



### **Return of Title IV Funds (R2T4) Policy**

Title IV funds are awarded to a student with the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student withdraws prior to the planned ending date, the student may not be eligible for the full amount of Title IV funds. U.S. federal aid regulations mandate a Return to Title IV Funds (R2T4) calculation when a student receiving Title IV financial aid withdraws from the institution and the excess must be returned to the U.S Department of Education.

Tecnológico de Monterrey is an Institution that takes attendance. A student must be enrolled at least half time to receive Federal funds. After the student completes more than 60% of the payment period, the student has earned 100% of the scheduled Title IV funds. If a student never commences attendance for the payment period, the student is not and eligible student for Title IV funds and the direct loans funds must be returned.

The Institution has 45 days from the date it determined the student withdrew to return to the U.S. Department of Education all unearned funds for which the Institution is responsible. Following order will be follow:

1. Unearned Unsubsidized Direct Loans
2. Unearned Subsidized Direct Loans
3. Unearned Direct PLUS Loans

To determine how much of the loan may be retained and how much must be returned, Tecnológico de Monterrey will use an official form provided by the US Department of Education.

**E.G:** *Student leaves after 25 days in the first term of a two-term academic year.*

<b>Payment Period</b>	
Total # of days	100
# of days completed	<u>25</u>
% earned	0.25
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Total TIV Aid Disbursed or could have been disbursed	2500
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Amount earned	625
Amount unearned	1875

### ***Post-withdrawal disbursement (PWD)***

If the student did not receive all of the funds that were earned, he or she may be due a post-withdrawal disbursement. Tecnológico de Monterrey will notify the student in writing if he/she is eligible for a post-withdrawal disbursement and must get his/her permission before it can disburse them. The student (or parent borrower) must confirm in writing whether he/she accepts or declines all or some of the loan funds offered as a post-withdrawal disbursement.

Post-withdrawal disbursement:

- Must be made within 180 days of the Date of Determination (*the date the student provides notification that he/she is ceasing enrollment*).
- Cannot be a second or subsequent disbursement of a Direct Loan.
- Institution cannot make a late disbursement of a Direct Loan if the student was a first year, first-time borrower unless the student completed the first 30 days of the program or the school was not under that restriction.
- Must offer the student (or parent in the case of a PLUS) the PWD within 30 days of the Date of Determination and request confirmation that the PWD is accepted
- Must obtain authorization to pay for other than current charges.

Within 30 days of the Date of Determination, the school must notify the student (and parent in the case of a PLUS loan):

- And explain that the borrower may decline all or a portion of the loan disbursement.
- Request confirmation of any amount to be credited to the student's account or directly disbursed to the borrower.
- Explain the obligation to repay the loan.
- Specify a deadline of at least 14 days for required response/confirmation.

If the response is late, the school may decide to not disburse and must notify the borrower in writing. If no response from the borrower, no disbursement of the PWD – loan amount.

### **Institution's withdrawal policy**

#### ***Official process***

1. Students need to go to the Academic Improvement Department for an "exit interview" in order to know the reasons for their withdrawal and to see if the University can intercede in some way to support the permanence in the Institution.



2. If the withdrawal is still in process, the Academic Improvement Department informs the student that an authorization letter is required from the parent/guardian to complete the process. This letter must be delivered to CASA/Punto Azul. The Academic Improvement Department will send the authorization to the School Services Office to continue the process.
3. The School Services Office registers the student's request with the date on which the process was initiated in the Academic Improvement Department in the TAE (Electronic Academic Procedures) system.
4. Once the Institution has the written consent of the parent/guardian, the School Services Office activates the request of other authorizations for the withdrawal: Program Director, Treasury, Scholarships, Library and Sports.
5. By having all authorizations, the School Services Office concludes and authorizes the withdrawal process, records it in the system, and delivers all the original and official documents to the student.

### ***Unofficial process***

These cases can be identified through absenteeism in their classes. Teachers register a student's attendance in a computer system.

Students who have more than eighteen percent of absences from the class session attendance established for a course will be awarded the failing final grade EF (Excessive absences) and will be equivalent to a numerical grade of 1 (one) on a scale of 1 to 100, for grade average calculation purposes. An EF grade will be assigned by the School Services Office.

Tecnológico de Monterrey will use its official attendance records to determine the withdrawal date. This date will be used to determine the Earned and Unearned amounts of Title IV Funds from the Return of Title IV Funds calculation.

### **Last Date of Attendance**

- If the student requests their official withdrawal, the last date of attendance is the day of their request and is registered as the official date in the system.
- For the students who withdraw from one semester to another without notice, the last date of attendance is the last day of the semester in which they were officially registered.



- For the students who withdraw during the semester without notice, the Institution identifies when the student stopped attending classes with the teacher's attendance record.

### **LOA (Leave of Absence)**

The Student must follow the official withdrawal process and is asked to fill out a readmission application, indicating in which year or semester they plan to return. Original official documents are kept at the Institution. If the student does not return, the last date of attendance will be the day of their LOA request and it will be registered as the official date in the system.

**Tecnológico de Monterrey will follow the US Department of Education's requirements for returning funds alongside applying the Institution's Withdrawal and Financial Refund Policy.**