could have been disbursed to the R2T4 spreadsheet you will need to manually add them to the SFS\_SI\_DFA\_ADVANCED4 query results spreadsheet. Delete the new sheet that you created on the R2T4 spreadsheet and used to review the Registrars list and then, with the added students, create a new sheet (see above for instructions).

Once the spreadsheet is created follow this process for each student:

1. In PS go to Main Menu > Student Financials > View Customer Accounts, pull up the student and click on ‘Items by Term’ at the bottom then arrow over to the correct term and print the detail.
2. In AIM go to the DISC01 screen, enter the student ID and enter, click on the student’s name on the left. This will pull up the discontinuance information that the Registrars office collects regarding dates and professor responses. Review the professor responses for attendance documentation. Print this screen for imaging. If all classes are verified move to #5.

3. Pull up the Testing Center website (<https://testing.byu.edu/personal-report>), enter the student's ID # or netID and click enter. In the top right corner make sure you are on the correct semester/term, if not click on the dropdown and choose the semester/term needed. If classes show up, and information is needed for verification of attendance, print the screen for imaging.
4. Pull up the Learning Suite website ([https://learningsuite.byu.edu/.MTxG/admin/student\\_attendance](https://learningsuite.byu.edu/.MTxG/admin/student_attendance)), enter the student's netID in the top box. Choose the Teaching Area (eg. ACC, BIO, etc.) once it pulls up you can choose the Course (listed by course # and also shows the professor). Click on the 'Get Gradebook Data' link, this will pull up the information for that course. There are four sections:
  - a. Latest Recorded Score Dates
  - b. Latest Recorded Submitted Assignments via Learning Suite
  - c. Latest Recorded Attendance Dates
  - d. Learningsuite Exams TakenIf dates are displayed under these sections that is proof of attendance/participation, print the screen for imaging.
5. In AIM go to the C163 screen to check for repeated courses
6. On the R2T4 spreadsheet in the 'Notes' column record the credits documented for attendance, if the student only received loans, repeat courses, or any other information needed.
7. Then in the 'Doc. Received' column enter the course names documented.
8. If there are classes that you were not able to verify through these methods then you will need to email the professor to request verification of attendance/participation. We have mail merge letters that you can use for each type of attendance request. These are located at [box.byu.edu](mailto:box.byu.edu) > Financial Aid > R2T4 > Communications templates > New > Professor attendance request\_New.docx. (I have found it most effective if I only give the professors up to a week to respond). If they do not respond I send a follow-up message, then if they still do not respond I start calling them. You can locate the professor information on PERSUMM in AIM.
9. On the spreadsheet list the documentation deadline that you gave the professor so you can easily see when to follow up.
10. If the professor responds that the student did not attend, or that they cannot verify attendance, record this information on the 'Notes' section.

A few things to note:

1. Documentation for any non-aid-eligible classes do not count

2. A student only has to document attendance in one class if they only received loans. Even though half-time enrollment is required to disburse a loan, attendance only needs to be documented in at least 0.5 credits.
3. The documentation of attendance has to come from the professor (or TA). We do not accept documentation from the student directly.

Determining the discontinuance date and date of determination (DoD):

The discontinuance date is the effective day of the student's discontinuance. Normally, this is the day the student dropped their classes, but not always. Oftentimes with petitions, the Registration office backdates the student's discontinuance to an earlier date. This earlier date is the date we would use as the disc date. This date is recorded on the REG01 screen:

Fall Semester 2018 (04 Sep 2018 - 13 Dec 2018)

Fall Semester 2018

<b>Reg Status</b>	9 - Continuing Student	<b>Term Acad Standing</b>	GOOD
<b>Reg Eligibility</b>	DC - Day Continuing	<b>Curr Acad Standing</b>	GOOD
<b>Reg Priority Date</b>	04 Apr 2018 12:00a MT	<b>Graduate Full-Time Status</b>	
<b>Class Standing</b>	Freshman	<b>Distance Education Status</b>	
<b>Discontinuance Date</b>	10 Nov 2018		Independent Study
<b>Year/Terms First - Last</b>	Fall Semester 2017 - Winter Semester 2019		View Flags/Holds
<b>Programs</b>	Major: Psychology (BS)		

The date of determination (DoD) is the date the university became aware that the student was discontinuing (the date they turned in their discontinuance form, essentially). It is also the date our clock starts ticking for R2T4.

You can find these dates in a few different places:

1. The easiest way to find them for the first list (week of add/drop) is on the REG03 screen which shows the date they dropped the classes, or the Registrars' list that you get approximately weekly.
2. After that it will be the date the online form is submitted which shows on the DISC01 screen.
3. If it is one of our unusual cases where there isn't a form and there is no way to know when they started the process then we use the 'Date Posted' of the withdrawal on the REG01 screen.
4. For retroactive discontinuances it will be the date on the form we receive from the Registrars office.

Calculating Institutional Charges:

Institutional charges are the charges that were initially assessed to the student up to the discontinuance date. Do not take into consideration any adjustments that happened because of the student's discontinuance.

Included in these charges are:

1. Tuition
2. Pro-rated tuition
3. Class fees
4. Pro-rated class fees
5. On campus room (rent)
6. On campus meal plans
7. Program fees (study abroad)

Determine aid received / aid that could have been disbursed:

In addition to determining the institutional charges assessed for the period, you also need to find out how much aid the student was eligible to receive. This includes aid that actually disbursed as well as aid that could have been disbursed. Federal financial aid is the only aid that is included in the R2T4 calculation.

Once you have all the institutional charges and aid information enter it on the R2T4 spreadsheet for each student as follows:

1. On the 'Add-Ins' tab click on 'Calculation Process' then select 'Student Aid Info/Inst. Charges'
  - a. Put in the student's ID
    - i. If you have ever put in any information for this student and semester/term before, excel will pull it up once you enter the ID
  - b. Fill in any applicable fields
  - c. Click 'Submit'

If any given student has not documented attendance in enough hours to keep their original Pell disbursement, you will need to reduce their award before calculating the R2T4 returns. So, if a student was originally paid for 15.0 hours, but only documented attendance in 11.0, you would need to reduce their Pell award from full-time to  $\frac{3}{4}$  time. Refer to the REG01 screen to determine how many credits they were paid for and then reference the EFC to determine how much the student should have been paid. If an adjustment is needed then go to the R2T4 spreadsheet and do the following:

1. On the 'Add-Ins' tab click on 'Calculation Process' then select 'Student Reduce Info'
  - a. Put in the student's ID
  - b. Fill in Pell Grant field with the amount that needs to be taken off the original amount
  - c. Click 'Submit'

Run the R2T4 calculation:

Now that you have all the information necessary for the student you can complete the R2T4 calculation by:

1. On the 'Add-Ins' tab click on 'Calculation Process' then select 'Run Calculation'
  - a. Put in the student's ID
  - b. Click 'Submit'
  - c. Excel will insert the correct amounts on the spreadsheet

Export spreadsheet:

When all of the students on your list have been calculated you will need to export the information (this is a built-in macro on the spreadsheet) by:

1. On the 'Add-Ins' tab click 'File Finish' then 'Export to Financial Aid'
2. This will bring up a new email message with the excel spreadsheet attached, you can just delete the email.
3. The file will save automatically to Jill's hard drive (C:\Users\jgr28\Desktop\R2T4\FinAid Export\\*finlename.xlsx). Jill does a manual save to the box file.
4. Open the file and insert two columns (E & F), move Subsidized columns (yellow) to these new columns and delete empty columns.
5. Insert a column after each of the award types that actually have amounts, type Return in the header of that column. In each of these columns do an AutoSum formula that will subtract the Net amount from the Original amount to give you the amount needed to return (this is for ease in making the adjustments in PS).

Adjust federal financial aid in PS:

1. For Pell Grant go to Main Menu > Financial Aid > Awards > Award Processing > Invoke Professional Judgment, make the adjustment necessary, Validate, and Post.
2. For Direct Loans go to Main Menu > Financial Aid > Awards > Award Processing > Assign Awards to a Student, make the adjustment necessary, Validate, and Post.
3. Go to Main Menu > Financial Aid > Disbursement > Disburse Aid With Override, choose the term, click the Override Authorization box, click on the Authorization button.

Send the list to Student Financials so they can make their adjustments to tuition and release any refunds to the student.

#### Comments and Messages:

1. Place a comment on YMessage with the results of the R2T4 calc.
2. Send a message to the student. There are several communication templates created for the varying scenarios surrounding R2T4 returns. They are located in the BOX file for R2T4. Select the right template and use Mail Merge to get the right information then print & mail a copy of the letter as well as sending the message via YMessage.

Once completed and Student Financials have let you know their adjustments are done change the tab color to green so you know that list is completed.