**Return of Title IV funds policy**

Title IV funds (“Federal Aid”) are awarded to a student with the assumption that the student will attend school for the entire payment period for which the assistance is awarded. Payment periods are normally framed in each term: Winter term, Spring term and Summer term. This Policy outlines the requirements and responsibilities of the London Metropolitan University (“London Met”) and the student (“student”) in receipt of Federal Aid. When a student ceases attendance prior to the planned ending date, the student may not be eligible for the full amount of Federal Aid funds the student was scheduled to receive.

Loans in Scope:

 1 Federal Direct Subsidised Loan

2 Federal Direct Unsubsidised Loan

3 Federal Direct PLUS (Parent/Graduate) Loans.

Student earns Title IV aid equal to the amount of attendance.

Percentage of aid earned is equal to the percentage of the payment period or the period of enrollment completed.

If London Met has disbursed more aid than the student has earned, Federal aid will be returned to the U.S. Department of Education.

If London Met has disbursed less Title IV aid than the student has earned, a post-withdrawal disbursement will be calculated and will be offered to the student.

After the student completes more than 60 per cent of the payment period or period of enrolment, the student has earned 100 per cent of the scheduled Federal aid and there will no requirement for a RT24 calculation.

London Met policies have no material impact on the level of aid earned under an RT24 calculation.

London Met will use the withdrawal date documented in the Schools record system to determine last date of attendance.

If a student who receives Title IV funding withdraws or interrupts for more than 180 days London Met will follow the requirements of returning funds outlined by the US Dept of Education. The School will use RT24 (Return of funds) to determine how much of the loan may be retained and how much must be returned by either the School or student.

Full information on interruption and withdrawing from London Met can be found below.

Provisions within **(34 CFR 668.22- U.S Department of Education)** require the School to return unearned funds to the US Department of Education.

Timing of calculation: Under federal regulations, the University is required to perform calculations within 14 days from the date on which the School determines a student’s complete withdrawal. The School must return the funds within 45 days to the Department of Education of the calculation and the calculation must be performed within 14 days of the date of determination of withdrawal.

**Calculation method:** When a student withdraws from the University, a calculation will be carried out by the School to determine the amount of financial aid that has been earned, and hence the amount (if any) to be returned. The earned financial aid will be determined by applying the total value of aid for the student’s enrolment for that payment period to the percentage of the course which has been attended in said payment period, any subsequent payments for following payment periods will not be disbursed.

The percentage of attendance will be calculated as follows: **Percentage of attendance = Number of calendar days enrolled in a payment period (Divided by) Total number of calendar days in the payment period**

 If the amount of the Earned Title IV funds exceeds the amount that has been disbursed, the difference is due to the student as a **“Post-Withdrawal Disbursement” PWD.**

**PWD**: The School must offer the student (or parent in the case of a PLUS) the PWD within 30 days of the Date of Determination and request confirmation that the PWD is accepted.

PWD notifications: London Met must with 30 days of the date of determination notify the student and parent in the case of a PLUS loan of the following points: • The borrower may decline all or a portion of the loan disbursement • The School may request confirmation of any amount to be credited to the student’s account or directly disbursed to the borrower • Advise the obligation to repay the loan • Require a response of 14 days • The School reserves the right to not disburse if the response is late • If the school decides to not disburse, the borrower will be advised by email • If the event of no response from the borrower, no disbursement of the PWD will be processed and the PWD will be returned to the Department of education. If there is a credit balance owed to the student after the RT24 calculation this will disbursed to the student no later than 14 days after the RT24 calculation.

A Post withdrawal disbursement may be used to pay the following charges: • Tuition or school related fees.

A student “earns” aid daily and therefore if a student withdraws any “unearned” aid for that payment period will need to be returned.

Once a RT24 calculation has been undertaken the School will issue a copy to the student , if unearned funds have to be returned by the School, a payment will be issued to G5 and the students loan disbursement record will be updated in the Common Origination and Disbursement(COD) portal.

Funds will be returned to the U.S. Department of Education.

**Loans are returned in the following order: • Federal Direct Unsubsidized Loan • Federal Direct Subsidized Loan • Federal Direct Plus Loans.**

If a student never commences attendance for a payment period the student is not an eligible for Title IV funds, therefore R2T4 (**34 CFR 668.22**) does not apply. The School will return all aid back to the Department of Education.

The calculation used for this policy is separate from the London Met Fees Policy. It may mean that the student has a balance to pay London Met once the funds has been returned to the U.S. Department of Education. Students will be notified by email.

If the student is notified that there are loan funds that must be returned (by the student) the student should repay in accordance with the terms of the Master Promissory Note. That is, scheduled payments are made to the holder of the loan over a period. Students who have received a refund of their loan proceeds before withdrawing may be required to return part or all those funds to the lender.

If a student changes their attendance mode to half time a RT24 calculation is not required, if the student changes their attendance mode to less than half-time a RT24 calculation will be undertaken as students must be studying at least half time in order to be eligible for Title IV aid.

**Tier 4 students**

**Official withdrawal**

All U.S. students wishing to officially withdraw from their programme must refer to: • [the School’s website for details of the withdrawal process](https://student.londonmet.ac.uk/your-studies/student-administration/withdrawal-process-module-or-university/) • [the Tuition Fees Policy](https://www.londonmet.ac.uk/applying/funding-your-studies/loans/us-financial-aid/withdrawal-and-refund-policy/), for guidance regarding the expected financial implications of any decision to withdraw. The official withdrawal date for Tier 4 students will be the student’s Last Date of Attendance as signed off by the Academic Department and recorded in the School’s record system, and tuition fees will be calculated accordingly. The withdrawal is reported to UKVI within 10 days of the update being processed in the record system and the University will also report the withdrawal via the National Student Loan Database (NSLDS) within 14 days of the record system update.

**Unofficial withdrawal** Students who have stopped attending classes and did not follow the official withdrawal process of the School are considered as being on an “unauthorised break” from their studies. At this stage, the record will be updated, and students will be withdrawn, and the last date of attendance recorded in the School’s system. The same date will be used to calculate any outstanding fees for the relevant academic year and in conjunction with U.S. Federal regulations, a calculation of Return to Title IV funds will be undertaken using the last date of attendance. The university submits attendance updates every 30-60 days via NSLDS and will update NSLDS with the relevant enrolment code for any enrolment status change. If a student withdraws, the university will update NSLDS with the withdrawal code within 14 days of the enrolment system update.

**Non-Tier 4 students**

Non-Tier 4 students wishing to officially withdraw from their programme must refer to: • [the School’s website for details of the withdrawal process](https://student.londonmet.ac.uk/your-studies/student-administration/withdrawal-process-module-or-university/) • [the Tuition Fees Policy](https://www.londonmet.ac.uk/applying/funding-your-studies/loans/us-financial-aid/withdrawal-and-refund-policy/), for guidance regarding the expected financial implications of any decision to withdraw. The official withdrawal date will be the student’s Last Date of Attendance as signed off by the Academic Department and recorded in the School’s record system, and tuition fees will be calculated accordingly.

Students are expected to engage fully with timetabled teaching sessions, as outlined in the School’s [rules and regulations](https://student.londonmet.ac.uk/your-studies/student-administration/rules-and-regulations/), as well as the programme-related learning resources and support materials that are held within the School’s online learning environment ([Weblearn](https://student.londonmet.ac.uk/weblearn/)). In addition, all students must meet the assessment requirements for their programme.

The date of withdrawal will be determined as follows: • Official withdrawal: in a case where a student notifies the University that he or she intends to withdraw, they will be informed of the need to complete the official Withdrawal Form, including an indication of their last attendance date. The content of the form will need to be signed off by the relevant Academic Department.

**Unofficial withdrawal**

Without an official Withdrawal Form, the School will update the record first to “break unauthorised” and, after one academic year, will write the record off as forcibly withdrawn, determine the last date of attendance according to the last attendance recorded on the School’s online registers and/or any other type of engagement such the submission of coursework. Note: USDE regulations require Schools to complete a RT24 calculation when a student unofficially withdraws and return the funding to the Department of Education. The School will use the last date of attendance for that term to calculate R2T4 within 14 days of the student record system being updated.

**Failure to Progress to the next year of studies or to be Awarded, and Failure to Attend Classes**

Academic failure is where the student attended all classes but failed to achieve the minimum requirements at the end of an academic year to progress to the next or to be awarded the expected qualification. In this instance, the School will not perform an R2T4 calculation. Failure to attend your course will be deemed an academic failure and the School will use your last date of attendance to calculate RT24. If the attendance level of a student who has successfully registered for any given academic year starts falling below satisfactory as defined by the School’s [Rules and regulations](https://student.londonmet.ac.uk/your-studies/student-administration/rules-and-regulations/), the Academic Department will follow the required procedures and follow up with the student. Further to this, there can be four outcomes: • the student starts re-engaging satisfactorily • the student pursues an Interruption of Studies • the student decides to withdraw permanently • or the student is deemed as being on “unauthorised break” if not responding. In all but the former case, the student will be reported to UKVI and their sponsorship withdrawn if they hold a Tier 4 visa.

### **Leave of Absence Policy**

A leave of absence (LOA) is a temporary interruption in a students’ program of study. The leave of absence cannot exceed 180 days. Any student considering requesting a LOA that is in receipt of financial aid, should consult with the Financial Aid Administrator to determine how their financial aid will be affected. You will also need to inform the University’s visa compliance office. As per federal aid regulations students must return to the exact point that they left the course, if this is not possible students will be withdrawn and any unearned aid will be returned to the US Department of Education.

This policy is in compliance with federal regulations, [34 CFR 668.22 (d)](http://www.gpo.gov/fdsys/pkg/CFR-2013-title34-vol3/xml/CFR-2013-title34-vol3-sec668-22.xml), the following criteria outlines the requirements to process an approved LOA:

* The student must request the leave of absence in writing to Financial Aid Administrator for approval. The email stating the reasons for the request should be send to usfinancialaid@londonmet.ac.uk
* It is important to note that LOA cannot be granted for academic reasons (for example: to keep a student from failing).
* There must be reasonable expectation that the student will return from LOA.
* A student returning from a LOA must resume course at the same point in the academic program that they began the LOA.
* Upon return from LOA, London Metropolitan University (LMU) may **not**assess the student any additional institutional charges. Therefore, the student is **not** eligible for any additional federal student aid (Title IV funds).
* If a student is a Title IV recipient, the financial aid administrator must explain the requirements and regulations of their financial aid status (grace period, repayment, etc.) prior to granting the LOA. The information that will be provided will include the financial consequences if the student fails to return from LOA.

A student granted a LOA is not to be considered withdrawn and no return of Title IV calculation is required. If a student does not meet the LOA criteria, the student is considered to have ceased attendance from the institution and a Title IV return of funds calculation is required if the student received federal aid.

### **LOA Impact on Financial Aid**

* LMU will neither credit a student’s account nor deliver loan proceeds to the student borrower while the student is on an approved leave of absence.
* A student who is approved for a leave of absence after receiving financial aid for the term may be required to return a portion of the aid previously received.
* Federal educational loan regulations state that when a student borrower ceases to be enrolled at least half-time for 180 days (6 months), the borrower will be considered as withdrawn from the university for loan repayment purposes.
* The financial aid administrator is required to calculate the amount of financial aid the student earned and the amount of financial aid that must be returned. These calculations are based on the time the student was enrolled.
* The percentage of the semester the student completed is the percentage of aid that the student can keep. The percentage of the semester the student did not complete is the percentage of aid that must be returned.
* Once a student completes more than 60% of the semester, the student has earned 100% of the aid they received for that semester.
* Student borrowers are given a six-month grace period on most types of federal loans starting at the date enrollment ceases.
* Lenders will treat the borrowers’ loans as if the borrower were still enrolled in school full-time.
* Once a grace period is used on a specific loan, it will not be given again.
* At the end of this six month grace period, the student will be required to enter repayment on their federal educational loans until they return to school; however, deferment or forbearance options are available if the student makes a request to their lender.
* If the LOA exceeds 180 days or more this will be treated as withdrawal.

[Read information about Withdrawal and Refund Policy](https://www.londonmet.ac.uk/applying/funding-your-studies/loans/us-financial-aid/withdrawal-and-refund-policy/)