

Laurus College Return to Title IV Funds Policy

The Federal Return of Title IV funds formula (R2T4) dictates the amount of Federal Title IV aid that must be returned to the federal government or the lending institution by the school and/or the student. The federal formula is applicable to an eligible student receiving federal aid when that student withdraws on or before the 60% point in time in the payment period. If a student does not begin training, the R2T4 formula does not apply.

For official withdrawals a student's withdrawal date is the date the school received notice from the student that they are withdrawing. For unofficial withdrawals a student's withdrawal date is their last day of physical attendance or educationally related activity. Laurus College's determination that a student is no longer in school for unofficial withdrawals is determined after 14 consecutive days of non-attendance.

The federal formula requires a Return of Title IV calculation if the student received or could have received (based on eligibility criteria) federal financial assistance in the form of Pell Grants, Stafford Loans or Plus loans and withdraws on or before completing 60% of the payment period. The percentage of Title IV aid earned is equal to the percentage of the payment period that was completed as of the withdrawal date if this occurs on or before the 60% point of time. A payment period is defined as 10 weeks. The percentage that has not been earned is calculated by subtracting the percentage of Title IV aid earned from 100%.

The percentage of the payment period completed is calculated by the credit hours attended in the payment period as of the withdrawal date divided by the scheduled credit hours in the payment period. The amount to be returned is calculated by subtracting the amount of Title IV assistance earned from the amount of Title IV aid that was or could have been disbursed as of the withdrawal date.

If a student receives less Title IV funds than the amount earned, Laurus College will offer the student a disbursement of the earned aid that was not received at the time of their withdrawal which is a post withdrawal disbursement. Post withdrawal disbursements will be made from Pell grant funds first if eligible. If there are current educational costs still due the school at the time of withdrawal, a Pell grant post withdrawal disbursement will be credited to the student's account. Any Pell grant funds in excess of current educational costs will be offered to the student. Any federal loan program funds due in a post withdrawal disbursement must be offered to the student and the school must receive the student's permission before crediting their account.

The following Title IV refund distribution is used for all FA students due a refund:

1. Unsubsidized Federal Stafford Loan
2. Subsidized Federal Stafford Loan
3. Unsubsidized Direct Stafford Loan
4. Subsidized Direct Stafford Loan
5. Federal Perkins Loan
6. Federal PLUS Loan
7. Direct PLUS Loan
8. Federal Pell Grant
9. FSEOG
10. Federal Work Study

Refunds will be made to the federal programs within 45 days of notification or determination of a student's withdrawal.

The statute requires that a student is responsible for all unearned Title IV program assistance that the school is not required to return. This is determined by subtracting the amount returned by Laurus College from the total amount of unearned Title IV funds to be returned.