



**US Student Financial Aid Advisor (902) 628-4382**  
**Registrar's Office: Scholarships, Awards and Financial Aid**  
**550 University Avenue Charlottetown, PE C1A 4P3 Canada**

## **Return to Title IV Funds (R2T4) Policy**

U.S. federal aid regulations mandate a Return to Title IV Funds (R2T4) calculation when a student receiving Title IV financial aid (US Direct Loans (subsidized and unsubsidized) or Parent PLUS loans) withdraws from the institution. If a student never attends, ceases enrolment, or withdraws from all courses in the semester and the student received U.S. federal financial aid, the college must determine if these funds are required to be returned to the US government within 45 days of the date of withdrawal.

The R2T4 calculation may result in a reduction of the student's US federal loan(s) if the student attended less than 60 percent of the semester. The R2T4 calculation is based on the following:

- The number of days the student attended
- The number of days in the semester
- The institutional charges assessed
- The total amount of US Direct Loan aid awarded, accepted and/or disbursed.

As a result, the University of Prince Edward Island (UPEI) and the student may be required to return any "unearned" US federal aid received. **UPEI may be obligated to return funds on behalf of a student.**

If the amount of the loan funds returned exceeds any existing credit on the student's account, **the student will owe the funds to UPEI. The student should make arrangements with UPEI's [Student Accounts](#) office to repay the outstanding amount to the University as soon as possible.**

Funds returned to the U.S. Department of Education on behalf of a student are used to repay the current year's loans in the following order:

1. Unsubsidized US Direct Loan
2. Subsidized US Direct Loan
3. Parent PLUS for Undergraduate students

The following information is provided for your assistance in understanding the Return of Title IV Funds:

## **1) Disbursement of Funds and Return/Refund requirements:**

UPEI students are communicated with regarding the disbursement of their financial aid from the Financial Aid Advisor in the Registrar's Office and Student Accounts Supervisor in the Accounting Office. Details of registration dates; disbursement dates; tuition fee due dates; add-drop-discontinue-course deadline and refund dates are routinely shared with students through verbal, written and electronic communication.

If the student is a first-year undergraduate and a first-time borrower of financial aid, they may have to wait 30 days after the first day of the enrollment period (first day of the semester) for their first disbursement. Students should check with our personnel in the Accounting Office and Registrar's Office to confirm if this applies.

Accounting: [accounting@upei.ca](mailto:accounting@upei.ca) – (902) 566-6000 – <http://www.upei.ca/finance/accounting>

Registrar's Office: [registrar@upei.ca](mailto:registrar@upei.ca) – (902) 566-0439 – <http://www.upei.ca/studentlife/registrars-office>

## **2) UPEI's General Refund Policy:**

### **Regulations Governing Payments and Refunds—Academic Fees—Full-time**

1. All tuition and items 1 to 5 under Other Fees are payable during registration for first and second semesters on the dates set forth under Calendar Dates 2014-2015. All other fees are payable when incurred.
2. Students registering for second semester only are required to pay the tuition fees as specified above but only pay one-half Student Union fees.
3. While a student is financially indebted to the University, no testimonial, diploma, certificate, or statement of examination record will be issued.
4. Students financing part or all of their education with funds from a Canada Student Loan and/or a Provincial Student Loan are required to complete the necessary arrangements before their arrival on campus for registration. Student loan application forms for Prince Edward Island students are available from the University Department of Student Services or from the PEI Department of Education. These application forms are to be completed and filed with the Provincial Government during the early summer months in order that a Certificate of Eligibility may be obtained before registration in September. Students from other provinces must apply through their applicable Provincial Government student aid office.  
All Certificate of Eligibility forms must be processed at the Accounting Office and delivered to the lending institution negotiating the loan. Failure to follow this procedure will subject the student to a late fee.
5. Students who intend to finance their education with student loan funds but have not received their Certificate of Eligibility prior to registration must pay the required fees at registration time. They should, therefore, arrange the necessary temporary financing before their arrival for registration. Failure to do this will subject the student to a late fee.
6. Students whose educational costs are paid by an external organization which requires direct billing by the Accounting Office must present proof of such arrangements at the time of registration. Please note: If monies are not received from the external organization before the designated due dates the student will be subject to a late fee.

7. The UPEI Student Union-administered student medical plan is a supplement to the Canadian Provincial Medicare plans and covers the student (Canadian and International) for certain benefits not provided by Medicare. The term of coverage is from September 1 to August 31 of each registered year for students registering in the fall. All students must pay the specified premium at the time of registration. Those not requiring medical coverage and wishing refunds on the premium paid must present proof of similar coverage to the Student Union Office prior to September 30 of each registered year or during a specific period of time which will be advertised on campus bulletin boards.

8. Full-time students who withdraw from the University or from individual courses voluntarily or otherwise before October 31 in the first semester or February 28 in the second semester may be allowed a refund on part of their tuition fees, (please note that fees other than tuition fees and student union dues are not refundable) provided written notice is previously filed with the Registrar's Office and the Accounting Office. The date of withdrawal shall be the day notice is received. Refunds will be made for complete months only; any part of a calendar month attended or registered by a student constitutes a full month. Refunds are based on the following discontinuation dates:

1st Semester

Month of September 60%

Month of October 40%

2nd Semester

Month of January 60%

Month of February 40%

9. Student Union Dues Refund

Student Union dues shall be refunded to students who discontinue courses in the following manner:

—100% until September 30 for fall semester

—80% until October 31 for fall semester

—100% until January 31 for winter semester

—80% until February 29 for winter semester

Regulations Governing Payments and Refunds—Academic Fees—Part-time

1. Part-time students must pay all of their tuition and other fees at the time of registration on the dates set forth in the 2014-2015 Calendar. Registration will not be complete until all fees are paid or financial arrangements have been made with the Accounting Office.

2. While a student is financially indebted to the University, no testimonial, diploma, certificate, or statement of examination record will be issued.

3. Part-time students who withdraw from the University or from individual courses voluntarily or otherwise before October 31 in the first semester or February 29 in the second semester may be allowed a refund on part of their tuition fees (unless otherwise specified at time of registration) provided written notice is previously filed with the Registrar's Office and the Accounting Office. The date of withdrawal shall be the day notice is received. Refunds will be made for complete months only; any part of a calendar month attended or registered by a student constitutes a full month. Refunds are based on the schedule of refunds as specified under

Regulations Governing Payments and Refunds for Full-Time Students. In no case will refunds be made after February 29. Please note that fees other than tuition fees are not refundable.

Please contact the Student Accounts Office for further details on UPEI's Refund Policy:

Accounting Office: [accounting@upei.ca](mailto:accounting@upei.ca) – (902) 566-6000 – <http://www.upei.ca/finance/accounting>

### **3) Procedure to Officially Withdraw from UPEI**

Students enrolled in courses have the option of dropping or discontinuing them with varying levels of refund, depending on how far into the semester it is. Students can use the Course Discontinuation form available in the Registrar's Office to drop or discontinue courses that they are currently registered in.

Please contact the Registrar's Office for further details on UPEI's Course Discontinuation:

[registrar@upei.ca](mailto:registrar@upei.ca) – (902) 566-0439 – <http://www.upei.ca/studentlife/service/drop-or-discontinue-course>

### **4) How does UPEI establish the last day of attendance for students who withdraw?**

#### **Regulations Governing Payments and Refunds—Academic Fees—Full-time**

Full-time students who withdraw from the University or from individual courses voluntarily or otherwise before October 31 in the first semester or February 28 in the second semester may be allowed a refund on part of their tuition fees, (please note that fees other than tuition fees and student union dues are not refundable) provided written notice is previously filed with the Registrar's Office and the Accounting Office.

**The date of withdrawal shall be the day notice is received.** Refunds will be made for complete months only; any part of a calendar month attended or registered by a student constitutes a full month. Refunds are based on the following discontinuation dates:

#### 1st Semester

Month of September 60%

Month of October 40%

#### 2nd Semester

Month of January 60%

Month of February 40%

#### **Regulations Governing Payments and Refunds—Academic Fees—Part-time**

Part-time students who withdraw from the University or from individual courses voluntarily or otherwise before October 31 in the first semester or February 29 in the second semester may be allowed a refund on part of their tuition fees (unless otherwise specified at time of registration) provided written notice is previously filed with the Registrar's Office and the Accounting Office.

**The date of withdrawal shall be the day notice is received.** Refunds will be made for complete months only; any part of a calendar month attended or registered by a student constitutes a full month. Refunds are based on the schedule of refunds as specified under Regulations Governing Payments and Refunds for Full-Time

Students. In no case will refunds be made after February 29. Please note that fees other than tuition fees are not refundable.

Please contact Student Accounts Office for further details on UPEI's Date of Withdrawal and Refund Policy:  
Accounting Office: [accounting@upei.ca](mailto:accounting@upei.ca) – (902) 566-6000 – <http://www.upei.ca/finance/accounting>

## **5) Date of Determination versus Date of Withdrawal**

UPEI operates with standard term based programs, not on an attendance-taking program basis, so the institution uses the payment period calculation to determine the amount of DL funds earned by the student.

As a non-attendance taking institution, the Date of Determination is the date that the student provides notification to the university. This aligns with the Date of Withdrawal information outlined above; the Date of Withdrawal is the date that notice is received from the student.

Please contact Student Accounts Office for further details on UPEI's Date of Withdrawal and Refund Policy:  
Accounting Office: [accounting@upei.ca](mailto:accounting@upei.ca) – (902) 566-6000 – <http://www.upei.ca/finance/accounting>

## **6) Taking a Leave of Absence**

It is highly recommended that if you plan to take a leave of absence from your program of study that you speak with your program chair and an academic advisor to determine the implications of taking time away from your studies. Academic advisors are available for appointment through the Student Affairs office; students taking a leave of absence would also want to confirm with the Accounting Office to ensure their student account is in order before taking leave, and also the Financial Aid Advisor in the Registrar's Office to confirm there will be no adverse effect on the student's ability to continue their studies and receive funding in the future.

Student Affairs: [studentserv@upei.ca](mailto:studentserv@upei.ca) – (902) 566-0488 – <http://www.upei.ca/studentlife/student-affairs>  
Accounting: [accounting@upei.ca](mailto:accounting@upei.ca) – (902) 566-6000 – <http://www.upei.ca/finance/accounting>  
Registrar's Office: [registrar@upei.ca](mailto:registrar@upei.ca) – (902) 566-0439 – <http://www.upei.ca/studentlife/registrars-office>

## **7) How does UPEI calculate the amount of DL funds earned by the student?**

The R2T4 calculation is based on the following:

- The number of days the student attended
- The number of days in the semester
- The institutional charges assessed
- The total amount of US Direct Loan aid awarded, accepted and/or disbursed.

Calculation used when determining the amount of Title IV funds earned:

Programs measured in credit-hours:

$$\frac{\text{\# of days in attendance}}{\text{\# of days in the PP or the POE}} = \% \text{ of Title IV Earned}$$

Programs measured in clock-hours:  

$$\frac{\text{\# of scheduled clock-hours}}{\text{\# of clock-hours in the PP or POE}} = \% \text{ of Title IV Earned}$$

The R2T4 calculation may result in a reduction of the student's US federal loan(s) if the student attended less than 60 percent of the semester. Possible outcomes when R2T4 is calculated:

- Amount of Title IV funds exceeded amount earned, so funds must be returned
- Amount of Title IV funds less than amount earned, so a post-withdrawal disbursement must be made
- Amount of Title IV funds equals amount earned

**Earned funds**

The percentage of Title IV grant and loan assistance equal to the percentage of the payment period or period of enrollment that the student completed. EX: Student A begins program of study and withdraws after completing 10%. Student A earned 10% of his or her Title IV funds

**Unearned funds**

The percentages of Title IV grant and loan assistance that has not been earned by the student that is calculated by determining the complement of the percentage earned. EX: The amount of Student A's Unearned funds is the complement of 10% or 90%, therefore 90% of Student A's Title IV funds were Unearned

**Example #1: Student leaves after 23 days in the first term of a two-term academic year.**

**Example #2: Student leaves after 21 days in the second term of a two-term academic year.**

PAYMENT PERIOD	
Total # of Days:	100
# of Days Completed	23
	-----
% Earned	0.23
 Total TIV AID Disb'd or Could Have Been Disb'd	 2000
	-----
Amt Earned	460
Amt Unearned	1540

PAYMENT PERIOD	
Total # of Days:	100
# of Days Completed	21
	-----
Calculate %	0.21
% Earned (If > 60%, earned = 100%)	0.21
 Total TIV AID Disb'd or Could Have Been Disb'd	 2000
	-----
Amt Earned	420
Amt Unearned	1580

*Examples sourced from Return of Title IV Funds – Basic Training presentation. Dan Klock, December 2013. U.S. Department of Education, 2013 FSA Training Conference for Financial Aid Professionals.*

## **8) What is UPEI's post-withdrawal disbursement process?**

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)

In the case of a post-withdrawal disbursement being required, students will be notified via written notice to their university email address by the Accounting Office. Students will be able to receive their PWD from AVC Student Affairs or Registrar's Office depending on their enrolment and program of study. The process and contact location would be communicated in the written notice to students.

The post-withdrawal disbursement process is coordinated through the Student Accounts Supervisor in the Accounting Office and the Financial Aid Advisor in the Registrar's Office in order to ensure that the student's account and standing are efficiently updated through the COD and G5 reporting system.

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