

Royal Holloway, University of London

Return of Title IV Funds Policy

If any student is considering withdrawing or interrupting or taking a leave of absence, we strongly recommend that they:

- Arrange to meet their Personal Tutor, Programme Director, Supervisor or Head of Department to discuss the implications of withdrawing and options open to them.
- Seek support from the Wellbeing Support team at [Student Wellbeing - Royal Holloway Student Intranet](#) or by emailing wellbeing@rhul.ac.uk
- Seek guidance from the Students' Union Advice Centre at [Advice \(rhul.ac.uk\)](#) or by emailing advice@su.royalholloway.ac.uk

In addition, if the student is receiving federal loans, we strongly recommend that they contact International and Money Advice to discuss the effects of this decision on their federal loans at usloans@rhul.ac.uk and their visa at Internationaladvice@rhul.ac.uk.

University Refund Policy

The University has an institutional refund policy which is available at: [student-fees-regulations-2025-26.pdf](#) (updated annually) and it applies to all students attending the University. In addition, this policy outlines the requirements and responsibilities that are required of the University and students receiving federal aid.

Official Withdrawal

A withdrawal refers to a student's intent to terminate their studies at the University completely with no expectation of return. Students who subsequently decide to return to their studies must re-apply.

If a student has spoken to their school or department and wants to withdraw, they have to complete the online form that is appropriate to their level of study.

If an Undergraduate student wants to withdraw from their studies, they need to go to:

- [Update my study details - Royal Holloway Student Intranet](#) and select the link to the Undergraduate pages.
- This will direct them to [Update my undergraduate study details - Royal Holloway Student Intranet](#). The final option on that page is *Withdraw from your studies* and they have to click on the link to the Withdrawal of Studies Form.
- This links to [Withdrawal of Study Form \(office.com\)](#) which is the form the student must complete to start the withdrawal process.

If a Postgraduate Taught student wants to withdraw from their studies, they need to go to:

- [Update my study details - Royal Holloway Student Intranet](#) and select the link to the Postgraduate pages.
- This will direct them to [Update my postgraduate taught study details - Royal Holloway Student Intranet](#). The final option on that page is *Withdraw from your studies* and they have to click on the link to the Withdrawal of Studies Form.
- This links to [Withdrawal of Study Form \(office.com\)](#) which is the form the student must complete to start the withdrawal process.

If a Postgraduate Research student wants to withdraw from their studies, they need to go to:

- [Changes that affect your registration status - Royal Holloway Doctoral School](#) and select Withdrawal from study
- This will direct them to [Withdrawal from study - Royal Holloway Doctoral School](#). At the bottom of this page is the Withdrawal from Studies Form for postgraduate research students that they must complete to start the withdrawal process.

For all students, the form that the student submits will be sent to their school/department for approval. The withdrawal date is the date specified by the student on the online, checked by Student Administration (for Undergraduate or Postgraduate Taught Students) using the University's attendance records or by the Doctoral School (for Postgraduate Research Students) to confirm their last attendance and it is then confirmed to the student as their withdrawal date.

This information is used by the Student Administration team to prepare and distribute a Student Movements spreadsheet that reports the details of all students who interrupt or withdraw, including the withdrawal date.

This is the withdrawal date that is used for Federal Aid purposes. The University will also report the withdrawal via the National Student Loan Database (NSLDS).

Unofficial Withdrawal

An unofficial withdrawal is one where the student does not notify the University that they have ceased attending their programme of studies at the University. The University is an attendance-taking institution and this may become an attendance and engagement issue so that the formal warning process may be invoked (see [Formal Warnings - Royal Holloway Student Intranet](#)). This process can be lengthy but can ultimately lead to the student having their registration at the University terminated. However, as the majority of students eligible for Federal Loans attend the University on a Student Visa, they are subject to additional checks to comply with the University's UKVI obligations.

In addition, every week the University runs a specific report for students receiving federal loans to check whether they have been attending their programme. If they fail to do so, the International and Money Advice team will contact the student to check whether they are intending to withdraw. In this way the University can identify the last day of attendance of the student within 14 days of the student's non-attendance.

The last date of attendance is the withdrawal date that is used for Federal Aid purposes for students who unofficially withdraw for Federal Aid purposes. The University will also report the withdrawal via the National Student Loan Database (NSLDS).

Principles behind Return of Title IV Funds and Royal Holloway, University of London Refund Policy

1. Title IV funds are awarded to a student on the expectation that the student will attend the University for the entire payment period for which the assistance is awarded. When a student begins attendance but withdraws before the end of the payment period, they may not have earned the full amount of the Federal Aid they received during the payment period. Therefore, the University is required to carry out a calculation to determine how much of the Federal funds can be retained and how much of the loan must be returned by the University or the student. This is called a Return of Title IV Funds calculation (R2T4 calculation).
2. This may apply when a student receiving Title IV aid has started their programme but withdraws or takes an approved leave of absence or interruption of studies exceeding 180 days in a 12 month period or an unapproved leave of absence (see Leave of Absence policy). In addition, if a student completes or graduates earlier than anticipated or becomes ineligible for federal aid following changes to their eligibility or enrolment (for example if their attendance drops below part-time (half time)) or as determined by the U.S. Department of Education. No additional disbursements can be made to a student after their Withdrawal Date.
3. As the calculation used for this policy is separate from the University's Refund Policy, it may mean that the student still owes funds to the University to cover unpaid University charges. If this is the case, students will be notified by email and a copy of the calculation sheet can be sent to the student.

Calculating earned Financial Aid

4. When the student withdraws, the University will use the R2T4 calculation provided by the US Department of Education to calculate the amount of Title IV Aid they have earned. This recalculation of both Stafford and PLUS loans will determine whether or not the student has earned all the aid they have received (or could have received) during the payment period.
5. The University will perform this within 30 days from the date that they determine a student's complete withdrawal. For this purpose, the University will use its School attendance records to determine the last date of the student's academic attendance and this will be the Withdrawal Date. The University will return the unearned funds no later than 45 days from the date of determination of a student's withdrawal.
6. The Withdrawal Date is counted as a completed day for the purposes of this calculation.
7. The R2T4 calculation is based on:

- a. The number of days a student attended
 - b. The number of days in the loan payment period
 - c. The institutional charges (i.e. tuition, cost of accommodation if applicable etc)
 - d. The total amount of US Direct Loan aid awarded and/or disbursed
8. When a student borrower withdraws, the University must determine the percentage of title IV aid that the student borrower has earned. To do this, the University will determine the percentage of the student's attendance and apply this to the title IV aid that the student has received. This is calculated as follows:

$$\text{Percentage of loan funds earned} = \frac{\text{Number of calendar days enrolled in a payment period*}}{\text{Total number of calendar days in the payment period*}}$$

*This includes weekends, but excludes scheduled breaks of 5 or more consecutive days

9. The student borrower will be deemed to have earned 100% of the aid received if the result of the calculation is that the student has earned more than 60% of the payment period. In this case, there will be no requirement to return federal loan funds to the US Department of Education.
10. Any credit balance refund for a withdrawn student must be put on hold until the R2T4 is calculated. The regulatory timeframe for any credit balance resets 14 days from the date the R2T4 calculation is performed.

Return of unearned aid

1. If the total amount of title IV Aid that the student has earned is less than the amount of title IV loan assistance that was disbursed, the difference between these amounts must be returned to the US Department of Education by the University and/or the student. For example, if a student completes 30% of the payment period, they will have earned 30% of the financial aid that they were originally scheduled to receive. Therefore, the unearned balance must be returned.
2. Once the R2T4 calculation has been completed, the University will notify the student whether or not there are any unearned funds that need to be returned. If unearned funds have to be returned by the University, a payment will be issued to G5 and the student's loan disbursement record will be updated in the Common Origination and Disbursement (COD) portal.
3. Funds will be returned to the US Department of Education in the following order:
 - a. Federal Direct Unsubsidized Loan
 - b. Federal Direct Subsidized Loan
 - c. Federal Direct PLUS Loan

4. If there are loan funds that they must return themselves, the student will be notified of this in writing by the University within 30 days. The student should repay these loan funds in accordance with the terms of their Master Promissory Note to be made to the holder of the loan. If the student has received a refund of their loan proceeds before withdrawing, they may be required to return part or all of these funds to the lender.

Post-Withdrawal Disbursement (PWD)

5. If the total amount of Title IV Aid that the student has earned is greater than the amount of Title IV Aid that was disbursed, then the difference between these amounts must be treated as a post-withdrawal disbursement ("PWD") due to the student.
6. Within 30 days of the date that it has been determined that the student withdrew, the University will contact the student (or parent in the case of a parent PLUS loan) in writing to offer them the PWD identifying the type and amount of loan funds involved. The University will explain that the student (or parent) can choose to accept or decline some or all of these funds and require a response by email within 14 days. The University may automatically request confirmation that all or a portion of the PWD (including loan funds, if the student accepts them) can be used to cover institutional charges or be directly disbursed to the student. If the response is received after that time, the University may honour that response but not if it is received more than 180 days late. International and Money Advice will confirm this decision to the student in writing. The University will only disburse the PWD on receipt of emailed confirmation from the student (or parent).
7. Any PWD must be repaid in the same way as other loan funds disbursed in accordance with the terms of the promissory note.

Other circumstances

8. If a student fails to start, enrol or re-enrol at the University for a payment period, that student is not eligible for Title IV funds and so it is not necessary to carry out an R2T4 calculation.
9. If a first year undergraduate student withdraws within the first 30 days of a programme they are deemed not to have earned any federal aid and so it is not necessary to carry out an R2T4 calculation.

Exit Counselling

When a student withdraws from the University, they are required to complete Exit Counselling at studentaid.gov/exit-counseling/. This provides important information on the repayment of their federal student loans and money management. International and Money Advice will check that students undertake this Exit Counselling and document it in their records.