

Withdrawal/Return of Title IV Direct Loan Funds (R2T4)

Title IV Direct Loan funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. A student who subsequently withdraws from the institution is subject to assessment of the eligibility of those funds.

Quest University (Quest) must determine the withdrawal date and use a Return to Title IV (R2T4) calculation to determine what amount of loan funding the student earned during the payment period.

When a student reduces their course-load (i.e., from 12 to 9-credits), the reduction represents a change in enrolment status, not a withdrawal from the university. No R2T4 calculation is required.

If a student never attends, the loan is cancelled, all funds are returned to the Department of Education without an R2T4 calculation.

Withdrawal Types

Unofficial (administrative)

A student who leaves the university without completion of a *Notice of Withdrawal* or an approved leave of absence and after a term of inactivity, will be administratively withdrawn at the discretion of the Registrar. The date of last attended Block is recorded as the date of administrative withdrawal.

Official

An official withdrawal from the university is receipt of a completed *Notice of Withdrawal*. The date the completed form is received is considered the effective date of the withdrawal unless a later date is noted on the form. If a future date is indicated, the university will use the student's last day of (academic) attendance within the enrolled Block as the official withdrawal date.

Withdrawal and a Leave of Absence

All students are registered full-time for four Blocks per term, a total of eight Blocks in an academic year. Students who enroll in less than four Blocks are required to complete an online *Leave of Absence Request*, approved by the faculty advisor, Dean of Student Life, Financial Aid, and the Registrar. Students receiving Title IV aid may not exceed a total of 180-days of leave in any 12-month period. Any student on aid who does not resume attendance on or before the end of a leave of absence, is treated as a withdrawn student for Title IV purposes.

R2T4 Calculation

The amount of Title IV funds earned by a student is determined on a pro-rata basis. The percentage of funds that must be returned (by either the school, the student, or both) is based on the number of dates in attendance and the number of days remaining in the payment period.

Days Completed / *Total Days = % Completed

**Scheduled breaks of five or more consecutive days and days that the student was on an approved leave of absence are excluded.*

If the calculated percentage exceeds 60%, the student has earned all their Title IV funding for the payment period. If the percentage is less than 60%, a calculation determines the amount of earned aid.

$$\text{Total Aid Disbursed} \times \% \text{ of Payment Completed} = \text{Amount of Earned Aid}$$

$$\text{Total Disbursed Aid} - \text{Amount of Earned Aid} = \text{Unearned Aid to be Returned}$$

If the aid already disbursed equals the earned aid, no further action is required.

If the aid disbursed is less than the earned aid, the institution may owe the student a post-withdrawal disbursement. Quest will notify a student or parent PLUS Loan borrower by email prior to making a post-withdrawal disbursement of loan funds within 30-days of the date of a school's determination that a student has withdrawn. The borrower has 14-days from the date Quest notifies them of their eligibility to respond with a decision. If there is no response made from the borrower, no post-withdrawal disbursement can be made.

If the aid disbursed is greater than the earned aid, the difference must be returned. The university must return any funds for which it is responsible as soon as possible but no later than 45-days after the student's official or administrative withdrawal date. Note—the return of Title IV funds may result in the student owing a balance to Quest.

The requirements of R2T4, are separate from that of any Quest refund policies. Withdrawn students who have a university credit balance will have their Quest refund placed on hold until an R2T4 calculation is made. Once the R2T4 calculation has been made, students will receive any credit balance within 14-days of the R2T4 calculation date. Quest's institutional refund policy can be found in the [Academic Calendar](#).

Order of Returning Unearned Funds

Title IV funds will be returned in the following order:

- Unsubsidized Direct Loans
- Subsidized Direct Loans
- Parent PLUS Loans

Questions? Contact Financial Aid (financial.aid@questu.ca).