

## **Return to Title IV (R2T4) Funds Policy**

As a result of the Higher Education Act amendments of 1998, a student who completely withdraws from classes, receives all F's or a combination of both during the term may be required to repay a percentage of the Title IV financial aid funds received.

The federal regulations assume that students "earn" their financial aid over the course of a term by attending and participating in classes. A student cannot "earn" all of their financial aid unless they attend and/or academically participate in more than 60% of the term. This calculation counts all calendar days, including the first and last day of each term, weekends, and holidays. A student who completes more than 60% of the term has earned all of their financial aid assistance.

If a student withdraws or stops attending before 60% of the term, they have not "earned" all of their financial aid funds. The withdrawal date is determined as the date the student drops their last remaining class for the term or the date the student contacts a college official to discuss withdrawing or dropping all classes. Federal regulations require the college to perform a Return to Title IV (R2T4) calculation to determine the amount of any unearned aid the student received that must be returned to the federal programs.

If the student did not receive all of the funds that they earned according to the Return of Title IV funds calculation, the student may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, OCCC must get student permission before it can disburse the loan funds. The student may choose to decline some or all of the loan funds so that they don't incur additional debt. OCCC may automatically use all or a portion of any post-withdrawal disbursement of grant funds for tuition and fees. OCCC needs student permission to use the post-withdrawal grant disbursement for any other school charges. If the student does not give their permission, the student will be offered the funds. However, it may be in the students' best interest to allow the school to keep the funds to reduce the debt at the school.

If the Return of Title IV Funds calculation results in a credit balance due the student, the refund will be processed to the student within 14 days. Refunds are issued by the refund preference the student has selected.

The student will be mailed a written copy of the withdrawal calculations, showing the amount of unearned aid the school will refund from institutional costs and the amount the student must pay. Students may be required to repay financial aid returned to the Federal financial aid programs that exceeds the portion the school must return.

### **A student is subject to Return to Title IV (R2T4) under the following conditions:**

- The student is a Title IV grant and/or loan recipient AND
- The student does not complete any credits in a payment period (term).

### **A student is exempt from Return to Title IV process under the following conditions:**

- The student was awarded Oregon Opportunity Grant only.

- The student received Title IV funds and never began attendance in any class are not subject the Return to Title IV funds calculation. However, 100% of Title IV funds must be returned and the student is responsible to repay OCCC for those funds returned.
- The student has completed at least one class within the period of enrollment, but has dropped other classes. This is treated as a change in enrollment status rather than a complete withdrawal. If the student received a Pell Grant disbursement and the dropped class(es) were never attended (i.e. late starting or module class dropped before class start date, or no show per instructor) and the change in enrollment status reduces Pell Grant eligibility, we are required to recalculate Pell Grant eligibility and return the difference to the Department of Education.

If the student received a Federal Direct Loan and the dropped class(es) were never attended (i.e. late starting or module class dropped before class start date, or no show per instructor) and the change in enrollment status results in less than half time enrollment, no return of Direct Loan Funds is required. Similarly, if the student received the Oregon Opportunity Grant, OSAC does not require return of funds for dropped classes.

Notification of change in enrollment status is reported by the Associate Dean of Academic Affairs and the Office of the Registrar throughout the term.

The return of funds as a result of the Return to Title IV calculation process must occur within 45 days after the date OCCC determines the student has withdrawn or received all non-passing grades. In order to meet these Federal guidelines, OCCC makes every reasonable effort to process complete withdrawals within two weeks after the date of withdrawal and within 30 days of the date the grades are posted for students with all non-passing grades.

OCCC must return Title IV funds to the programs from which the student received aid during the payment period or period of enrollment as applicable, in the following order, up to the net amount disbursed from each source:

- Federal Direct Unsubsidized Loan
- Federal Direct Subsidized Loan
- Federal PLUS Loan
- Federal Pell Grant

## **Withdrawal Information**

### **Withdrawal Date**

OCCC is not required to take attendance for Title IV purposes. Since OCCC is not required to take attendance, the definition of withdrawal date is as follows:

- Complete withdrawal: The date of the last course dropped for which a W grade was received (beyond the refund period).
- Unofficial withdrawal: The last date of attendance established by the instructor for classes in which all non-passing grades are received, or the midpoint if no last date of attendance has been recorded, or if the student earned zero credits and there is a combination of non-passing grades and withdrawals, the last date of the combination of non-passing grades and withdrawals.

**The definition of the date OCCC determined (became aware) the student withdrew:**

- Complete withdrawal initiated by the student: Date of last withdrawal
- Complete administrative withdrawal: Date of administrative withdrawal
- Unofficial withdrawal (all non-passing grades): Date the grades are posted at the end of the term.
- The date the student contacts a college official to discuss withdrawing or dropping all classes.

**Withdrawal Process**

OCCC does not have an official withdrawal process. The student is responsible for dropping classes via the on-line registration system on the student portal. Classes dropped after the 100% refund period will be designated with a “W” withdrawal grade. The refund period varies based on the length of the course.

The Vice President of Student Affairs or other administrative official may make an administrative decision to approve an administrative withdrawal of the student.

Students who have questions or need assistance in withdrawing from classes should contact their Student Success Coach.

The Associate Dean of Academic Affairs and the Office of the Registrar is responsible for sending enrollment data, including withdrawals, to the National Clearinghouse. Reporting is done three times each term.

**Roles and Responsibilities**

**Faculty members are responsible for:**

- Submitting first week attendance for each student on the class roster indicating a “P” or “A.”
- Submitting a last date of attendance on the grade roster for any student being assigned a non-passing grade.

**Associate Dean of Academic Affairs and the Office of the Registrar are responsible for:**

- National Student Clearinghouse reporting.
- The decision to rescind a student’s withdrawal and allow re-registration. If the student subsequently ceases attendance, receives all non-passing grades, or withdraws, the Return to Title IV process will be completed in accordance with current policy.
- Leave of absence (LOA) policy is not applicable to OCCC.

**Financial Aid Office is responsible for:**

At OCCC, the Financial Aid Office has the primary responsibility for managing and processing Return of Title IV Funds and will work in collaboration with its third-party servicer to ensure these tasks are managed appropriately, including the following:

- Maintain and update policies and procedures

- Identify students who have completely withdrawn or unofficially withdrawn (received all non-passing grades)
- Calculate Return to Title IV Funds, post-withdrawal disbursements, and overpayments of financial aid funds
- Mail a written copy of the Return to Title IV funds withdrawal calculations, showing the amount of unearned aid the school will refund from institutional costs and the amount the student must pay
- Refer students to Student Accounts Office to make arrangements for payment
- Document and maintain student file
- Transmit disbursement records to and from COD
- Determine if overpayment exists and refer overpayments to ED when appropriate

**Finance Office is responsible for:**

The Finance Office has the primary responsibility of managing the return of funds in a timely manner to the appropriate Title IV programs through the G-5 system.

**Student Accounts Office is responsible for:**

The Student Accounts Office has the primary responsibility for the following in relation to the Return of Title IV funds:

- Maintain system accounting and fund codes including identification of institutional charges
- Reverse appropriate funds from student's OCCC student account as required
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- Communicate with student regarding amount student owes and consequences of non-payment, including referral to collections and State Department of Revenue
- Receive and post funds paid to OCCC by students for Return of Title IV Funds or other reversals of financial aid funds
- Make decisions about student requests to make satisfactory arrangements to pay OCCC for financial aid funds owed
- Maintain appropriate holds on students' records
- Monitor stale dated refund checks or undeliverable funds
- Communicate with the Financial Aid Office and OCCC's third party servicer to reverse and return funds to Title IV programs when appropriate.
- Issuing any credit balance due to the student as a result of the Return to Title IV funds calculation within 14 days. Refunds will be issued by the refund preference the student has selected.