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RETURN OF TITLE IV FUNDS (R2T4) POLICY

In accordance with federal regulations (34 CFR §668.22), NewU University administers the Return of Title IV Funds (R2T4) policy to determine the amount of federal student aid earned by a student who withdraws during a semester in which they received Title IV financial aid.

1. Overview

Title IV funds include federal student financial assistance programs such as the Federal Pell Grant, Federal Direct Loans (Subsidized and Unsubsidized), Federal PLUS Loans, and other Title IV programs. These funds are awarded under the assumption that the student will attend classes for the entire semester or payment period. NewU does not offer programs or courses in modules.

If a student withdraws before completing more than 60% of the semester, the institution must calculate the portion of Title IV aid the student earned up to the withdrawal date. The unearned portion must be returned to the U.S. Department of Education.

2. Withdrawal Date Determination

The withdrawal date used to calculate the return of funds is determined as follows:

- **Official Withdrawal:** The date the student begins NewU's withdrawal process or the date the student otherwise provides official notification to the Registrar's Office of intent to withdraw, whichever is earlier. If the student begins the withdrawal process or provides notification on multiple dates, the earliest such date is used unless a later date of attendance at an academically related activity is documented.
- **Unofficial Withdrawal:** For a student who ceases attendance without providing notification, NewU will use the midpoint of the payment period as the withdrawal date, unless the institution can document the student's last date of attendance at an academically related activity, in which case that documented date will be used.
- **Date of Determination:** The date NewU determines that the student withdrew. For an official withdrawal, this is the student's withdrawal date or the date of notification, whichever is later. For an unofficial withdrawal, this is the date NewU becomes aware

that the student ceased attendance. The 45-day return clock in Section 5 runs from the Date of Determination, not the withdrawal date.

3. Calculation of Earned Aid

The percentage of Title IV aid earned is calculated by:

(# calendar days completed in the payment period) divided by (total # calendar days in the payment period)

Scheduled breaks of five or more consecutive days are excluded from both the numerator and the denominator. Days during which the student was on an approved leave of absence are also excluded from both the numerator and the denominator

- If more than 60% of the semester has been completed, the student is considered to have earned 100% of the Title IV aid.
- If 60% or less has been completed, the unearned portion must be returned.

Approved Leave of Absence: A leave of absence is not treated as a withdrawal if it meets the requirements of 34 CFR § 668.22(d), including: the student followed NewU's published LOA request process; the LOA does not exceed 180 days in any 12-month period; there is a reasonable expectation the student will return; and no additional charges are assessed during the LOA. A student who fails to return from an approved LOA is treated as a withdrawal as of the date the LOA began.

4. Return of Unearned Funds

If the total amount of Title IV funds disbursed exceeds the amount earned, the difference must be returned by the institution and/or the student.

Funds are returned in the following order, as required by federal regulation:

1. Federal Direct Unsubsidized Loan
2. Federal Direct Subsidized Loan
3. Federal Direct PLUS Loan
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant (FSEOG)
6. Other Title IV funds, if any

5. Institutional and Student Responsibilities

NewU University is responsible for:

- Calculating the R2T4 amount.
- Returning any unearned funds to the U.S. Department of Education within 45 days of the date of determination.
- Notifying the student of any resulting balance due to the institution.

The student is responsible for:

- Repaying any Title IV funds they are required to return.
- Paying any balance owed to NewU University due to the return of Title IV funds.

6. Post-Withdrawal Disbursements

If a student earned more aid than was disbursed prior to withdrawal, they may be eligible for a post-withdrawal disbursement.

- **Grant Funds:** Automatically disbursed within 45 days of withdrawal determination.
- **Loan Funds:** Loan Funds: NewU will notify the student (or parent, in the case of a parent PLUS loan) in writing within 30 days of the Date of Determination, offering the post-withdrawal disbursement and explaining the student's or parent's right to accept all or part of the loan funds. The student or parent must respond within 14 days of the notification. If NewU receives an affirmative response within that window, the loan funds will be disbursed within 180 days of the Date of Determination. If no response is received, NewU is not required to make the disbursement.

7. Notification to Students

Students who withdraw during a semester in which they received Title IV aid will receive written notice (typically via email) detailing:

- The results of the R2T4 calculation,
- The amount of Title IV aid returned,
- Any balance owed to the institution or to the U.S. Department of Education.

[End]