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# Withdrawal and Return of Title IV Funds (R2T4) Policy

*Note: If you received financial aid an official or unofficial withdrawal will affect your current financial aid, your future financial aid eligibility, and your personal finances*

## How a withdrawal affects financial aid

Federal regulations require Title IV financial aid funds to be awarded under the assumption that a student will attend the institution for the entire period in which federal assistance was awarded. When a student withdraws from all courses for any reason, including medical withdrawals, he/she may no longer be eligible for the full amount of Title IV funds that he/she was originally scheduled to receive. The return of funds is based upon the premise that students earn their financial aid in proportion to the amount of time in which they are enrolled. A pro-rated schedule is used to determine the amount of federal student aid funds he/she will have earned at the time of the withdrawal. Thus, a student who withdraws in the second week of classes has earned less of his/her financial aid than a student who withdraws in the seventh week. Once 60% of the semester is completed, a student is considered to have earned all of his/her financial aid and will not be required to return any funds.

Federal law requires schools to calculate how much federal financial aid a student has earned if that student:

- completely withdraws, or
- stops attending before completing the semester, or
- does not complete all modules (courses which are not scheduled for the entire semester or payment period for which he/she has registered at the time those modules began.)

Based on this calculation, University College Dublin students who receive federal financial aid and do not complete their classes during a semester or term could be responsible for repaying a portion of the aid they received. Students who do not begin attendance must repay all financial aid disbursed for the term.

The following policies will help you to understand that a withdrawal potentially affects students academically as well as financially. We encourage students to read all the information below prior to making a final decision.

### **Important:**

- Academic policies on leaving UCD are available using the following link: <http://www.ucd.ie/students/withdrawal.html>
- The University College Dublin's tuition/fee refund policy is separate from the federal regulations to repay unearned aid. Whether or not a student receives a tuition/fee refund has no bearing on the amount he/she must repay to the federal aid programs. Contact the Student Desk for further inquiries regarding tuition/fee refunds <http://www.ucd.ie/students/fees/withdrawal.html>
- Students should review the University Secretariat webpage and policy documentation as well as the related links containing information for students as well as a guide to completing the withdrawal forms: <http://www.ucd.ie/registry/academicsecretariat/wd.htm>

### How the earned financial aid is calculated

Students who receive federal financial aid must “earn” the aid they receive by staying enrolled in classes. The amount of federal financial aid assistance the student earns is on a pro-rated basis. Students who withdraw or do not complete all registered classes during the semester may be required to return some of the financial aid they were awarded.

Institutions are required to determine the percentage of Title IV aid “earned” by the student and to return the unearned portion to the appropriate aid programs. Regulations require schools to perform calculations within 30 days from the date the school determines a student's complete withdrawal. The school must return the funds within 45 days of the calculation. The R2T4 calculation process is completed by the Scholarship and Funding Officer. The return of funds is facilitated by the UCD Fee Payment's Office in collaboration with the UCD Bursar's Office.

For example, if a student completes 40 percent of the payment period, they earn 40 percent of the aid they were originally scheduled to receive. This means that 60 percent of the scheduled awards remain “unearned” and must be returned to the federal government. Once 60% of the semester is completed, a student is considered to have earned all of his/her financial aid and will not be required to return any federal funds.

The following formula is used to determine the percentage of unearned aid that has to be returned to the federal government:

- The **percent earned** is equal to the number of calendar days completed up to the withdrawal date, divided by the total calendar days in the payment period (less any scheduled breaks that are at least 5 days long).
- The **payment period** for most students is the entire semester. However, for students enrolled in modules (courses which are not scheduled for the entire semester or term), the payment period only includes those days for the module(s) in which the student is registered.
- The **percent unearned** is equal to 100 percent minus the percent earned.

**For students enrolled in modules:** A recalculation of aid based on a change in enrolment status may still be required if a student changes the number of modules they are enrolled to at any stage during the year.

If the student withdraws from modules below 50% attendance, the University considers the student to have withdrawn and begins the R2T4 process immediately.

However, if the student does return to UCD in the same term, even if they did not provide written confirmation of plans to do so, the student is not considered to have withdrawn after all and is eligible to receive the Title IV funds for which the student was eligible before ceasing attendance. UCD will then reverse the R2T4 process and provide additional funds that the student is eligible to receive at the time of return.

**Institutional funds** are earned and recalculated based on the pro-rated policy as described for federal financial aid funds.

**Tuition/fee refunds also affect the recalculation of institutional financial aid.**

## Steps in the return of Title IV funds policy

### ***Step 1: Student's Title IV information***

UCD will determine:

- 1.1 The total amount of Title IV aid disbursed for the semester in which the student withdrew. *A student's Title IV aid is counted as aid disbursed in the calculation if it has been applied to the student's account on or before the date the student withdrew.*
- 1.2 The total amount of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the semester in which the student withdrew.

### ***Step 2: Percentage of Title IV aid earned***

UCD will calculate the percentage of Title IV aid earned as follows:

The number of calendar days completed by the student divided by the total number of calendar days in the semester in which the student withdrew. *The total number of calendar days in a semester shall exclude any scheduled breaks of more than five days.*

$$\text{Days Attended} \div \text{Days in Enrolment Period} = \text{Percentage Completed}$$

*If the calculated percentage completed exceeds 60%, then the student has "earned" all the Title IV aid for the enrolment period.*

### ***Step 3: Amount of Title IV aid earned by the student***

UCD will calculate the amount of Title IV aid earned as follows:

The percentage of Title IV aid earned (Step 2) multiplied by the total amount of Title IV aid disbursed or that could have been disbursed for the term in which the student withdrew (Step 1.1).

$$\text{Total Aid Disbursed} \times \text{Percentage Completed} = \text{Earned Aid}$$

#### ***Step 4: Amount of Title IV aid to be disbursed or returned***

- If the aid already disbursed equals the earned aid, no further action is required.
- If the aid already disbursed is greater than the earned aid, the difference must be returned to the appropriate Title IV aid program.

$$\text{Total Disbursed Aid} - \text{Earned Aid} = \text{Unearned Aid to be Returned}$$

- If the aid already disbursed is less than the earned aid, then UCD will calculate a post-withdrawal disbursement.

Post withdrawal disbursement: If eligible, UCD will send notification of the action required to either accept or decline a portion, or all, of the late disbursement. If no response is received within 2 weeks the award will be cancelled.

#### Types of withdrawals

For financial aid purposes there are two types of withdrawals: Complete and Unofficial.

##### ***Complete:***

- Official withdrawal from UCD by the student. The current academic year's policy for a Complete Withdrawal can be found on UCD's website:  
<http://www.ucd.ie/registry/academicsecretariat/wd.htm>

##### ***Unofficial:***

- Federal financial aid regulations consider a student to be an unofficial withdrawal if the student receives all fail grades or combinations of all fail and withdrawn (W) grades for the term.

#### Determination of the withdrawal date

The withdrawal date used in the return calculation of a student's federal financial aid is the actual date indicated on the official form. If a student stops attending classes without notifying UCD, the withdrawal date will be the midpoint of the semester or the last date of academic activity determined by UCD. Additional documentation supporting the last date of academic activity may be provided by the student if they verify a later date of attendance than determined by UCD.

#### Withdrawing prior to completing 60 percent of a term

Unless a student completes 60 percent of the term in which federal aid was disbursed, the student will be required to return all or part of the financial aid disbursed in the term. This applies to students who have officially (including medical), or unofficially withdrawn.

If your college has a different start and end date for the payment period. Our payment period matches our term dates: <http://www.ucd.ie/students/keydates.htm>

## When a student fails to begin attendance

If a student receives financial aid, but never attends classes, UCD must return all disbursed funds to the respective federal aid programs.

## When a student fails to earn a passing grade in any class

If the student has not completely withdrawn but has failed to earn a passing grade in at least one class for the term, federal regulations require the school to determine whether the student established eligibility for financial aid. Eligibility is based on if the student attended at least one class or participated in any UCD academic-related activity. All disbursed funds must be returned to the respective federal and institutional aid programs if the student cannot prove that he/she began attendance. For more information regarding this topic see the section Students who receive all failing grades at the end of the term.

**Component Grade Scale, 40% Pass Mark:** The following table depicts the UCD component grade scale with the pass mark set at 40%. This is the standard component grade scale that is used for UCD modules. (If a module coordinator has sound academic reasons for assessing a component with the pass mark set at 50%, the corresponding 50% component grade scale can be obtained by emailing [assessment@ucd.ie](mailto:assessment@ucd.ie))

Grade	Lower	Upper	Calculation point
A+	76.67	100.00	78.33
A	73.33	76.66	75.00
A-	70.00	73.32	71.67
B+	66.67	69.99	68.33
B	63.33	66.66	65.00
B-	60.00	63.32	61.67
C+	56.67	59.99	58.33
C	53.33	56.66	55.00
C-	50.00	53.32	51.67
D+	46.67	49.99	48.33
D	43.33	46.66	45.00
D-	40.00	43.32	41.67
E+	36.67	39.99	38.33
E	33.33	36.66	35.00
E-	30.00	33.32	31.67
F+	26.67	29.99	28.33
F (FM)	23.33	26.66	25.00
F-	20.00	23.32	21.67
G+	16.67	19.99	18.33
G	13.33	16.66	15.00
G-	0.02	13.32	11.67
NG	-	0.01	0.00

## Students who receive all failing grades at the end of the term

Financial aid is awarded under the assumption that the student will attend University College Dublin (UCD) for the entire term for which federal assistance was disbursed. When the student has failed to earn a passing grade in at least one class for the term, federal regulations require the school to determine whether the student established eligibility for funds disbursed by attending at least one class or participating in any UCD academic-related activity. If the school cannot verify that the student attended UCD, all financial aid must be repaid to the federal and institutional programs. The student's bursar account will be charged and the student will be responsible for any balance due.

If the student can prove to have participated in a UCD class or academic-related activity past the 60% date, the student will not be required to return any disbursed financial aid. The student's bursar account will be updated and the student will be responsible for any other charges that may have been applied to their account.

Students who are able to verify attendance beyond UCD's records may submit supporting documentation to Scholarship & Funding Officer by contacting: [federalaid@ucd.ie](mailto:federalaid@ucd.ie)

The student must submit supporting documentation within 30 days from the last date of the term. Recalculations for aid eligibility will not be performed for documentation received after that date.

### ***Repayment calculation process***

Once grades are posted for the student who receives all failing grades, UCD will return all unearned aid back to the federal and institutional programs and the student's bursar account will be charged.

UCD will mail a notification letter to the student's permanent address. The student's bursar account will be updated, and the student will be responsible for any balance due. A statement reflecting these charges will be sent to the student by UCD's payments office.

## Definition of an academic related activity

Examples of University College Dublin's academic-related activities include but are not limited to physically attending a class where there is an opportunity for direct interaction between the instructor and students.

### ***Proof of participation:***

- Exams or quizzes
- Tutorials
- Computer-assisted instruction
- Completion of an academic assignment, paper or project
- Participating in an online discussion about academic matters
- Initiating contact with a faculty member to ask a question about the academic subject studied in the course
- UCD required study group or seminar where attendance is taken

### ***Documentation not acceptable as proof of participation:***

- Student's self-certification of attendance that is not supported by school documentation
- Verification of Enrolment form issued by the Registrar's Office

- Living in UCD housing
- Participating in the Residences meal plan
- Participating in academic counselling or student advising

## Repayment calculation of unearned aid as a result of a withdrawal

As a result of a withdrawal, students who received federal funds will be required to repay “unearned” aid. The repayment calculation is performed utilizing the federal government's worksheet: **R2T4**

The amount of the assistance earned is determined on a pro-rated basis. For example, if a student completed 30% of the term, they have earned 30% of the assistance they were originally scheduled to receive. Once a student has completed more than 60% of the term, the student earns all the assistance they were scheduled to receive for the term.

## Student notification of repayment

A notification letter outlining the amount returned to the federal and institutional program(s) along with a summary of the federal government's repayment worksheet will be e-mailed to students.

UCD will return funds on the student's behalf to the appropriate federal and institutional aid program(s) and subsequently will bill the student's bursar account. A statement reflecting these charges will be sent to the student. The student is responsible for all charges and overpayments resulting from a **Return of Title IV calculation**.

## Repayment to federal and institutional aid programs

Federal regulations and Institutional policy require that the following aid programs be subject to the repayment calculation if the student did not attend 60% of the term:

- Federal Direct Loans: Unsubsidized and Subsidized
- Federal Direct Grad PLUS Loans
- Federal Direct Parent PLUS Loans

## Additional loan information to consider when withdrawing

The federal repayment calculation also has additional loan amounts that the student and parent may be responsible to return directly to the U.S. Department of Education (see the federal government's repayment worksheet).

*Important: Anytime a student is enrolled less than part-time the grace period begins. The student's grace period for loan repayments for Federal Direct Unsubsidized and Subsidized Loans will begin on the day of the withdrawal from the school. If the student is not enrolled part-time for more than 6 months, the loans will go into repayment. The student must contact the U.S. Department of Education (ED) or his/ her lender(s) to make payment arrangements. Loans must be repaid by the loan borrower (student/parent) as outlined in the terms*

*of the borrower's promissory note. The student should contact the lender if he/she has questions regarding their grace period or repayment status.*

## School and student responsibility for return of unearned federal funds

The student and the school are both responsible for returning unearned federal financial aid to the federal government. The student will be billed for any amount due as a result of the return of federal aid funds (R2T4) calculation.

## Repayment of unearned funds

UCD will notify students if they owe federal funds back to the U.S. Department of Education (ED). Amounts that must be returned by the student will first be applied to federal loans. The student/parent will be permitted to repay loans based on the terms of the Master Promissory Note (MPN) which usually consists of scheduled payments to the holder of the loan over a period of time. Any grant overpayment the student has to return to the federal government must be repaid within 45 days after the student receives notification from UCD. If the grant overpayment cannot be paid in full, a repayment plan may be arranged with the U.S. Department of Education.

Students will also receive notice from UCD regarding repayment of institutional funds. If the student owes any money to the UCD resulting from the return of federal or institutional funds, the student will be billed by the UCD's payment office.

## Consequences of non-repayment

Students who owe an overpayment of Title IV funds are ineligible for further disbursements from federal financial aid programs at any institution until the overpayment is paid in full or payment arrangements are made with the U.S. Department of Education.

If a student does not pay funds due to UCD to cover their outstanding balance, the student's records will be placed on financial hold.

## School and Student responsibilities in regard to the R2T4 policy & process

### ***University College Dublin's responsibilities in regard to the Return of Title IV funds***

1. Providing each student with the information given in this policy;
2. Identifying students affected by this policy and completing the Return of Title IV Funds (R2T4) calculation;
3. Informing the student of the result of the R2T4 calculation and any balance owed to UCD as a result of a required return of funds;
4. Returning any unearned Title IV aid that is due to the Title IV programs and, if applicable, notifying the borrower's holder of federal loan funds of the student's withdrawal date;
5. Notifying student and/or Plus borrower of eligibility for a Post-Withdraw Disbursement, if applicable.



### ***Student's responsibilities in regard to the Return of Title IV funds***

1. Becoming familiar with the Return of Title IV Funds (R2T4) policy and how withdrawing from all courses affects eligibility for Title IV aid;
2. Resolving any outstanding balance owed to the UCD resulting from a required return of unearned Title IV aid;
3. Resolving any repayment to the U.S. Department of Education as a result of an overpayment of Title IV grant funds.

### How a withdrawal affects future financial aid eligibility

***Note: The procedures and policies listed above are subject to change without advance notice based on changes to federal laws, federal regulations, or school policies. If changes are made, students must abide by the most current policy.***

***The Federal Refund Policy (R2T4) is very encompassing and this is intended to be an overview of the policies and procedures that govern regulations pertaining to Title IV Refund (R2T4). For further guidance on R2T4 policies and procedures please contact [federalaid@ucd.ie](mailto:federalaid@ucd.ie) and further guidance and instructions can be disseminated.***

### Leave of Absence

A Leave of Absence (LOA) should be only a temporary interruption to a student's programme of study. For the purposes of US Federal Aid a LOA is considered to be the equivalent of a withdrawal from the UCD if it exceeds 180 days (6 months) in any 12-month period. The borrower will be considered as withdrawn from UCD for loan repayment purposes if they fail to return within the 180 day timeframe and at that point, the university is required to calculate the amount of financial aid the student earned and the amount of financial aid that must be returned.

### Distribution of refund money

If it is determined that refund money must be returned to the aid program, the distribution of Stafford money will be as follows

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

Pro-rate refund calculations apply for any international student who is attending University College Dublin and who withdraws within the first 60% of the payment period. If you withdraw from the University whilst in receipt of aid, you may also be required to pay back money to the US Federal government.

Return of loan funds does not cancel your liability to the University for any tuition fee balance outstanding on your account. If a student withdraws from a course of study at any point during the

current academic year, their Loan Servicer will be notified and the student will be required to attend an Exit Counselling Interview.