**Return of Title IV Funds**

The U.S. Department of Education requires a school to compute the amount of Federal Title IV Financial Aid Funds received during a payment period or period of enrollment which have been earned by the school or the student at the time when his or her enrollment terminates. This is based upon the date that the student ceases attendance. A student who completely withdraws at, or before 60% of the term or semester, may have to return a portion of their unearned Financial Aid. They may owe tuition, fees, or repayment of federal funds.

Since P.I.T. is an attendance taking institution, when a student unofficially or officially withdrawals from the college, the withdrawal date is the last date of attendance as documented in the student records.

A Return of Title IV Funds (R2T4) calculation determines the percentage of Financial Aid that students have earned. This is based on the number of calendar days students attended, divided by the number of days in the payment period or period of enrollment (excluding official scheduled breaks of 5 or more days). The amount of funds disbursed and that could have been disbursed is then multiplied by the percent derived from the previous formula which will give you the amount of Title IV earned by the student. The school will return the lesser amount of the aid to be returned, as compared to the institutional charges, multiplied by the percentage of unearned Financial Aid. This amount will be the difference between the amount of Title IV aid due from the school and the amount of Title IV aid to be returned. The unearned portion of the Title IV funds received must be returned to the government.

The order in which Title IV funds must be returned is below:

1. Unsubsidized Loans
2. Subsidized Loans
3. Direct PLUS loans
4. Federal Pell Grants
5. FSEOG

If the student did not receive all of the funds earned, they may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes grant funds, grants must be disbursed within 45 days. If the post-withdrawal disbursement includes loan funds, the institution must get the student’s approval before the funds can be disbursed. The student may choose to decline all, or part, of the loan funds so that they do not incur additional debt. Loans must be offered to the student within 30 days and students who wish to have loan funds credited to their account will need to make a request in writing to the Financial Aid Office within 14 calendar days of receiving their notification letter. If the R2T4 calculation results in a credit balance on the students account, the credit balance must be disbursed as soon as possible, but no later than 14 days after the calculation of the R2T4.

If the R2T4 calculation results in an amount to be returned that exceeds the College’s portion, the student must repay some funds. The student will be responsible for any unpaid charges incurred by the institution having to return Title IV funds.

**Timeliness of R2T4’s and Refunds**

Once the institution has determined that the student has completely withdrawn, an R2T4 calculation must be performed within 30 calendar days. All refunds determined from the R2T4 calculation must be made within 45 days that the school determined the student withdrew. The institution will notify the student in writing of their revised eligibility after their R2T4 calculation is completed.