

What is Return to Title IV (R2T4)?

Students who receive federal financial aid and then withdraw from ALL approved financial aid eligible classes at their financial aid processing school (home school) may have to repay some or all of the federal funds they received. This also applies to students enrolled at more than one campus.

A student's eligibility for financial aid is based upon enrollment. The Higher Education Amendment of 1998 governs the Return to Title IV Funds Policy for a student who completely withdraws from a period of enrollment (i.e., semester) at the home school.

These rules assume that a student "earns" aid based on his/her semester enrollment. **"Unearned"** aid, other than Federal Work-Study, must be returned. Unearned aid is the amount of federal financial aid disbursed that exceeds the amount the student has earned. Unearned aid may be subject to repayment. **"Earned"** aid that has not been disbursed, will be offered to the student as a Post Withdrawal Disbursement (PWD).

How is R2T4 applied?

During the first 60% of the semester of enrollment, a student earns aid in direct proportion to the length of time of his/her enrollment. The percentage of time the student remained enrolled is the percentage of aid for that period for which the student earned his/her aid.

A student who remains enrolled beyond the 60% point of the semester has earned all of his/her aid disbursed for the period.

If a student owes a repayment, the student will be notified by email. The student has 45 calendar days from the date of the notification to repay. A hold will be placed on the student's academic and financial aid records. The hold will prevent the student from receiving college services and will jeopardize future financial aid eligibility.

Unpaid overpayments will be reported to the U.S. Department of Education for collection. It is advised that the student contact the Financial Aid Office before withdrawing from all of his/her classes so the student understands the results of his/her actions.

Please refer to the college schedule of classes or the college catalog for the policy regarding the refunding of enrollment fees and nonresident tuition.

What happens if I drop some of my classes but am still enrolled in others?

If you are enrolled in at least one (1) approved Financial Aid eligible unit at your home school you will not be subject to R2T4 calculation. You may be subject to Overpayment rules.

What happens if I drop all my classes at my home school but am still enrolled at another college?

You will be subject to R2T4 calculation. Contact your Financial Aid Office for additional information.

I received an email about a Post Withdrawal Disbursement (PWD), what is it and how does it affect me?

PWD is the earned portion of your Financial Aid funds that you are eligible to receive. You will need to **confirm within 14 calendar days** from the date of notification that you want to receive the earned portion with your Financial Aid Office.

Accepting PWD for Pell Grant will increase your Lifetime Eligibility Used (LEU) and reduce your future eligibility.

Will I be notified if I have to return my aid?

Yes, check your LACCD student email account.

To whom do I pay the money back?

For repayment information, go to the Business/Fiscal Office within 45 days from the date of notification.

What happens if I don't pay the money back?

You may become ineligible for any future Title IV program and a hold may be placed on your Academic and Financial Aid record. Your account may be referred to a collection agency and subject to collection costs.

Can I get my transcripts if I owe money to the college?

No.

GLOSSARY:

R2T4 = Return to Title IV. It is the return of unearned disbursed aid received by the student to the Federal Government.

Unearned Aid = federal aid disbursed/received by the student that exceeds the amount the student earned.

Earned Aid = federal aid that the student is eligible to receive. Earned aid not received will be offered to the student as Post Withdrawal Disbursement (PWD) by the Financial Aid Office.

PWD = Post Withdrawal Disbursement offered to the student who received partial or no disbursement for earned aid. PWD will increase Pell LEU and decrease future Pell eligibility. A signed confirmation from the student to the Financial Aid Office within 14 calendar days from the date of the notification letter is needed.

LEU = Lifetime Eligibility Used which is equal to 600% of Pell eligibility. Usage of this eligibility will be deducted from the 600% every time Pell aid is received.

Notification Letter = email sent to the student LACCD email account instructing student to return/repay unearned aid within 45 days from the date of the notification to the Business Office of the Home School.

45 days = number of calendar days from the date of email notification mandated by the Federal Government to return/repay the Unearned Aid. Not returning/repaying the unearned aid will result in a "Hold" in the student account at Home School.

Home School = the financial aid processing school that disbursed the aid to the student thru the Financial Aid Office which will place a "HOLD" in the student account in case of non-payment of unearned aid.

"Hold" = may be placed on student's Academic and Financial Aid record due to non-payment of unearned aid which will prevent the student from receiving future Title IV Financial Aid. In addition, the student account may be referred to the Collection Agency and subject to collection cost. Furthermore, the student will not be able to get school transcript.