



POLICY TITLE: Return to Title IV (R2T4) Policy
POLICY NUMBER: AM.703
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CATEGORY: Administration (AM)
APPROVAL AUTHORITY: Lead Team
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POLICY HOLDER: President's Office

1. POLICY STATEMENT:

The United States Department of Education (“the Department”) mandates that any Title IV aid received by a student who subsequently withdraws from all courses in a term must be returned in accordance with US federal aid regulations. Columbia Bible College (“the College”) is responsible for calculating how much aid a student has earned based on the number of days of attendance and how much aid needs to be returned to the Department, either by the school, the student, or both.

2. POLICY

Title IV aid is granted to a student under the assumption that he/she will attend school for the entire period for which the assistance is awarded. If a student withdraws from all of his/her courses for any reason, he/she may no longer be eligible for the full amount of Title IV funds that he/she was originally scheduled to receive.

The College is required to perform a Return to Title IV funds calculation when a student withdraws from all courses and this calculation is based on the concept that students earn their federal aid in proportion to the amount of time in which they are enrolled. Thus, a student who withdraws in the eighth week of classes has earned more of his/her federal aid than a student who withdraws in the fourth week.

A pro rata schedule is used to determine the amount of Title IV aid funds a student has earned at the time of the withdrawal, using calculation worksheets provided by the Department. The date of withdrawal will be considered the last date of attendance. A student that has completed more than 60% of the semester will be considered to have earned all of his/her awarded Title IV aid and will not be required to return any funds to the Department.



In situations where it has been determined that the student did not earn all of the Title IV aid funds he/she received, the College, the student, or both will be required to pay back the funds to the Department. If the amount of funds required to be returned by the College exceeds any existing credit on the student's account, the student will owe the funds to the College. This owing balance will be due immediately and subject to the College's payment policies and late fees, as outlined.

If the student never commences attendance for the period they have been awarded the funds, the student is not eligible for Title IV funds and the funds will be returned to the appropriate aid program.

If the student withdraws, the last date of attendance will be considered their withdraw date. If the student withdraws without notifying the College, the last date of attendance will be considered their withdraw date.

If a student attends all classes and fails all coursework, an R2T4 calculation will not be performed. If a student fails due to leaving sometime during the term, the last date of attendance will be used to calculate an R2T4 calculation.

Institutionally scheduled breaks of 5 or more consecutive days are excluded from both the numerator and the denominator of the R2T4 calculation. Breaks of less than 5 consecutive days are not excluded, rather included in the R2T4 calculation.

If the amount of earned Title IV funds exceeds the amount that has been disbursed, the difference is due the student as a Post-Withdraw Disbursement (PWD) and will be made within 180 days of the date of determination. It cannot be a second or subsequent disbursement of a Direct Loan. If the student is a first-time borrower in their first year, the late disbursement cannot be made unless the student has completed the first 30 days of the program.

The student (and parent in the case of a PLUS loan) will be offered in writing the PWD within 30 days of the date of determination and must confirm the PWD is accepted before funds are disbursed. The College will request confirmation of any amount to be credited to the student's account or directly disbursed to the borrower. The student has the right to decline all or a portion of the loan disbursement. If the student does not confirm within 14 days, the PWD will not take place, the money will be returned to the Department, and the College will notify the borrower in writing. If there are other than current charges on the student's account, the College must obtain authorization from the student to pay for those charges with the PWD.



The College will return unearned loan funds to the appropriate aid program, in the following order:

1. Unsubsidized US Direct Loan
2. Subsidized US Direct Loan
3. Parent PLUS US Direct Loan

Return to Title IV calculations must be performed within 30 days of the student's withdrawal. Any Title IV loan funds deemed to have been disbursed in excess of student eligibility must be repaid to the Department within 45 days of the student's withdrawal.

3. DEFINITIONS:

"Title IV aid" in this policy refers to Subsidized US Direct Loans, Unsubsidized US Direct Loans, and Parent PLUS Direct Loans.

4. APPLICABILITY:

This policy applies only to eligible US and eligible non-US citizens receiving Title IV funds, specifically the Direct Loan Subsidized, Unsubsidized, and Parent PLUS loans.

5. RELATED POLICIES/ REFERENCES

6. APPENDIX