

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 (600). If the student received more aid than was earned, the excess funds must be returned.

If, for example, a student completes 30% of their program hours before completely withdrawing, they have earned 30% of the aid package they were awarded. If excess funds must be returned, Lakewood School will return the lesser of:

1. The student's tuition and fees multiplied by the unearned percentage of your funds, or
2. The entire amount of excess funds.

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.

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 300 or less, an hours calculation will need to be made to determine when the student reached the 301 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

Funds returned to the government are required to be returned in the following order: Unsubsidized Direct Stafford Loan, Subsidized Direct Stafford Loan, Direct Parent Plus Loan, Pell Grant. Anyone receiving loan dollars at any point in their program must complete exit counseling.

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**Lakewood School
of Therapeutic Massage**

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