

# Federal Student Aid: R2T4 Policy

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## Overview

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US Federal regulation specifies that if a student begins attendance, then withdraws or transfers from all eligible courses or ceases attendance at King's College London, King's must complete a **Return to Title IV (R2T4)** calculation and arrange for any *unearned* loan funds to be returned to the US Department of Education.

'Withdraw' is used in this document to mean complete withdrawal or transfer from an eligible course or a period of interruption.

## Support with withdrawal or interruption

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If a student is considering **withdrawing** from their course or **interrupting their studies** they should read our ['should I leave my course or just take a break'](#) article.

The above article also details other steps that students are encouraged to take, including speaking to their Personal Tutor.

For international students subject to immigration control, it is essential they [contact the Advice & Guidance Team](#) about how withdrawal/interruption affects their visa and right to remain in the UK.

## Determining the date of withdrawal

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If a student completes the formal withdrawal process their withdrawal will be calculated as of that date. Full details of the formal withdrawal process can be found on our ['how can I withdraw from my programme'](#) article.

USDE considers UK universities to be 'attendance taking', as such US Federally funded students will be under heightened attendance monitoring. The way King's does this is by having each USDE funded student to sign-in to a module on KEATS and confirm their ongoing engagement and attendance. This is a legally binding confirmation that requires the student to confirm their attendance on their course. If they fail to login to KEATS for 14 days this will trigger an **Unofficial Withdrawal** and suspend entitlement to US Federal Funding until the student re-engages with their course and the KEATS module. If a student is subject to an unofficial withdrawal in this way and subsequently re-gain eligibility they will not be eligible for funding during the period deemed 'not in attendance'.

## Calculation of Loan Entitlement following a withdrawal

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If a student withdraws from their course or interrupts their studies, then King's College London will handle their loan funds in accordance with the regulations set out by the US Department of Education.

In the first instance we will use the US Federal Student Aid office's **RT24** form to calculate the amount of funds from the current disbursement period that will need to be returned.

The **R2T4** process will use the student's **last date of attendance** to calculate their entitlement to Federal Student Aid.

Attendance is calculated for the **payment period** during which the **withdrawal** occurs. A student *earns* aid for every day they attend, and any unearned aid must be returned. Attendance is calculated by the number of calendar days, including weekends, holidays and other non-study days, but excluding any periods of more than five consecutive scheduled non-study days.

The university is responsible for returning any proportion of *unearned* funds it has received to the US Department of Education.

If you have attended for over **60%** of the current disbursement period, then no funds will be returned by the university.

*The R2T4 requirement is independent of King's tuition fee regulations and your fee liability may be greater than your loan entitlement.*

## Payment Periods

The dates for the payment periods vary depending on your level of study.

### Undergraduate

	Start	End	Total No. of Days	Scheduled Non-Study Days
<b>Payment Period 1</b>	23/Sep/2024	28/Jan/2025	128	23
<b>Payment Period 2</b>	29/Jan/2025	30/05/2025	122	24

### Postgraduate

	Start	End	Total No. of Days	Scheduled Non-Study Days
<b>Payment Period 1</b>	23/Sep/2024	05/Jan/2025	105	23
<b>Payment Period 2</b>	06/Jan/2025	21/Apr/2025	106	24
<b>Payment Period 3</b>	22/Apr/2025	07/Jul/2025	77	0
<b>Payment Period 4 (PG)</b>	08/Jul/2025	22/Sep/2025	77	0

Number of days are calculated inclusive of start and end date.

## Leave of Absences

The Title IV Leave of Absence policy is very specific; In order to be classed as on a leave of absence under Title IV regulations a leave of absence can be no more than 180 days and the student must return to the exact same point they were before the leave. As such interruptions to study at King's do not satisfy the regulations. Any student interrupting their studies at King's will be reported as Withdrawn for that period and will be reported as in attendance again once they resume their studies.

## Example Calculations

### Tim

Tim enrolls on a postgraduate degree programme and withdraws from his studies on 4<sup>th</sup> November 2024.

The corresponding payment period runs from 23/Sep/2024 up until the day prior to his next payment period, 05/Jan/2025.

This represents 105 total days, however 23 scheduled non-study days (representing the Christmas break period) do not count towards the calculation.

This means that there are 82 days in the enrolment period that count towards the R2T4 Calculation. Tim has completed 43 days of study. Our calculation therefore looks like this:

$$43 \div 82 = 52\%$$

As Tim has earned entitlement for 52% of the payment period, this means that, assuming King's College London has disbursed 100% of the funds for the period, King's College London must return 48% of all the funds allocated to fees from his disbursement.

If King's has disbursed less than 52% of funds, then King's must offer Tim a post-withdrawal disbursement.

### Daisy

Daisy withdraws from her programme on the 28<sup>th</sup> February 2025.

Her current payment period runs from 06/Jan/2025 to 21/Apr/2025 and includes 106 days. However, 24 scheduled non-study days (representing the Easter period) do not count towards the calculation.

This means that there are 82 days in the enrolment period that count towards the R2T4 Calculation. Daisy has been enrolled for 54 days at the point that she withdraws.

$$54 \div 82 = 66\%$$

As the number of days that Daisy has been enrolled is above the 60% threshold, no funds need to be returned as a result of the R2T4 calculation.

## Order in Which US Loans are Returned

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Loans are returned in the following order:

1. Unsubsidised Stafford
2. Subsidised Stafford
3. PLUS (Graduate or Parent)

Where a student receives notification that funds should be returned then they will do so via their loan servicer in accordance with the terms of the promissory note.

In the event a student **withdraws** from their studies we will report them as **Withdrawn** via the National Student Loan Database. Please be aware that loan

repayment will trigger 6 months after the date of a student's last day of study (in this case the date of their withdrawal).

An **R2T4** calculation will be performed within 30 days of the date that we determined that a student withdrew from their programme of study.

Any funds that King's College London has allocated to fees from the student's disbursement and must now be returned will be returned within 45 days.

Once King's College London has performed the R2T4 Calculation, we will provide students with an email confirming:

- The amount unearned aid that we will return to the USDE
- The amount of unearned aid that the student must arrange to return via their loan servicer
- The amount of any tuition fees owing that have not been covered by the R2T4 process

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## Post-Withdrawal Disbursement

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Where a student withdraws from their programme prior to their Title IV funds being disbursed, if Title IV funds could have been disbursed (i.e. the date of the student's withdrawal means that they retain some entitlement to their disbursement) then King's College London will determine the amount of the funds earned by the student.

A written post-withdrawal disbursement notification must be offered to the student within 30 days of the date that the school determined the student withdrew. The notification will:

- Identify type and amount of funds
- Option to accept or decline some or all funds
- Explain your obligation to repay any loan funds disbursed
- Provide a deadline to Respond

We must receive a confirmation from the student or borrower within 14 days of the notification, prior to releasing the disbursement. If received after the deadline, King's may choose to honour a late response.

If a student withdraws and there is a credit balance on their account, King's will hold the credit balance until R2T4 is completed.

## Reducing Course-Load

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Where a student reduces their course-load, for example by transferring from a full-time mode of attendance to a part-time mode of attendance, of at least 50% intensity, the student will not be considered to be withdrawn. If the student transfers to a course delivered by telecommunications – Distance Learning – then they will be considered withdrawn.