

## RETURN OF TITLE IV POLICY (R2T4)

This policy describes the conditions under which Title IV funds (Federal Student Aid) need to be returned to the U.S. Department of Education.

### 1) GUIDELINES FOR THE RETURN OF TITLE IV PROGRAM FUNDS

- a) For recipients of Title IV funds (Federal Student Aid) who withdraw from Vancouver School of Theology, return of Title IV funds will be determined according to Department of Education guidelines.
- b) If a student has completed more than 60% of the payment period, they will be considered to have earned 100% of the Title IV aid for that payment period. In this case, no funds would be needed to be returned.
- c) For students who have completed 60% or less of the payment period, the amount of Title IV aid that the student has earned will be recomputed by the seminary's Financial Aid Officer using the standard Department of Education worksheet entitled *Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program*.

The calculation of the amount is based on the number of days the student attended and the total number of days in a given term. In determining the total number of days in a given term, institutionally scheduled breaks of 5 or more consecutive days are excluded from both the numerator and the denominator of the R2T4 calculation.

The R2T4 calculation is the number of days completed in the program divided by the total number of days in the payment period which equals the amount of loan funds earned. If a recipient is determined through the R2T4 calculation to have completed more than 60% of the payment period, they will be considered as having earned 100% of the loan funds and therefore, there is no requirement to return funds. Recipients who are determined by the R2T4 calculation to have only completed 60% or less of the payment period may have received an overpayment of loan funds. If the R2T4 calculation determines an overpayment has been made, the recipient will be required to return said funds within 45 days from the date of determination.

The date of VST's determination that the student withdrew will be no later than 14 days after the student's last date of attendance as determined by VST's attendance records.

- d) The system used to determine the withdrawal date for a student is as follows.
  - i) Official withdrawal - the date when a student submits a request to officially withdraw to the school Registrar.
  - ii) When a student withdraws from all classes in a payment period (Fall, Spring or Summer Terms), the student will be considered to have withdrawn for Title IV purposes.
  - iii) Unofficial withdrawal – Where a student stops attending classes altogether but does not submit an official withdrawal request, the withdrawal date will be considered as the last date of attendance as determined by the institution from the classes' attendance records.

**iv)** Faculty are required to take attendance at VST, and 80% of class attendance is mandatory to pass a course. If a student does not attend the first two classes in a payment period, they have already failed to meet attendance requirements for the payment period and are therefore ineligible for Title IV funding. Their loan will be cancelled.

**e)** Post-withdrawal disbursement

**i)** If the student did not receive all of the funds that were earned during the payment period, they may be entitled to a post-withdrawal disbursement. If this disbursement includes loans funds, the student will be notified within 30 days of the date of determination. Included in this notification will be the following information:

- The borrower may decline all or a portion of the loan disbursement
- Confirmation of any amount to be credited to the student's account or directly disbursed to the borrower will be requested
- The borrower will be reminded that this is a loan and that they are obligated to repay it
- The student will be given a deadline of 14 days to respond in writing. If the response is received after this deadline, the school may decide not to disburse. The borrower will be notified in writing of this decision
- If there is no response, there will be no Post-Withdrawal Disbursement of Title IV aid funds

## **2) TIMEFRAMES FOR THE RETURN OF TITLE IV FUNDS**

Vancouver School of Theology must return unearned Title IV program funds as soon as possible, but no later than 45 days from the determination of a student's withdrawal. The Calculation must be completed within 30 calendar days of the date of determination of withdrawal.

**a)** The order in which Title IV funds will be returned are as follows:

- i)** Unsubsidized Direct Loans
- ii)** Graduate PLUS Loans

**b)** VST is responsible for the following with regard to the Return of Title IV funds:

- i)** Provide each student with the information given in this policy
- ii)** Identify students affected by this policy and complete the R2T4 fund calculations for said students
- iii)** Return any unearned Title IV funds applied to tuition fees

**c)** The student in receipt of Title IV funds is responsible for the following:

- i)** Notify the Registrar's Office of their intent to withdraw from all courses
- ii)** In accordance with the terms of the promissory note, return to Title IV programs any funds that were disbursed directly to the student and for which the student was determined to be ineligible.