

**Return of Title IV**

The Return of Title IV (R2T4) funds are administered by The Office of Financial Aid & Veteran Affairs at The College of the Florida Keys. This policy applies to all students, who receive any federal financial aid and are enrolled and subsequently either drops courses, withdrawals and/or are reported as a ‘No Show’ during the semester or at the end of semester. R2T4 Policy applies to all periods of enrollment: Fall, Spring, and Summer.

The Office of Financial Aid & Veteran Affairs is required by federal regulations to recalculate federal financial aid eligibility for students who withdraw from all courses, prior to completing 60% of a term.  Recalculation is based on the percentage of earned aid using the following Federal Return of Title IV funds formula:

**Definition of a Title IV Recipient**

A recipient of grant or loan assistance is a student who has received Title IV funds or has met the conditions that entitle the student to a late disbursement. Students must have a valid FAFSA on file before the withdrawal date in order to be considered for the Return of Title IV calculation.

Title IV funds which must be included in the refund calculations are listed in the priority order of their return as follows:

1. Direct Unsubsidized Stafford loans;
2. Direct Subsidized Stafford loans;
3. Direct PLUS loans;
4. Pell Grants;
5. Federal Supplemental Educational Opportunity Grant (FSEOG)
6. Other Title IV Assistance

The institution does not participate in the Perkins loans programs.

**Withdrawal Date:**

The withdrawal date is determined by the Enrollment Services based on the form submitted by the student or the instructor. Students are responsible to notify Enrollment Services of their intent to withdraw from their courses or instructors inform Enrollment services of No Show students.

**Types of Withdrawals:**

**Official Withdrawal**

A student may withdraw from any or all courses without the academic penalty of a "WI,” “WO,” “WW,” “WD,” “WP,” and WM grade by the withdrawal deadline as listed in The College of the Florida Keys academic calendar.

**Unofficial Withdrawal**

Federal financial aid regulations consider a student to be an unofficial withdrawal, if the student receives all “F’s” due to non-attendance grades and/or withdraw (W) grades for the term. School must make this determination as soon as possible, but no later than 30 days after the end of the earlier period of enrollment. If student unofficially withdraws and last date of attendance has been reported, R2T4 calculation is done based on that date. For students receiving F or FN, faculty is required to enter a student’s last day of attendance at the time they issue the final grade at the completion of each term.

**The Return to Title IV Process**

Step 1) The first step is a series of formulas to determine the amount of aid which must be returned. Following the determination of the last date of attendance, the school must calculate the number of days attended and the total number of days the student was scheduled to complete within the term; weekends count and any periods of no classes which are five days in length or greater are excluded. Days attended are then divided by the days in the term the student was scheduled to complete to calculate percentage completed. The percentage is multiplied by total aid for which the student is eligible to determine the amount of aid earned (% completed x total aid = earned aid). Total aid – earned aid = unearned aid (aid to be returned).

Step 2) The next step is for the school to determine total institutional charges and multiply that figure by the percentage of unearned aid (100% - % completed = % unearned). It makes no difference which type of resource actually paid the school bill; the law assumes that Title IV aid goes first to pay the institutional charges. Institutional charges x % unearned = amount returned by school.

The school must then return the amount of unearned aid, up to the maximum received, to each of the Title IV programs in the following order:

* Unsubsidized Direct Stafford Loan
* Subsidized Direct Stafford Loan
* Federal Perkins Loan (Valencia does not participate)
* Direct PLUS Loan
* Federal Pell Grant
* Federal Supplemental Education Opportunity Grant (SEOG)

Step 3) The school then calculates the amount for which the student is responsible by subtracting the amount returned by the school from the total amount which is unearned. That remaining amount is the student’s share and is allocated in the same order as above. Total amount unearned – amount returned by school = $ amount the student is required to return to Title IV funds.

\*Tuition/fee waivers must be excluded when calculating R2T4.