

Return of Title IV Funds

When a student applies for financial aid, the student agrees that financial aid funds will be used for educational purposes only. Therefore, if a student withdraws before completing their program, a portion of the funds received may have to be returned. Capri Beauty College will calculate the amount of financial aid to be returned to the Title IV, HEA programs according to the policies listed below.

Return of Title IV (R2T4) Policy

This policy applies to students who officially withdraw, unofficially withdraw, or are dismissed from enrollment at Capri Beauty College. The Federal Return of Aid Policy is mandated by the U.S. Department of Education. The amount of Title IV (federal) aid earned is based on the amount of time a student spent in academic attendance and the total aid received; it has no relationship to student's incurred institutional charges. Because these requirements deal only with Title IV, HEA funds, the order of return of unearned funds do not include funds from sources other than the Title IV, HEA programs. Title IV, HEA funds are awarded to the student under the assumption that he/she will attend school for the entire period for which the aid is awarded. When a student withdraws, he/she may no longer be eligible for the full amount of Title IV, HEA funds that were originally scheduled to be received. Therefore, the amount of Federal funds earned must be determined. If the amount disbursed is greater than the amount earned, unearned funds must be returned.

Timeline for Returning Title IV Funds

Capri Beauty College will return any unearned Title IV funds it is responsible for returning within 45 calendar days of the date Capri Beauty College determined the student withdrew, and offer any post-withdrawal disbursement of loan funds within 30 calendar days of that date.

When a student is Considered a Withdraw for R2T4 funds:

The student is considered to have withdrawn from a payment period or period of enrollment if:

- the student does not complete all of the clock hours and weeks of instructional time in the payment period or period of enrollment that the student was scheduled to complete.

A. Official Withdrawal Process

If a student wishes to withdraw from school, they must notify the Financial Aid Officer of the school. The notification must be in writing. The date the notification is received is the date of determination. The Financial Aid Officer must begin the withdrawal process. The withdrawal date would be the student's last day of physical attendance (LDA). For purposes of returning title IV funds, refunds will be made within 45 calendar days from the LDA. Notification of Withdrawal Form: <https://capri.edu/forms/withdrawal/>

B. Unofficial Withdrawal - when absences are treated as a withdrawal.

In the case of unexplained consecutive absences, the school will determine withdrawal no later than 14 days after the students last date of physical attendance as determined by the school from attendance records. This date (day 14) is recorded as the date the school determined that the student withdrew. For purposes of returning Title IV funds, refunds will be made within 45 calendar days from the date the school determined the student withdrew. If the student provides notification to the school of his or her withdrawal prior to the date that the school normally would determine that the student withdrew, the date of determination is the date of the student's notification.

C. Expelled Student

The student that is expelled by the school is considered to have not completed all the clock hours and weeks of instruction time in the payment period or period of enrollment that the student was scheduled to complete. The LDA is the date the school will use to determine termination. For purposes of returning title IV funds, refunds will be made withing 45 calendar days from the LDA.

Determining Aid Earned

To determine the amount of aid you earned up to the time of withdrawal, Capri Beauty College will calculate the percent of scheduled hours earned in the payment period. The resulting percentage is then used, along with your institutional costs and total federal funds that you received (funds that were disbursed directly to your student account and possibly refunded to you) or that you were eligible to receive (disbursement owed) to determine the amount of aid that you are allowed to keep.

Order of Return

In accordance with Federal regulations, when Title IV, HEA financial aid is involved, the calculated amount of the R2T4 funds is retracted in the following order:

1. Unsubsidized Direct Loan
2. Subsidized Direct Loan
3. Direct Plus Loan
4. Pell Grant

After the Return of Aid has been completed it may result in the student owing for tuition that was once awarded from Title IV Aid. In addition, the student may be required to refund monies back to the Title IV Program.

Withdrawal Before 60% Point of the Payment Period

Capri Beauty College must perform a R2T4 calculation to determine the amount of earned aid up through the 60% point of scheduled hours earned in the payment period of enrollment. The College will use the U.S. Department of Education's prorate schedule to determine the amount of R2T4 funds the student has earned at the time of withdrawal.

Withdrawal After 60% Point of the Payment Period

For a student who withdraws after the 60% point of scheduled hours earned in the payment period of enrollment, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period. Thus, there are no unearned funds. Capri Beauty College must still perform a R2T4 to determine the amount of aid that the student has earned and whether or not the student is eligible for a post withdrawal disbursement.

Payment Periods are defined according to the following Cosmetology hours:

Payment Period 1 = 0 -450 hours	Payment Period 3 = 901 – 1200 hours
Payment Period 2 = 451 -900 hours	Payment Period 4 = 1201 -1500 hours

Payment Periods are defined according to the following Teacher Training hours:

Payment Period 1 = 0 -450 hours	Payment Period 3 = 901 – 1000 hours
Payment Period 2 = 451 -900 hours	

Post-Withdrawal Disbursement

If the R2T4 results in a credit balance, it will be disbursed as soon as possible and no later than 14 days after the calculation of R2T4. If the post withdrawal disbursement includes grants, the college must disburse the grant funds as soon as possible but no later than 45 days after the date of the school's determination that the student withdrew (no confirmation from the student is required). If the post-withdrawal disbursement includes loan funds, they will be offered to the student or parent (in the case of PLUS loans) within 30 days of the date the school determined the student withdrew, allowing the student or parent (in the case of PLUS loans) at least 14 days to respond to accept or decline the funds. The college must obtain the student's or parent's (in the case of PLUS Loans) permission before it can disburse the Direct Loan funds. A student or parent may choose to decline some or all of the Direct Loan funds, so the student or parent do not incur additional debt.

The College may automatically use all or a portion of a post-withdrawal disbursement of grant funds for institutional charges. The College needs to obtain permission from the student to apply Title IV funds for other educationally related expenses. Post-withdrawal disbursements will be made from Pell Grant funds first if the student is eligible. If there are current educational costs still due the school at the time of withdrawal, a Pell Grant post-withdrawal disbursement will be created to the student's account. Any remaining Pell funds will be released to the student without the student having to take any action.

Return to Title IV Questions

If you have questions regarding Title IV, HEA program funds after visiting with or emailing SFAS, you may call the Federal Student Aid Information Center at 1-800-4-fedaid (800-433-3243). TTY users may call 800-730-8913. For a printable worksheet for calculating federal refunds visit:

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