



## **ARTS UNIVERSITY BOURNEMOUTH**

### **Return of Title IV Funds Policy - Financial Aid for U.S. Students 2024-25**

#### **Background**

This policy specifies how Arts University Bournemouth will determine the amount of U.S. Higher Education Act Title IV programme assistance (Direct and PLUS Loans) that students earn if they intermit/withdraw from the University and the intermission/withdrawal process.

Arts University Bournemouth – Income Team is responsible for calculating Return of Title IV Funds (R2T4) and is responsible for the actual transfer of the resulting funds. The Income Team uses worksheets and software provided by the US Department of Education to calculate the R2T4 funds. All funds will be returned to the U.S. Department of Education within 45 days of the date of when Arts University Bournemouth determines that a student withdrew. If a student has queries regarding their Title IV programme funds, they can call the US Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). Information is also available on *Student Aid on the Web* at [www.studentaid.gov](http://www.studentaid.gov)

#### **Attendance/Withdrawal**

When a student who began attendance 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 the University of their intent to withdraw or the date the student submitted the withdrawal form. If the student received (or the University 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 the University and/or the student.

Arts University Bournemouth maintains an attendance monitoring system that runs over the course of the year, ensuring that students are compliant with the regular attendance and engagement. Students who are not in attendance are reported to International Student Support and the appropriate Course Leader and Academic Office is notified of the student's lack of attendance. The Academic Office 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 document, the University will use the last date of attendance to compute the R2T4 formula.

In the case where a student notifies the University that he or she intends to withdraw, the student is informed of the need to complete the official withdrawal document. The member of staff advising the student is required to document the date the student notified them that they wished to withdraw and forward the relevant documentation to the Academic Office with a copy to Student Records. Should the student fail to complete the official withdrawal document or if there is a lag between the notification and the completion of the document, then the earlier date of notification will be used in calculating the R2T4 formula.

Students who do not attend any classes are ineligible for Title IV funds, and all of the loan proceeds will be returned to the lender.

The amount of assistance earned is determined on a pro rata basis. The percentage is calculated based on days completed, divided by days in a payment period, but not including leaves of absence less than five days. The payment period is the term 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 term 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 term 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 the funds that were earned, they may be due a post-withdrawal disbursement. The University will notify the student within 30 days of the date that it has been determined the student has withdrawn of the amount of a post-withdrawal disbursement for which the student is eligible.

The student may choose to accept any loan funds or to decline some or all of them. Any post-withdrawal loan funds that are disbursed, like loan funds disbursed previously, will have to be repaid by the student. The Income Team will use the R2T4 worksheets provided by the US Department of Education to determine how much of the loan may be retained and how much must be returned.

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

The student will be required to inform the University whether they wish to accept some or all of the available post-withdrawal loan funds within a specified period of time of not less than 14 days after the student is contacted by the University. The University may honour a late response but will not honour a response that is more than 180 days late. The University will only disburse post-withdrawal funds upon documented confirmation by the borrower. Any repayment by the University will be no later than 180 days after the date of determination.

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

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

The University will return this amount even if it did not keep this amount of the Title IV programme funds. If the University 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 lender. Title IV funds will be returned in the following order:

1. Unsubsidized Federal Stafford loans
2. Subsidized Federal Stafford loans
3. PLUS Loans

The Title IV funding due to be returned by the University as a result of student withdrawal is calculated independently of the tuition fee liability due as a result of the withdrawal. Further information on the tuition fee liability can be found in AUB's Fees Payment Policy:

<http://webdocs.aub.ac.uk/Fees%20and%20Charges%20Payment%20Policy.pdf>

### **Leaves of Absence (LOA) and Withdrawals Leaves of Absence (LOA)**

A Leave of Absence is a temporary interruption in a student's programme of study. In the context of Title IV funds, an LOA refers to the specific time period during a programme when a student is not in attendance and will return to complete the programme. The maximum period allowed as a leave of absence for students on a Student Route Visa is 2 weeks.

Arts University Bournemouth does not allow temporary leave of absence.

Arts University Bournemouth may grant a student a break (intermission) from their studies for the rest of the academic year. This will not meet the conditions to be an approved LOA for Title IV purposes. Under the Return of Title IV Funds Policy this would be recorded as a withdrawal. When the student returns to their studies they would be eligible to apply for further financial aid.

### **Official Withdrawal**

A "withdrawal" refers to a student's intent to completely terminate studies at the University with no expectation of return. Students who subsequently decide to return to their studies must apply via the Student Records office

Note: Students who withdraw from their programmes of study will receive a transcript detailing any grades/credits earned during their period of study. Where there are insufficient credits to award the degree, the grade is considered the same as an "F" grade in calculating the quantitative aspect of the Satisfactory Academic Progress standards and may affect the student's future eligibility for Financial Aid.

## **Deferral/LOA and Withdrawal Request Forms**

The forms required by the University to request an Intermission or Withdrawal can be completed by the student via the student e-Vision portal.

### **Approved LOA's**

Arts University Bournemouth do not approve LOA's for the purpose of applying for Title IV loans. Students who request an intermission will be reported under Return of Title IV Funds Policy as a withdrawal.