

## **Lakewood School of Therapeutic Massage Return to Title IV Funds (R2T4) Policy**

The federal "Return to Title IV Funds" law requires that when a student completely withdraws from their program on or before completing 60 % of their program, the amount of financial aid (federal grants and loans) earned by the student must be calculated. The school and/or student may then be required to return some of the federal funds awarded to the student. The percentage of Title IV funds to be returned is equal to the number of actual clock hours remaining in the individual student's program divided by the total number of clock hours in the program. If the student received more aid than was earned, the excess funds must be returned.

The school must return this amount even if it didn't keep this amount of your Title IV program funds. If the school is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return, you (or your parent for a PLUS Loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time. Any amount of unearned grant funds that you must return is called an *overpayment*. The amount of a grant overpayment that you must repay is half of the unearned amount. You must make arrangements with the school or the Department of Education to return the unearned grant funds.

Loan funds returned by the school to the government will be applied first to the unsubsidized loans and then to the subsidized loans.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that the school may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. The school may also charge you for any Title IV program funds that the school was required to return. A copy of the school's refund policy is contained in the School Catalog.

The school may not use funds for expenses other than tuition for R2T4 calculation

- Hours are calculated on the last date of attendance

If the hours attended are determined to be 360 or less, an hours calculation will need to be made to determine when the student reached the 361 mark.

R2T4 file:

- Notice of Withdrawal
- Copy of calculation of hours
- R2T4 calculation printout
- Letter to Student explaining amount of aid earned and the amount of aid being returned to ED. This letter also includes that we are including/enclosing Exit Interview Information.
- Copy of the Register as proof of return of funds
- Any correspondence (e-mail or otherwise) regarding the student and return of funds