

Return of Title IV Funds Policy and Withdraws

- Federal regulations referred to as the Return of Title IV Funds policy, require Laredo College to calculate a refund and repayment of federal aid received by students who withdraw prior to the 60% point of a term for which he/she has received federal aid. The Title IV (federal) programs under this policy are: Federal Pell Grant and Federal Supplemental Educational Opportunity Grants (FSEOG). According to the Return of Title IV (R2T4) Funds policy, the student is allowed to retain only the amount of Title IV financial aid that was earned. If a student withdraws or stops participating in classes, a portion of the aid received is considered to be unearned and must be returned to the Title IV programs from which it was received. If the R2T4 calculation results in unearned aid that must be returned, both the school and the student are responsible for returning funds.
- Students wishing to completely withdraw from Laredo College must initiate the withdrawal process at the Office of the Registrar.
- A student who fails all of their classes in a term may be subject to the R2T4 calculation. If a student “earned” at least one of their F’s (if student participated in class until the end of the semester and received an F for poor performance), then no calculation is required. However, if the student failed all classes because they stopped attending at some point in the semester, then a R2T4 calculation is required based on the last documented date of attendance. If a last date of attendance cannot be determined, the 50% point of the term will be used as the withdrawal date, and the unearned aid will be 50%. At the end of the term, the Office of Financial Aid will notify students who have received all F's of the requirement to perform the R2T4 calculation.
- R2T4 Process upon determination that a student has withdrawn, the Office of Financial Aid will process the R2T4 calculation.
- The following steps are used to calculate the amount of aid a student has earned and how much must be returned (if any).
- Within 30 days of the determination that the student owes Title IV funds, the student will be sent a letter notifying them of the balance they owe. Students are given 45 days from the date the notification was sent to repay the debt to Laredo College. Any unpaid accounts will be reported to the National Student Loan Data System (NSLDS). Any student reported to have received an overpayment is not eligible for federal financial aid at any institution until the

overpayment is resolved. The overpayment may be resolved by being paid in full to Laredo College.