

# Session #29

## Foreign Schools R2T4

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FEDERAL STUDENT AID®

# Topics

- Basic Principles
- Attendance
- R2T4 Calculation
- Actions After Calculation
- R2T4 and Modules

# Basic Principles

- Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded
- When a student withdraws, student may not be eligible for the full amount of Title IV funds the student was scheduled to receive

# Basic Principles

- Student earns Title IV aid through attendance
  - Percentage of aid earned is equal to the percentage of the payment period or period of enrollment completed
- If a school has disbursed more aid than the student has earned, money is returned to the programs

# Basic Principles

- If a school has disbursed less aid than the student has earned, a post-withdrawal disbursement will be calculated and may, depending on the circumstances, be disbursed
- After the student completes 60% of the payment period or period of enrollment, the student has earned 100% of the scheduled Title IV funds

# Basic Principles

- Institutional or other refund policies (state, accreditor) do not impact the amount of Title IV aid earned under an R2T4 calculation
- Schools should use the best information available to determine withdrawal date

# Consumer Information

- Any refund policy with which school must comply
- School's tuition refund policy
- Requirements for treatment of Title IV funds after withdrawal
- Procedures for official withdrawal
  - Office(s) accepting official withdrawal notices

# Applicability

- R2T4 requirements apply to any recipient who withdraws during a payment period or period of enrollment in which the student began attendance
- If student enrolled but never attended any classes
  - Student did not establish eligibility for any funds
  - All Title IV funds disbursed must be returned

# Eligible Title IV Recipient

- If student never commences attendance for the period, the student is not an eligible Title IV recipient
  - R2T4 does not apply
  - Provisions of 668.21 apply
    - DL funds credited to student's account must be returned
    - Notify servicer of DL funds disbursed directly to student

# Payment Period or Period of Enrollment

- Standard term-based programs must use payment period (term)
- Non-term and non-standard term based programs may choose either payment period or period of enrollment
  - May choose on a program-by-program basis
  - Must treat all students within program consistently

# Aid That Could Have Been Disbursed

- To include aid, must meet late disbursement requirements in 668.164(g)(2)
- Student meets requirements if before withdrawal:
  - ED processed ISIR/SAR with official EFC
  - DL – school originated loan

# Aid That Could Have Been Disbursed

- Aid listed in the “could have been disbursed” section cannot actually be disbursed if:
  - First-time borrower withdraws before the 30<sup>th</sup> day (default rate waivers apply)
  - Second and subsequent DL disbursements unless the student graduated or completed the loan period
  - MPN not signed by borrower
  - Valid ISIR requirements not met

# Effective Date of New Regulations

- Applies to all students who withdraw from a payment period or period of enrollment that began on or after July 1, 2011
- Does not apply to crossover payment periods in summer 2011

# R2T4 and Attendance Records

- Title IV aid earned is calculated based on student attendance
  - Aid prorated based on days or hours student attended
- School should use best information available to determine withdrawal date

# Required to Take Attendance

- Regulatory changes effective July 1, 2011
- School is required to take attendance if:
  - Outside entity requires that attendance be taken, or
  - School has own requirement that instructors take attendance, or
  - Outside entity or school has requirement that can only be taken by taking attendance or a similar process

# Required to Take Attendance

- If required to take attendance
  - For some students – use attendance records for those students
  - For a limited period of time – use attendance records for withdrawals during that period of time
    - Must be able to document that student attended beyond limited period
    - Taking attendance on only one day (census date) not a requirement to take attendance



# Academic Attendance

- “Academic attendance” and “attendance at an academically related activity” include but are not limited to:
  - Physically attending a class with direct interaction
  - Submitting academic assignment
  - Taking exam, interactive tutorial, or computer-based instruction

# Academic Attendance

- “Academic attendance” and “attendance at an academically related activity” include but are not limited to:
  - Attending school-assigned study group
  - Participating in online discussion about academic matters
  - Initiating contact with faculty member to ask about subject studied

# Academic Attendance

- Attendance does not include activities where the student may be present but not academically engaged, such as:
  - Living in school housing or using school meal plan
  - Logging into online course without active participation
  - Participating in academic counseling or advisement

# Withdrawal Date - Required to Take Attendance

- Last date of attendance must be withdrawal date
- Date of determination of withdrawal cannot be more than 14 calendar days after withdrawal date

# Withdrawal Date – Official Withdrawal – Not Required to Take Attendance

- Date that student began the official withdrawal process or
- The date the student otherwise provided official notification to the institution
- If multiple dates triggered, use earlier date

# Withdrawal Date – Unofficial Withdrawal – Not Required to Take Attendance

- Midpoint of the payment period
- Documented last date of activity at an academically-related activity
- Student withdrawal date must be documented
- Student self-certification is not adequate documentation

# Date School Determined Student Withdrew – Not Required to Take Attendance

- Official Withdrawal
  - Withdrawal date
  - Date of notification, if later
- Unofficial withdrawal
  - No later than 30 days after the end of the earlier of:
    - The payment period
    - The academic year
    - The student's educational program



# Percentage of Title IV Aid Earned - Credit Hour Programs

- Count every scheduled day in denominator, including weekends and holidays, except
  - Scheduled breaks of five or more consecutive days when no classes are offered
  - If modules, count all days in all modules student scheduled to attend
- Numerator is calendar days student completed

# R2T4 and Modules

- New rules define a program “offered in modules”
  - A course or courses in program do not span the entire length of the payment period or period of enrollment
- Does not matter what modules are called at the school
  - “Mini-sessions”
  - “Late starts”
  - “Inter-session”

# Determining if Student Withdrew

- General Requirements – Students considered withdrawn if:
  - Credit hour programs – student does not complete all days in period
  - Clock hour – student does not complete all clock hours and weeks of instructional time in period
  - Passing grades document completion of courses

# Determining if Student Withdrew - Modules

- If student does not receive a passing grade in course in final module, school must determine if student completed module
- If at time of withdrawal school obtains written confirmation that student will attend a module beginning later in period, student not considered withdrawn from a program offered in modules



# Written Confirmation of Return

- If written confirmation of future attendance is obtained
  - Student may change date of return in writing if prior to original return date
  - If student does not return as scheduled, student considered withdrawn and withdrawal date and total number of days in calculation are those that applied if written confirmation had not been provided



# R2T4 and Modules – Three Questions to Determine Withdrawal

1. Did student cease to attend or fail to begin attendance in a course scheduled to attend?
  - If yes, go to question 2; if no, not a withdrawal

# R2T4 and Modules – Three Questions to Determine Withdrawal

2. When ceased to attend, or failed to begin attendance in scheduled course, was student attending other courses?
  - If yes, not a withdrawal; if no, go to question 3

# R2T4 and Modules – Three Questions to Determine Withdrawal

3. Did student confirm attendance in a later module within period (45 day rule if applicable)?
  - If no, student is a withdrawal

# R2T4 Calendar Days – Modules

- Total calendar days include all days on which the student was scheduled to attend
  - Courses officially dropped prior to ceasing attendance are not days scheduled to attend unless enrolled in other courses on those days
  - Days of completed courses count if course does not span entire length of term

# Return After Withdrawal

- Term-based credit hour program offered in modules
  - If withdrawn student re-enters the same program within term (did not confirm but student returns) -
    - Student is eligible to receive any Title IV funds for which he was eligible to receive prior to withdrawal, even if funds returned (undo R2T4), if supported by student's enrollment status

# Return After Withdrawal

- Non-term credit hour and clock hour programs
  - If withdrawn student re-enters same program of study within 180 calendar days–
    - Student is eligible to receive any Title IV funds for which he was eligible to receive prior to withdrawal, even if funds returned (undo R2T4)

# Return After Withdrawal

- Non-term credit hour and clock hour programs
  - If withdrawn student re-enters same program of study after 180 days, or transfers into new program at any time and at least some hours transfer in
    - Student begins new payment period upon re-entry or transfer
    - Remaining portion of program treated as length of entire program for awarding Title IV funds

# Resources and References

- FSA Handbook, Volume 5, Chapter 2
- 34 C.F.R 668.22
- DCL GEN-00-24 and GEN-04-03
- FSA Assessments
  - <http://www.ifap.ed.gov/ForeignSchoolInfo/ForeignSchoolInfo.html>
- Federal Register – October 29, 2010
- R2T4 Demo Site
  - <http://fafsademo.test.ed.gov/>

# Contact Information

We appreciate your feedback & comments.

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