

Withdrawal and Suspension from the University

<https://warwick.ac.uk/services/finance/studentfinance/receivingpayments/usloans/withdrawal/>

Withdrawal

Students are required to follow the University's withdrawal procedure. The actual date of cessation of attendance will be recorded on the University's Student Records system and will be used in the assessment of the proportion of the Title IV funds that have been earned.

Students must notify the Student Finance team, their lender and guarantee agency within one week of their withdrawal, in writing.

There are many things to consider and it is important to understand the [implications of withdrawing or taking a break from your studies](#) - particularly if you are on a student visa.

Unofficial withdrawals (withdrawals without notification)

The University will attempt to establish the last date of activity and may use a mid-point of term where this information can't be ascertained.

Non-attendance

Students that did not attend any teaching for the relevant period are ineligible for any funds and all loan funds received on behalf of the student will be returned to the lender.

Calculation of Title IV Entitlement

If a student has received Title IV financial aid:

- Unsubsidized US Direct loans
- Subsidized US Direct loans
- Parent PLUS loans or
- Grad PLUS loans
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then the University of Warwick is required to comply with US regulations and complete a Return to Title IV Funds (R2T4) calculation in order to determine if any of the funds received are required to be returned to the US government.

The University has to undertake this calculation within 30 days from the date it was determined that the student withdrew.

Once a student has completed more than 60% of the payment period, a student has earned 100% of the Title IV funds they were scheduled to receive during the period. If the student did not receive all of the funds that were earned, they may be due a "post-withdrawal disbursement".

If a student withdraws prior to completing 60% of the payment period they may not have earned all of the Title IV Funds. A calculation must be performed to determine the proportion of funds they were scheduled to receive, that have been earned, pro-rata to the period in which they were in attendance.

As an example, if a student completes 30% of the payment period, a student has earned 30% of the assistance they were originally scheduled to receive within that loan period.

The Student Finance team will use the Return to Title IV worksheets provided by the US Department of Education to calculate the amount of post-withdrawal disbursement or the amount of funds to be returned.

Return of Funds

If it's established that a return is required (in cases where a student has completed 60% or less of a payment period for which they received a disbursement) then it's mandatory that our office arrange for any unearned funds to be returned, to the US Department of Education, within 45 days of the date of withdrawal.

The R2T4 calculation may result in a reduction of a student's US federal loan(s) if the student attended 60% or less of a payment period. The R2T4 calculation is based on the following:

- The number of days a student attended
- The number of days in the payment period
- The institutional charges
- The total amount of US Direct Loan aid awarded and/or disbursed

As a result of a Return to Title IV Funds (R2T4) calculation a student may be required to pay back any 'unearned' US financial aid received. If the amount of the loan funds required to be returned exceeds any existing credit on the student account, the University may be obligated to return funds on behalf of a student. If this happens the student will owe the funds to the University.

Arrangements will need to be made with the University to repay the outstanding amount as soon as possible.

Funds returned to the US Department of Education on behalf of a student are used to repay the current year's loans in the following order:

1. Unsubsidized US Direct Loan
2. Subsidized US Direct Loan
3. Parent PLUS for Undergraduate students
4. Grad PLUS for Graduate students

The University **does not allow** for a Leave of Absence (LoA) as defined within the Federal Student Aid Handbook on federal aid eligible courses.

Students can either take a period of Authorised Absence (for postgraduate students sponsored on a Tier 4 visa) or a period of temporary withdrawal.

Any authorised absence will be treated as a LoA. See the [University's Authorised Absence procedure](#) and the [Students Records guide to temporary withdrawal](#) for more information. If a student doesn't return after the authorised period this will be treated as a withdrawal and the date used will be the date the LoA began.

If a student never attended, or withdraws during a term and is in receipt of Title IV financial aid, we are required to determine if any of the loan funds received are to be returned to the US government and this will need to be done within 45 days of the date of withdrawal.

Post-withdrawal disbursement of Title IV loan funds

If the student receives less Title IV aid than the amount earned, the University will offer a disbursement of the earned aid that was not received. This is called a post-withdrawal disbursement. If the student receives more Title IV Aid than the amount earned, the school, the student, or both must return the unearned funds in a specified order.

The University is required to make (or offer as appropriate) post-withdrawal disbursements. The amount of a post-withdrawal disbursement is determined by following the requirements for calculating earned Title IV aid and has no relationship to incurred educational costs.

The University is required to notify the student, or parent for a Direct Parent PLUS Loan, of any post-withdrawal disbursement of loan funds within 30 days of the date of the University's determination that the student withdrew.

The student will be notified of:

- the type and amount of funds
- their option to accept or decline some or all of these funds
- their responsibility to repay any funds disbursed

Once the University has received confirmation from the student, or parent in case of a Direct PLUS Loan, that they want to receive the post-withdrawal disbursement of loan funds, the University will make the post-withdrawal disbursement of Title IV loan proceeds as soon as possible but no later than 180 days after the date of the University's determination that the student withdrew.

The University may automatically use all or a proportion of any post-withdrawal disbursement to meet liabilities for tuition fees or accommodation charges, as determined by the student's contractual relationship with the University and the University's policies on refunds of tuition fees and accommodation charges following withdrawal.

Please refer to the following pages for information regarding withdrawal from the University:

[Temporary withdrawal](#)

[Permanent withdrawal](#)

[Immigration Service](#)

[Student Finance policies](#)

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