

Under the [October 31, 2023 final federal register notice](#), effective July 1, 2024, in order to demonstrate administrative capability, an institution must provide adequate financial aid counseling with clear and accurate information to students who apply for *Title IV*, HEA program assistance as outlined under 34 CFR 668.16(h). To meet this requirement, the institution must, among other requirements, ensure counseling and financial aid communications include the institution's refund policy and the requirements for the treatment of *Title IV*, HEA program funds when a student withdraws under 34 CFR 668.22.

Consumer Information

HEA Sec. 485(a)(1)(F), [34 CFR 668.43](#)

[Federal Register, Volume 88, Number 209, October 31, 2023, Final Rules, page 74698](#)

For more information, see:

- *Appendix E of the Federal Student Aid Handbook—Institutional Reporting and Disclosure Requirements, and*
- [FSA Assessments Consumer Information section](#) - *Consumer Information Disclosures at a Glance* document

A school should provide sufficient information for a student or prospective student to determine the procedures for withdrawing and the financial consequences of doing so. In addition, a student should be able to estimate how much *Title IV* aid they will retain and how much they may have to return upon withdrawing. Because the R2T4 provisions do not affect institutional refund policies, a school must provide a student with information on both the school's refund policy and the R2T4 requirements and should explain the interaction between the two. The information should include a discussion of how a school might adjust a student's charges to take into account any return of funds the school might be required to make. Finally, a student or prospective student should be informed that if they withdraw, institutional charges that were previously paid by *Title IV* funds might become a debt that the student would be responsible for paying.

As a part of the institution's disclosure of the procedures for officially withdrawing, the school must identify the office(s) the school has designated to accept notification of official withdrawals.

A school may change the basis for its R2T4 calculations for new students as they begin classes. However, for continuing students, since the return policy must be included in the published materials the school provides to students under the consumer information requirement, the school would have to change its catalog, its written policies and procedures, and its enrollment agreements (if any), and allow sufficient time for those continuing students who would be governed by the new policy to receive and review the materials.

General *Title IV* Principles With Special Applicability in the Return of *Title IV* Aid

Definition of a *Title IV* Recipient

The requirements for the treatment of *Title IV* funds when a student withdraws apply to any recipient of *Title IV* grant or loan funds who ceases all attendance. When determining whether the R2T4 requirements in [CFR 34 668.22](#) apply, a school must first determine whether a student was eligible to receive any *Title IV* funds. For purposes of these requirements, a recipient of grant or loan assistance is a student who has actually received *Title IV* funds or has met the conditions that entitled the student to a late disbursement. These conditions are listed in the "Conditions and Limitations on Late Disbursements" chart in Volume 4. The R2T4 requirements apply only to the receipt of or eligibility for *Title IV* aid that can be included in the calculation. For example, the requirements of [34 CFR 668.22](#) do not apply to Federal Work-Study (FWS) funds. Therefore, the R2T4 requirements do not apply to a student if the only *Title IV* aid that the student has received or could have received was FWS funds.

Please note that if the student never actually began attendance for the payment period or period of enrollment, [34 CFR 668.22](#) does not apply. Likewise, if a student began attendance but was not and could not have been disbursed *Title IV* grant or loan funds prior to withdrawal, the student is not considered to have been a *Title IV* recipient and the requirements of [34 CFR 668.22](#) do not apply. In these cases, *Title IV* funds would be handled in accordance with the regulations for returning funds for students who do not register or fail to begin attendance.