RETURN OF TITLE IV FUNDS (R2T4) POLICY

The University of Puerto Rico and its eleven campuses, uses the Return Policy determined by the Department of Education, under Title IV program regulations.

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The policy establishes how the institution must determine the amount of funds from Title IV programs to which the student is eligible if it withdraws completely from the university, formally or informally, completing or without completing the 60% of the academic term (semester, trimester, quarter session or annual. The student will receive only the amount of financial aid corresponding to the percentage of the completed part of the term. If the student completes 60% or more of the academic term, the student will receive 100% of his assigned financial aid. This policy applies to the following programs:

- Pell Grant
- Iraq and Afghanistan Service Grant
- TEACH Grant
- FSEOG
- Direct Loans (Subsidized, Unsubsidized and Plus)

The time of withdrawal to be used in the determination of reimbursement of Title IV funds will be:

- For students who formally withdraw and provide a written notice (total withdrawal application form), the date in which they began the withdrawal process will be used; that is, the first date that appears on the withdrawal application form.
For students who withdraw informally (who either stop attending classes or do not complete the withdrawal application form) there are two categories:

- Special circumstances out of the student's control (sickness, accidents, death, etc.) On this premise, the withdrawal date shall be that determined by the University taking into consideration the student's special circumstances. (The UPR unit may use the last day the student went to class according to the professors' attendance records.)

- All other withdrawals where no official notice is given: For this type of withdrawal, the date that will be considered is the "midpoint date", or 50% of the academic calendar for the semester, trimester, quarter session, etc.

In compliance with federal regulations, the Institution through its Fiscal Office will perform a review within 30 days of the student's withdrawal and funds will be returned to the appropriate federal aid program within 45 days of the withdrawal date. If the student meets the federal criteria for a post withdrawal disbursement, the student will be notified via email, mail, phone or our Institutional Computer System named Portal NEXT) of their eligibility within 30 days of determining the student's date of withdrawal. If the eligibility is for a grant disbursement, the funds will be disbursed within 45 days of determining the student's date of withdrawal. If the eligibility is for a loan, the student will be notified in the same timeframe but they must also reply to the Financial Aid Office if they wish to accept the post withdrawal disbursement of any funds would first be used toward any outstanding charges before any funds are returned to the Department Of Education.

If the student has not received all of the funds earned at the time of the withdrawal, he may be due a post-withdrawal disbursement. The institution may use the full amount or part of the post-withdrawal disbursement of grant funds to cover the costs of tuition and fees. The institution needs the approval of the student to use the post-withdrawal grant disbursement for all other institutional charges, if the student does not give the authorization, the funds will be offered to the student. However, it may be in the student's best interests to allow the institution to retain the funds and reduce the debt the student may have with the institution.

If the student received funds from Title IV programs that must be returned, the institution must return a portion of the excess funds equal to the lesser of:

1. Student's institutional charges multiplied by the unearned percentage of student's funds, or
2. The total amount of excess funds.

The institution must return the funds even if it has not retained the Title IV funds to which the student was eligible.

If the institution is not required to repay all of the excess funds, the student must repay the remaining amount. The funds that the student is required to repay are considered an overpayment. The maximum amount of a grant overpayment that the student must repay is 50% of the total grant funds received or scheduled to receive. The institution returns to the Department of Education the funds that the student received in excess of the amount he was supposed to receive.

The requirements established under Title IV program funds when a student withdraws are separated from the Institutional Refund Policy. Therefore, the student who processes a complete withdrawal from the Institution may still have a debt due for institutional charges not covered by federal funds.

The University of Puerto Rico returns Title IV funds to the programs from which the student received aid during the payment period or period of enrollment as applicable, in the following order, up to the net amount disbursed from each source:

- Unsubsidized Direct Loans (other than Direct PLUS Loans)
- Subsidized Direct Loans
- Federal Perkins Loans
- Direct PLUS Loans
- Federal Pell Grants for which a Return is required
- Federal Supplemental Educational Opportunity Grants (FSEOG) for which a return of funds is required
- TEACH Grants for which a Return is required
- Iraq and Afghanistan Service Grant, for which a Return is required

The partial withdrawals are not taken into account for reimbursement nor affect the initial cost of the semester.

This policy is in accordance with the Handbook, volume 5, chapter 1, withdrawals and the Return of Title IV Funds.