

NORWICH UNIVERSITY OF THE ARTS RETURN TO TITLE IV FUNDS (R2T4) POLICY

Norwich University of the Arts – Return of Title IV Funds (R2T4) Policy

This policy specifies how Norwich University of the Arts (NUA) will determine the amount of Title IV programme assistance (Stafford and PLUS Loans) that students earn if they withdraw from NUA and the withdrawal process.

It is essential that you inform the University if you change the status of your studies in any way, if you for example:

- Suspend
- Withdraw
- Transfer course
- Transfer route
- Change from full-time to half time or less than half time
- If you register but do not commence attendance

Under US Federal law, the University is required to report any changes to your enrolment within tight timescales. For students who withdraw from their studies, interrupt for more than 180 days, or complete their studies earlier than expected, it may be necessary to complete a Return to Title IV (R2T4) calculation and arrange for the return of any 'unearned' Direct Loan funds to the US Department of Education.

The NUA Finance Office is responsible for calculating R2T4 and the Business Office for the actual transfer of the resulting funds. The Finance Office uses worksheets and software provided by the US Department of Education to calculate the R2T4 funds. All funds will be returned to the lender within 45 days of the date of when NUA determines that a student withdrew. If a student has queries regarding their Title IV programme funds, they 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 www.studentaid.ed.gov.

When a student withdraws during a payment period, the amount of Title IV programme assistance that has been earned up to that point is determined by a specific formula. The date of withdrawal is the earlier of the date the student notified their Course Leader or Course Administrator of their intent to withdraw or the date the student submitted the withdrawal form. If the student received (or NUA received on the student's behalf) less assistance than the amount that was earned, then the student may be able to receive those additional funds. If the student received more assistance than was earned, the excess funds must be returned by NUA and/or the student.

Under the Highly Trusted Sponsor scheme, Norwich University of the Arts is required by the UK Home Office to maintain an attendance monitoring system that runs over the course of the year, ensuring that students are compliant with the regular attendance requirement of their student visa. Students who are not in attendance are reported to the University's Academic Registry with the International Office and appropriate Dean of Faculty and Course Leader being notified of the student's lack of attendance. The Academic Registry will consult with the student to determine if the student never attended classes or will verify the last date of attendance. Without an official Withdrawal Form, NUA will use the last date of attendance to compute the R2T4 formula. Following this, the student will be reported to the UK Home Office as having withdrawn from their programme of study.

In the case where a student notifies the Course Leader or Course Administrator that he or she intends to withdraw, the student is informed of the need to complete the Official Withdrawal Form. The Course Administrator will retain a record of the original date of notification of withdrawal. Should the student fail to file the Withdrawal Form or there is a lag between the notification and the completion of the form, then the earlier date of notification will be used in calculating the R2T4 formula. In the event a student receives all failing grades for a semester, the Course Administrator will contact the Course Leader and, if necessary other course academic staff, to determine if the "failed" grades were earned or represent a lack of attendance. In the event, if it is determined that resulting grades are the result of lack of attendance, the Course Administrator will determine the last day of attendance and use that date in the R2T4 calculations. Students who do not attend

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even one class are ineligible for Title IV funds, and all of the loan proceeds will be returned to the U.S. Department of Education.

The amount of assistance earned is determined on a pro rata basis. The payment period is the semester for which the loan was certified and the percentage attendance is calculated by dividing the number of days attended by the total number of days in the payment period. For example, if the student completes 30% of the payment period or period of enrolment, the student has earned 30% of the assistance they were originally scheduled to receive. Once the student has completed more than 60% of the payment period or period of enrolment, all the assistance that the student was scheduled to receive for that period is considered to have been earned. If the student did not receive all of the funds that were earned, he or she may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, the student may choose to decline the loan funds so that additional debt is not incurred. The NUA Finance Office will use the R2T4 worksheets as provided by the US Department of Education to determine how much of the loan may be retained and how much must be returned and will notify the student or parent via email. NUA will return any unearned Title IV funds within 45 days of the date NUA determined the student withdrew. NUA will offer any post-withdrawal disbursement to the student within 30 days of the date NUA determined that the student withdrew.

NUA may use all or a portion of the post-withdrawal disbursement (including loan funds, if the student accepts them) for tuition, fees, and accommodation charges (as contracted with NUA). For all other NUA charges, NUA needs the student's permission to use the post-withdrawal disbursement.

There are some Title IV funds that students are scheduled to receive but which cannot be *earned* once a student withdraws because of other eligibility requirements. For example, in certain circumstances, if a first-time, first-year undergraduate student has not completed the first 30 days of their programme before withdrawal, the student will not earn any Title IV funds that he or she would have received had the student remained enrolled past the 30th day.

If the student receives (or NUA receives on behalf of the student) excess Title IV programme funds that must be returned, NUA will return a portion of the excess equal to the lesser of:

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

NUA will return this amount even if it did not keep this amount of the Title IV programme funds. If NUA is not required to return all of the excess funds, then the student must return the remaining amount. For any loan funds that must be returned, the student must arrange repayment in accordance with the terms of the promissory note - that is, scheduled payments are made to the holder of the loan over a period of time. Students who have received a refund of their loan proceeds before withdrawing may be required to return part or all of those funds to the U.S. Department of Education.

Title IV funds will be returned in the following order:

1. Unsubsidized Federal Stafford loans
2. Subsidized Federal Stafford loans
3. PLUS Loan Funds

The requirements for Title IV programme funds when students withdraw are separate from any refund policy that NUA has. Therefore, in the event of withdrawal, the student may still owe funds to NUA to cover unpaid institutional charges. NUA may also attempt to collect from the student any Title IV programme funds that NUA was required to return. The student may receive a copy of the refund policy from the NUA Finance Office.

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Leaves of Absence (LOA) and Withdrawals

Definitions:

A Deferral or Approved Leaves of Absence (LOA)

A Deferral (or Leave of Absence) is a temporary interruption in a student's programme of study of up to 180 days. In the context of Title IV funds, a deferral or LOA refers to the specific time period during a programme when a student is not in attendance and will return to complete the programme. Students returning from an approved Deferral or LOA are not required to re-apply for admission but must re-enrol on their programme of study.

Unapproved Leaves of Absence

NUA may grant a student a Deferral or LOA that does not meet the conditions to be an approved Deferral or LOA for Title IV purposes (for example, for academic reasons). However, any Deferral or LOA that does not meet all of the conditions for an approved deferral or LOA is considered a withdrawal for Title IV purposes

Official Withdrawal

A "withdrawal" refers to a student's intent to completely terminate studies at NUA with no expectation of return. Students who subsequently decide to return to their studies, must re-apply for admission through the University's International Office.

Unofficial Withdrawal

An unofficial withdrawal is one where NUA has not received notice from the student that the student has ceased or will cease attending their programme of studies at NUA.

Deferral/LOA and Withdrawal Request Forms

The forms required by NUA to request a Deferral (or LOA) or Withdrawal are available from the Offices of the NUA Registrar and can also be downloaded from the student portal on <https://net.nua.ac.uk/>

Approved Deferrals (LOA's)

A Deferral or LOA must meet certain conditions to be counted as a temporary interruption in a student's education instead of being counted as a withdrawal requiring NUA to perform a Return Calculation. If a Deferral or LOA does not meet the conditions in that the student is considered to have ceased attendance and to have withdrawn from NUA, then NUA will perform a Return Calculation.

In order for a Deferral (or LOA) to qualify as an approved deferral (or LOA) –

1. All requests for Deferrals or LOAs be submitted on the Deferral Form to the NUA Academic Registry and must include the reason for the student's request. The form must be signed and dated by the student and must specify the date the student wants the Deferral (or LOA) to begin and end.
2. Students must apply in advance for a Deferral or LOA, unless unforeseen circumstances prevent the student from doing so, with the Deferral being subject to approval.
3. The situation described for the reason for the Deferral or LOA will be generally non-academic in nature, and must be one that leads to a reasonable expectation that the student will return from the Deferral or LOA within the allowed time frame specified to complete the overall award on which they have enrolled.
4. The Deferral or LOA, together with any additional leaves of absence, must not exceed one year.

All requests for Deferrals or LOA's will be reviewed by the NUA Academic Registry. The student will be notified in writing by the Academic Registry of the University's decision, with NUA's Finance Office being notified accordingly.

During the Deferral or LOA, NUA will not assess the student in respect of any additional institutional charges, meaning that the student's financial needs will not increase, and therefore, the student will not be eligible for any additional disbursements of Federal Student Aid.

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If the student is a Stafford Loan recipient, NUA will explain to the student, prior to granting the Deferral or LOA, the effects that the student's failure to return from a Deferral or LOA may have on the student's loan repayment terms, including the expiration of the student's grace period.

A student granted a Deferral or LOA that meets the criteria stated above is not considered to have withdrawn, and no Return Calculation is therefore required. Upon the student's return from the leave, he or she will continue to earn the Federal Student Aid previously awarded for the period.

Completion of coursework upon return

In as much as approved Deferrals or leaves of absence are viewed as temporary interruptions in a student's attendance, and since the academic programmes at NUA are considered as term-based programmes where the payment period is the term, a student returning from a Deferral or LOA must do so at a time when he or she can complete the term in order to complete the payment period and be eligible to receive a second or subsequent disbursement. Therefore, for students enrolled on term based programmes, NUA will allow a student returning from a Deferral or LOA to complete the coursework that he or she began prior to the Deferral or LOA.

Students who return earlier than anticipated

NUA may permit a student holding an agreed Deferral or LOA, to recommence classes before the expiration of the student's Deferral or LOA in order to review material previously covered. However, until the student has resumed the academic programme at the point where he or she began the Deferral or LOA period, the student is considered to still be on approved Deferral or LOA. The days the student spends in class before the course reaches the point at which the student began his or her Deferral or LOA must be counted in the one year maximum period granted for an approved leave of absence. A student repeating coursework while on Deferral or LOA must reach the point at which he or she interrupted training within one year of the start of the student's Deferral or LOA.

Student who fail to return from Deferrals or LOA's

If a student does not return to the school at the expiration of an approved Deferral or LOA (or a student takes an unapproved Deferral or LOA), the student's withdrawal date is determined as the date that the student began the Deferral or LOA.

Explanation of consequences of withdrawal to loan recipients

A student who is granted an approved Deferral or LOA is considered to remain an enrolled NUA student for Title IV loan repayment purposes. If a student on an approved Deferral or LOA fails to return, then NUA will report that student to the loan holder giving the student's change in enrolment status as the withdrawal date. One possible consequence of not returning from a Deferral or LOA is that a student's grace period for a Title IV programme loan might be exhausted. Therefore, in order for a Deferral or LOA to be an approved Deferral or LOA, prior to granting a leave of absence, NUA will inform a student who is a Title IV loan recipient of the possible consequences that a withdrawal may have on the student's loan repayment terms, including the exhaustion of the student's grace period.

Unapproved Deferrals or LOA's

NUA may grant a student a Deferral or LOA that does not meet the conditions to be an approved Deferral or LOA for Title IV purposes (as for example, for academic reasons). However, any Deferral or LOA that does not meet all of the conditions for an approved Deferral or LOA is considered a withdrawal for Title IV purposes. The student's withdrawal date is the date the student begins the Deferral or LOA. An unapproved Deferral or LOA is treated as an official withdrawal with NUA using the specified withdrawal date in the Return Calculation.