



Oklahoma State University  
Center for Health Sciences

Office of Financial Aid  
Return to Title IV Policy

## **R2T4 Policy**

The OSUCHS Office of Financial Aid and Scholarships in accordance with 34CFR Sec. 668.22 calculates the return of Title IV Funds for any student who receives Title IV Aid and subsequently withdraws before the end of the enrollment period (i.e. term).

### **Official Withdrawals/Dismissal**

The official withdrawal date used to determine the return of funds calculation is maintained in the registrar's office; however, the Office of Financial Aid and Scholarships receives the notification of students who have withdrawn or have been dismissed. The withdrawal date is also maintained within the Banner system. The "official" withdrawal date is the date the student signed the withdrawal form, or in cases of dismissal by the date administration completed the form.

Should a student cancel his/her enrollment prior to beginning the term as opposed to withdrawing, no Return of Title IV calculation will need to be performed. Title IV aid will not be disbursed until attendance is confirmed so all aid will be canceled if the student does not begin attendance.

### **Aid Considered in the R2T4**

The following types of aid will be considered in the official and unofficial R2T4 calculation: Direct Unsubsidized Loans and Direct Graduate Plus Loans. Federal Work-Study is reviewed for notification to the appropriate employer but is not included in the calculation.

### **Institutional Charges**

Institutional charges for R2T4 purposes at OSUCHS primarily consist of tuition and fees.

Oklahoma State University, in compliance with Titles VI and VII of the Civil Rights Act of 1964, Executive Order 11246 as amended, Title IX of the Education Amendments of 1972 (Higher Education Act), Americans with Disabilities Act of 1990, and other federal laws and regulations, does not discriminate on the basis of race, color, national origin, sex, age, religion, handicap, or status as a veteran, in any of its policies, practices, or procedures. This provision includes, but is not limited to, admissions, employment, financial aid, and educational services.

### **Attendance and Earned/Unearned Percentage**

The type and amount of aid that must be returned to the aid programs is based on the percentage of aid that is considered to have been unearned at the point of withdrawal. Before calculating the unearned percentage, the earned percentage must first be calculated. This is calculated by dividing the number of days attended in the semester (excluding calendar breaks of five or more days) by the number of days in the semester (excluding calendar breaks of five or more days).

Weekends are included in the calculation except where a break coinciding with a weekend exceeds five days. MSI and MSII students, the spring semester excludes the breaks when determining the number of days in the semester, and when determining the number of days attended if the last date of attendance is beyond the last date of the break.

Once the earned percentage has been calculated, it is then subtracted from 100 to get the unearned percentage. The unearned percentage is then multiplied by the Title IV assistance received to determine the amount of Title IV aid that is unearned and must be returned.

### **Unearned/Earned Aid and Return of Funds**

There are two types of unearned aid: unearned aid by the institution and unearned aid by the student.

**Unearned Aid by the Institution** represents the unearned aid applied toward institutional charges and is returned within 45 days of the institution's knowledge that the student withdrew. A charge is placed on the student's bursar account for the portion of institutional charges that are no longer paid as a result of the return.

**Unearned Aid by the Student** represents the total unearned aid less the amount unearned by the institution. Because the student is no longer attending school, he/she will simply enter the "grace" period of the loans and the student will return no loan funds. The student is then billed for the amounts returned. Because OSUCHS returns the funds, the student does not have an overpayment and is eligible to receive financial aid in future terms.

The following is the specified order for returning unearned aid: Direct Unsubsidized Loan and Direct Graduate Plus Loan. Federal Work-Study, Scholarships, and tuition waivers are not considered in the calculation.

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### **Post-Withdrawal Disbursement**

If the student has accepted his/her federal aid and it has not been disbursed, the reason for the non-disbursal will be ascertained. If the following condition has been met below the aid will be included in the "Aid that Could Have Disbursed" section of the calculation to determine if a post-withdrawal disbursement is due:

- **Direct Graduate Plus and Unsubsidized Loans** – Loan had originated prior to withdrawal date and Master Promissory Note was signed prior to R2T4 calculation date.

If the calculation indicates that a post-withdrawal disbursement is due from loan funds remain available after being applied to outstanding institutional charges, the student is sent a letter notifying him/her of the amount available. The student is asked to return the letter within 14 days indicating whether he/she wished to receive the aid and if so, the amount. When a loan is offered, the letter contains language reminding the student of the loan obligation should he or she chooses to receive it.

If the letter is not received within 14 days but is received within applicable late disbursement provisions outlined in 34CFR168.164 and the student is requesting disbursement of the funds, OSUCHS will disburse the funds.

### **Notification**

In addition to notifying students of potential eligibility, letters are emailed to all students any time aid is returned as a result of the R2T4 calculation. The letters are mailed to the student's permanent address. The notification also includes information for completing Exit counseling.

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