

U.S. DIRECT LOANS

RETURN OF TITLE IV FUNDS POLICY

If a student who is in receipt of U.S. Direct Loans withdraws, suspends for more than 180 days, returns to the U.S. or drops to a 'less than half-time' enrolment status, the University of Reading will adhere to the U.S. Department of Education's regulations regarding returning Title IV funds and will apply these in conjunction with the University's policies surrounding withdrawals, suspensions and credit balance refunds. The Student Financial Support team will use calculation worksheets provided by the U.S. Department of Education to determine the amount(s) of loan(s) that can be retained by a student and the amount(s) that must be returned to the lender.

Return of Title IV funds by the University

U.S. Direct Loan entitlement is 'earned' on a daily basis. If a student who is in receipt of U.S. Direct Loans withdraws, suspends for more than 180 days or drops to a 'less than half-time' enrolment status, the University of Reading must return any 'unearned' loan funds for that payment period to the lender (i.e. the U.S. Department of Education). When the Student Financial Support team has calculated the amount(s) that the University and the student need to return, a cheque will be sent to the lender to return 'unearned' funds. The student will be notified if they need to return any funds that have already been paid into their bank account.

Return of Title IV funds by students

If we notify a student that there are loan funds that have already been paid to them that must be returned, the student should repay in accordance with the term of the Promissory Note for their loan. A student could find themselves in this position if they have received a scheduled loan disbursement payment for a particular period of study or payment period and, before the end of that period, they then withdraw, suspend, return to the U.S. or drop to a 'less than half-time' enrolment status.

Approved suspension/leave of absence

If a student who is in receipt of U.S. Direct Loans is thinking about suspending their studies, returning to the U.S. or otherwise changing their enrolment status, they should seek advice from the Student Financial Support team regarding the impact this will have on their U.S. Direct Loan entitlement and eligibility. An 'approved' suspension/leave of absence, in terms of U.S. Direct Loan funding, can last for up to 180 days before a student has to enter repayment or return funds to their lender. If a suspending student has not returned to their programme after 180 days, we will use the last date of their actual attendance on the programme (prior to their suspension) to calculate their 'earned' U.S. Direct Loan entitlement and the completion of studies date that is reported to the U.S. Department of Education.

Queries

Please contact the Student Financial Support team on USLoans@reading.ac.uk or +44 (0) 118 378 4245.