RETURN OF TITLE IV FUNDS (R2T4)

Policy Overview

Federal regulations require students receiving federal financial aid to maintain enrollment in their coursework for the entire payment period for which aid was awarded. When a student withdraws or otherwise fails to complete the payment period, Weill Cornell Medicine (WCM) must determine whether a portion of the federal financial aid received must be returned to the U.S. Department of Education. This process is known as the **Return of Title IV Funds (R2T4)** calculation.

A change in enrollment status at any point during a payment period may result in an adjustment to a student's financial aid eligibility. Changes in enrollment may include:

- Official Withdrawal
- Unofficial Withdrawal
- Leave of Absence (when treated as a withdrawal for federal aid purposes)

Official and Unofficial Withdrawals

Official Withdrawal

An official withdrawal occurs when a student provides notice to the institution of their intent to discontinue enrollment in all coursework. Students should consult their program handbook for instructions on initiating the withdrawal process.

Unofficial Withdrawal

An unofficial withdrawal occurs when a student ceases attendance and participation in coursework without formally notifying the institution. Federal regulations require the institution to determine a withdrawal date for students who stop attending without completing the official withdrawal process.

Students Subject to an R2T4 Calculation

An R2T4 calculation must be completed for students who:

- Withdraw from all courses during a payment period.
- Cease attendance in all coursework.
- Withdraw from module-based coursework.
- Otherwise fail to complete the period for which federal aid was awarded.

Determining the Withdrawal Date

The withdrawal date is used to determine how much federal financial aid a student has earned.

For students who officially withdraw, the withdrawal date is generally the date the student begins the institution's withdrawal process or otherwise officially notifies the institution of their intent to withdraw.

For students who unofficially withdraw, the withdrawal date may be based upon:

- Documented participation in an academically related activity; or
- Other information available to the institution regarding attendance.

If no documented attendance can be established, the midpoint of the payment period may be used when required under federal regulations.

Earned Federal Financial Aid

Federal financial aid is earned on a daily basis throughout the payment period.
The percentage of aid earned is calculated by dividing:

Number of calendar days completed
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Total number of calendar days in the payment period

Scheduled breaks of five or more consecutive days are excluded from the calculation.

The resulting percentage determines the amount of federal financial aid that the student has earned through the withdrawal date.

The 60% Rule

Students who complete more than 60% of the payment period are considered to have earned 100% of their federal Title IV financial aid for that period. No Return of Title IV Funds calculation is required beyond that point.

Students who withdraw before completing more than 60% of the payment period may be required to return a portion of their federal financial aid.

Unearned Federal Financial Aid

Any portion of federal financial aid that has not been earned through attendance must be returned to the applicable federal aid program.

Federal funds are returned in the following order:

1. Federal Direct Unsubsidized Loan
2. Federal Direct Graduate PLUS Loan

Federal regulations require these funds to be returned within 45 days of the institution's determination that a student has withdrawn.

The return of federal financial aid may create a balance due on the student's account and may require repayment to the institution.

Post-Withdrawal Disbursements

A student may be eligible for a **Post-Withdrawal Disbursement (PWD)** if the R2T4 calculation determines that the student earned more federal financial aid than was disbursed prior to withdrawal.

Any eligible grant funds will be credited to the student's account as permitted by federal regulations. Loan funds will be processed in accordance with federal requirements and may require student authorization before disbursement.

Students eligible for a Post-Withdrawal Disbursement will be notified by the Financial Aid Office regarding available funds and any required actions.

Institutional Aid Adjustments

The Return of Title IV Funds calculation applies only to federal financial aid programs. Institutional aid is adjusted separately according to the tuition refund or proration policies established by each academic program.

Students should consult the Tuition Refund Policy for information regarding tuition refunds.

Additional Information

Students who withdraw from Weill Cornell Medicine are encouraged to contact the Financial Aid Office to discuss:

- Federal loan repayment obligations
- Exit Counseling requirements
- Future financial aid eligibility
- Satisfactory Academic Progress (SAP) requirements
- Re-enrollment planning and financing options

For questions regarding the Return of Title IV Funds policy, please contact the Office of Financial Aid at finaid@med.cornell.edu.