

# **Reference- Volume 5—Withdrawals and the Return of Title IV Funds 2024–2025 FSA Handbook May 2024, Volume 5**

## ***Requirements of 34 CFR 668.22***

### **Treatment of Title IV Aid When a Student Withdraws – R2T4**

The law specifies how your school must determine the amount of Title IV program assistance that you earn if you withdraw from school. Here in UL, the Title IV programs that are covered by this law are Direct Loans, and Direct PLUS Loans.

Though your aid is posted to your account at the start of each period, you earn the funds as you complete the period. If you withdraw during your payment period or period of enrollment (your school can define these terms for you and tell you which one applies to you), the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula.

If you received (or your school or parent received on your behalf) less assistance than the amount that you earned, you may be able to receive those additional funds in the form of a post-withdrawal disbursement (“PWD”). The school will determine if you are entitled to a PWD within 30 days of the date of determination that you have withdrawn from your Programme. The school will evaluate whether you submitted a valid FAFSA for the payment period from which the withdrawal occurred and whether you continue to meet all Title IV eligibility requirements, including the submission of any required supporting documentation. In addition to meeting the PWD requirements, you must also meet the terms of the late disbursement regulations (34 CFR 668.164(j)(2), which require the school to receive a valid SAR/ISIR in your name from the Department of Education by the deadline dates established by the Department. Additionally, for a PWD to be made from an award of Direct Loan/Direct Plus Loan funds, the school must have originated the loan or grant prior to the date the student became ineligible. If the you are eligible for a PWD, we will notify you along with the results of the R2T4 calculation. The school will send you the notice of the R2T4 calculation (described below) and PWD within 30 days of the date it determines you have withdrawn.

Should you be entitled to a PWD from the Direct Loan/Direct Plus Loan funds you were awarded, you have the option of accepting these funds or declining these funds. You must notify us that you intend to accept or decline your PWD funds within 14 days of receiving the school’s notice. If you accept your PWD, you may request that those funds be provided to you via check, or you may authorize the school to apply some portion of the PWD to any existing charges on your account with the school. If you decline the PWD, or fail to respond to the school’s notice regarding the PWD, the PWD funds will be returned to the Department of Education, which will reduce the loan balance you have with the Department of Education. The school is unable to

accept an untimely response to the R2T4/PWD notice, because it is obligated to make all returns of Title IV funds to the Department no later than 45 days from the date of determination.

If, on the other hand, you received more assistance than you earned, the school will process the return of the excess funds, as soon as possible, but in no case later than 45 days after it is determined that you have withdrawn from your Programme. The calculation of what you have earned, referred to as the “R2T4 calculation” is determined as described below.

The amount of assistance that you have earned is determined on a pro rata basis. For the purposes of this calculation your withdrawal date will be the last date of academic attendance as determined by the school from its attendance records. Therefore the number of days in the payment period for which you are actively enrolled including the date of withdrawal represents the portion of the payment period you have completed. The amount of the payment period you complete is divided by the number of days in the payment period, and is expressed as a percentage of the payment period you completed. The percentage of the payment period you complete is then multiplied by the total amount of U.S. Title IV funds that were disbursed to you, or could have been disbursed to you, for the payment period. The product is the amount of Title IV funds you earned expressed in U.S. dollars.

For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you received, or were entitled to receive. However, once you have completed more than 60% of the payment period or period of enrollment, you will have earned all the assistance that you were entitled to receive for that period.

You will not be subject to returns of your Title IV program assistance if you meet one of the following exemptions:

- You complete all of the requirements for graduation;
- You successfully complete a class or multiple classes that comprise at least 49 percent of the days in the term; or
- You successfully complete a class or multiple classes that comprise at least half-time enrollment.

There are some Title IV funds that you were scheduled to receive that cannot be disbursed to you once you withdraw because of other eligibility requirements. For example, if you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not receive any Direct Loan funds that you would have received had you remained enrolled past the 30<sup>th</sup> day.

If you receive (or your school or parent receive on your behalf) excess Title IV program funds that must be returned, your school must return a portion of the excess funds equal to the lesser of:

1. your institutional charges multiplied by the unearned percentage of your funds, or
2. the entire amount of excess funds.

The school must return this amount even if it did not keep this amount of your Title IV program funds. If your school is not required to return all of the excess funds, you may be required to return the remaining amount.

For any loan funds that you must return, you (or your parent for a Direct PLUS Loan) will repay the loan funds in accordance with the terms of the promissory note. That is, you will not be required to repay any loan funds immediately, but instead, you will make scheduled payments to the holder of the loan over a period of time.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that your school may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. Your school may also charge you for any Title IV program funds that the school was required to return.

If you don't already know your school's refund policy, you should ask your school for a copy. Your school can also provide you with the requirements and procedures for officially withdrawing from school. Information on both these items is contained in UL's Handbook of Academic Regulations linked here:

[download \(ul.ie\)](#)

Information on UL's fees policy and student withdrawals is also contained in the Student Handbook linked here:

[download \(ul.ie\)](#)

Students who wish to withdraw from a Programme, must do so in writing. The process for initiating a withdrawal is to download and complete the exit form.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at <https://studentaid.gov>.

You can also contact the Financial Aid Team by email at [usfederalaid@ul.ie](mailto:usfederalaid@ul.ie)  
or by phone 061 213678 on MS Teams