

Return of Title IV Funds
Enclosure to DCL GEN-11-14
July 20, 2011

Question 1: How does the July 1, 2011, effective date apply to the changes to the Return of Title IV Funds regulations?

Answer 1: The changes to §668.22, known as the Return of Title IV Funds regulations, apply to students who withdraw from payment periods or periods of enrollment that begin on or after July 1, 2011. This means that they do not apply to students who withdraw from a 2011 crossover payment period that begins prior to July 1, 2011, even if the student received Title IV, HEA program funds from the 2011-2012 award year for that crossover payment period.

Programs Offered in Modules

Question 2: If some portions of a program are offered in modules, but some are not, is the entire program considered to be offered in modules for Return of Title IV Funds purposes?

Answer 2: Section 668.22(1)(6) provides that a program is offered in modules for purposes of determining the applicability of the Return of Title IV Funds requirements, if a course or courses in the program do not span the entire length of the payment period or period of enrollment. The determination of whether a program is offered in modules is made on a payment period-by-payment period or period of enrollment-by-period of enrollment basis, as appropriate, and is student specific. So, while some payment periods or periods of enrollment in a student's program may be considered to be offered in modules, others may not. If all the courses in a program for a particular payment period or period of enrollment, as applicable, span the entire length of the period, the program is never considered to be offered in modules for that period for any student who withdraws during the period. Conversely, if none of the courses in a program for a particular payment period or period of enrollment spans the entire length of the period, the program is always considered to be offered in modules for that period for any student who withdraws during the period. If some courses in the program for a particular payment period or period of enrollment span the entire length of the period but some do not, the program is considered to be offered in modules only for those students who are scheduled to attend at least one course that does not span the entire length of the period, and withdraw during the period.

For example, an institution offers a credit hour program in semesters with two optional summer sessions. All the courses in the Fall and Spring semesters span the entire length of the semester. The two summer sessions are offered sequentially, and are both seven weeks long. The institution chooses to combine the summer sessions into one term. Students have the option to enroll in either session or both sessions. The Fall and Spring semesters are never considered to be offered in modules for any student who withdraws because all classes span the entire length of the payment period (the term). However, for the summer sessions, where the payment period is the term comprising both sessions, all students who withdraw are considered to be withdrawing from a program offered in modules (with each session being a module) because none of the courses offered spans the entire length of the payment period. If, for the summer term, the institution also offered courses that were 14 weeks in length (i.e., spanned the entire length of the

payment period) and a student who withdrew was scheduled to attend only these 14-week long courses, the program would not be considered to be offered in modules for purposes of determining the applicability of the Return of Title IV Funds requirements to that student's withdrawal.

Question 3: Section 668.22(a)(2)(ii)(A)(I) provides that an institution is not required to treat a student who ceases attendance in a module-based program as a withdrawal if the institution obtains written confirmation from the student at the time that would have been a withdrawal of the date that he or she will attend a module that begins later in the same payment period or period of enrollment. What does “at the time that would have been a withdrawal” mean? Do we have to require the student to write the statement at the time they actually withdraw, or, if we run reports on a weekly basis to identify these students, can we request the student's written confirmation of future attendance at that time?

Answer 3: “At the time that would have been a withdrawal” means close to the date that the student actually ceased attendance and before the time when the institution was required to return Title IV funds, offer any post-withdrawal disbursement of loan funds, or take any other action under the Return of Title IV Funds requirements. Without confirmation of future attendance, the institution must assume a student who has ceased attendance is a withdrawal and begin the Return of Title IV Funds process. As discussed in Q&A 5, an institution is expected to begin the Return of Title IV Funds process immediately upon its determination that a student has withdrawn in order to perform required actions in a timely manner, and may not delay the Return of Title IV Funds process in case a student might return. Of course, because the notice must confirm attendance in a module that begins later in the same payment period or period of enrollment, the notice must always be obtained prior to the beginning of the module in which the student is confirming attendance.

Question 4: Does an online confirmation of future attendance from the student constitute written confirmation from the student that he or she will attend a module that begins later in the same payment period or period of enrollment?

Answer 4: Yes, provided that the confirmation is a timely positive confirmation of future attendance. Thus, an institution must ensure that the online confirmation requires the student to reaffirm attendance in a module that begins later in the period if that attendance is the basis for the future attendance. For example, consider a student who is scheduled to attend two courses in the first of three modules in a period of enrollment and one course in the third module. The student uses the institution's online process for dropping/adding courses to withdraw from both courses in the first module, but does not withdraw from the course in the third module. The institution may not assume that the student will be returning for the course in the third module for purposes of demonstrating confirmation of future attendance. Rather, the process must require the student to reaffirm his or her intent to attend the course in the third module in order to count as confirmation of future attendance for Title IV, HEA program purposes. Of course, if at the time of the withdrawal, the student enrolled in a course in a later module in the same payment period or period of enrollment (that the student was not previously scheduled to attend), the newly added course would count as positive confirmation of future attendance for Title IV, HEA program purposes.

Question 5: May an institution wait to perform a Return of Title IV Funds calculation to see if a student who has withdrawn and has not provided written confirmation of future attendance will return later in the payment period or period of enrollment?

Answer 5: No. An institution is required to “undo” the Return of Title IV Funds calculation if a student who has withdrawn returns to the institution (1) within the same payment period or period of enrollment for a term-based credit hour program offered in modules; or (2) within 180 calendar days for a clock-hour or non-term credit hour program (§668.22(a)(2)(iii)). An institution is expected to begin the Return of Title IV Funds process immediately upon its determination that a student has withdrawn in order to perform required actions in a timely manner. For example, an institution must always return any unearned Title IV funds it is responsible for returning *as soon as possible*, but no later than 45 days after the date of the institution determination that the student withdrew (§668.22(j)(1)); disburse directly to a student any amount of a post-withdrawal disbursement of grant funds due *as soon as possible* but no later than 45 days after the date of the institution’s determination that the student withdrew (§668.22(a)(6)(ii)(B)(I)); and offer any post-withdrawal disbursement of loan funds within 30 days of the date of the institution’s determination that the student withdrew (§668.22(a)(6)(iii)(A)). Thus, an institution may not delay the Return of Title IV Funds process in case a student might return. However, if a withdrawn student returns to the institution within the same payment period or period of enrollment for a term-based program offered in modules, or within 180 calendar days for a clock-hour or non-term credit hour program, and before the Return of Title IV Funds process is begun or complete, the institution is not required to begin or complete the process.

Question 6: Section 668.22(a)(2)(i)(C) provides that a student in a non-term or nonstandard term program is considered to have withdrawn for Title IV, HEA program purposes if the student is not scheduled to begin another course within a payment period or period of enrollment for more than 45 calendar days, unless the student is on an approved leave of absence. Section 668.22(a)(2)(ii)(A)(2) provides that, for a non-term or nonstandard term program, an institution must treat as a withdrawal a student who ceases attendance in a module notwithstanding a student’s confirmation of attendance in a future module in the payment period or period of enrollment if that module does not begin within 45 days of the end of the module the student ceased attending. If a student is a withdrawal under §668.22 (a)(2)(i)(C) or 668.22(a)(2)(ii)(A)(2) because the student, who has completed a module in the payment period or period of enrollment, is not scheduled to attend another course in the payment period or period of enrollment for more than 45 calendar days, what is the student’s withdrawal date?

Answer 6: For an institution that is required to take attendance, a student’s withdrawal date is always the last date of academic attendance as determined by the institution from its attendance records (§668.22 (b)(1)). For an institution that is not required to take attendance, the withdrawal date is determined in accordance with the requirements of §668.22 (c).

Question 7: May an institution have a more onerous policy for a non-term or nonstandard term program that requires the student to resume attendance in a later module within the payment period or period of enrollment in less than 45 days; for example, no more than 30 days after the end date of the module that the student completed or ceased attending?

Answer 7: If an institution has a policy to administratively withdraw a student who does not begin attendance in another course within a period of time that is less than the 45-day period described in §668.22 (a)(2)(i)(C), the student would be considered a withdrawal for Title IV, HEA program purposes and the institution must determine the student's withdrawal date in accordance with the requirements for administrative withdrawals. For an institution that is required to take attendance, a student's withdrawal date is always the last date of academic attendance as determined by the institution from its attendance records (§668.22 (b)(1)). At an institution that is not required to take attendance, an administrative withdrawal is considered to be a withdrawal without student notification due to circumstances beyond the student's control, and the withdrawal date is the date that the institution determines is related to that circumstance (§668.22 (c)(1)(iv)). The withdrawal date should be no later than the starting point of nonattendance that causes the institution to administratively withdraw the student. Thus, the last possible date of withdrawal for a student that is administratively withdrawn due to a period of nonattendance for a specified period is the beginning of the period of nonattendance that triggered the administrative withdrawal.

Question 8: If a student who withdrew from a term-based credit hour program offered in modules without providing written confirmation of future attendance later returns during the payment period or period of enrollment, thus requiring the institution to “undo” the Return of Title IV Funds calculation in accordance with §668.22 (a)(2)(iii)(A), does the institution restore Title IV, HEA program funds to the amounts the student was originally scheduled to receive, or adjust those amounts to take into consideration periods the student was originally scheduled to attend, but did not attend?

Answer 8: If a student withdraws from a term-based program offered in modules, triggering a Return of Title IV Funds calculation, and the student reenters the same program during the payment period or period of enrollment, the institution must restore the student's original Title IV, HEA program funds award to the original amounts, with no adjustments required for partial attendance of a module. However, if a student did not attend an entire module he or she was originally scheduled to attend during the time he or she was away from the institution, the institution must adjust the student's original Title IV, HEA program fund amounts to take into account that the student never began the courses in that module.

Question 9: If a student ceases attendance between modules—that is, the student completes one or more modules, but does not begin the next module he or she is scheduled to attend—is the student considered a withdrawal for Title IV, HEA program purposes? If so, why is this different from a student who enrolled in and completed the same modules, but was not scheduled to attend future modules?

Answer 9: Yes, a student who ceases attendance between modules he or she was scheduled to attend is considered to have withdrawn because the student has not completed all the days in the payment period that he or she was scheduled to complete (§668.22(a)(2)(i)(A)). When determining whether a student is a withdrawal for Title IV, HEA program purposes, all the courses in the period that they were scheduled to attend prior to ceasing attendance must be taken into consideration because a student's Title IV, HEA program funds are awarded for all courses. For example, a student enrolls in two three-credit courses in the first module (35 days in the module), and one three-credit course in the second module of a semester (35 days in the second module) comprising three modules of five weeks each. The student completes the two courses in the first module, but never begins attendance in the second module and does not provide written confirmation of future attendance in the payment period (the semester). The student is considered to have withdrawn because the student was scheduled to complete, but did not complete, the days in the second module. Under the new regulations, completion of one course in one module in a term-based credit-hour program no longer results in a student not being counted as a withdrawal, therefore the institution would make a determination that the student earned 50 percent of his or her Title IV, HEA program funds (35 days / 70 days = 50 percent).

Question 10: Section 668.22(f)(1)(i) provides that the percentage of the payment period or period of enrollment completed is determined for a credit hour program by dividing the total number of calendar days in the payment period or period of enrollment into the number of calendar days completed in that period as of the student's withdrawal date. If a student ceases attendance in the first of three modules he or she is scheduled to attend in a payment period or period of enrollment and subsequently drops the classes in the two remaining modules prior to the beginning of module two, does the total number of calendar days in the payment period or period of enrollment include all the days in all the modules, or just the first module? What if the student drops the classes in the two remaining modules prior to ceasing attendance in the first module?

Answer 10: The total number of calendar days in the period includes all days within the period that the student was scheduled to complete prior to ceasing attendance, excluding days in which the student was on an approved leave of absence and any scheduled breaks of at least five consecutive days when the student is not scheduled to attend a module or other course offered during that period of time. Adjustments to a student enrollment status made after the student ceases attendance have no bearing on the Return of Title IV Funds requirements. Thus, if the student drops the classes in the two remaining modules after ceasing attendance, the total number of calendar days in this student's payment period or period of enrollment would include the days in all three modules, except for any scheduled breaks of at least five consecutive days when the student is not scheduled to attend a module or other course offered during that period of time, and days in which the student was on an approved leave of absence. However, if the student drops the classes in the two remaining modules prior to ceasing attendance (which would necessitate a recalculation of the student's eligibility for Title IV, HEA program funds), the total number of calendar days in the student's payment period or period of enrollment would include only the days in the first module, except for any scheduled breaks of at least five consecutive days and days in which the student was on an approved leave of absence.

Question 11: Are the days between modules included in the total number of calendar days in the period?

Answer 11: As discussed in Q&A 10, the total number of calendar days in the payment period or period of enrollment includes all days in the payment period or period of enrollment, excluding days in which the student was on an approved leave of absence, and scheduled breaks of at least five consecutive days when the student is not scheduled to attend a module or other course offered during that period of time. So, breaks between modules that the student is scheduled to attend of at least five consecutive days are excluded from the total number of calendar days in the period when calculating the percentage of the period completed by the student. These breaks would be excluded both in the numerator and the denominator of the Return of Title IV Funds calculation (§668.22(f)(2)(ii)(B)).

Question 12: Section 668.22(c)(1)(iii) provides that the withdrawal date for a student who withdraws from an institution that is not required to take attendance when the student does not provide official notification to the institution of his or her withdrawal (i.e., unofficially withdraws), is the midpoint of the payment period or period of enrollment. If a student unofficially withdraws from a program offered in modules at an institution that is not required to take attendance, how is the student’s withdrawal date (the midpoint of the period) determined?

Answer 12: The midpoint of the payment period or period of enrollment would be the 50 percent point of the total number of calendar days in the payment period or period of enrollment. As discussed in Q&A 10, the total number of calendar days in the payment period or period of enrollment includes all days in the payment period or period of enrollment, excluding days in which the student was on an approved leave of absence, and scheduled breaks of at least five consecutive days when the student is not scheduled to attend a module or other course offered during that period of time (§668.22(f)(2)). Consider a student who, after completing the first module, withdraws on day 20 of the second module of a period comprising two eight-week modules with a four-day break in between. Because there are no scheduled breaks of at least five consecutive days during or between the modules, the total number of calendar days in the period would be the total number of days in each module (8 weeks x 7 days=56 days in each module; 56 days x 2 modules=112 days in the modules) plus the 4 days in between the modules (112 days in the modules + 4 days between modules) for a total of 116 calendar days in the period.) Therefore, the midpoint and, thus, the withdrawal date would be day 58.

Question 13: The preamble to the final regulations states, “If the student has not begun attendance in enough courses to establish a half-time enrollment status, the institution may not make a first disbursement of a Direct Loan to a student (34 CFR 685.303(b)(2)(i))” (75 FR 66895 (October 29, 2010)). Does this mean that an institution must delay the first disbursement of Direct Loan funds until the student has begun attendance in enough hours to qualify as a half-time student?

Answer 13: No, an institution is not required to delay the first disbursement of a Direct Loan until the student has begun attendance in enough classes to qualify as a half-time student. The statement in the preamble refers to a post-withdrawal disbursement of Title IV, HEA program

funds—i.e., a disbursement of Title IV, HEA program funds made after the student withdraws that were earned but not received by the student while still attending the institution—to a student who is withdrawing from a program offered in modules, where the student has not begun attendance in all the courses in all the modules the student was originally scheduled to attend. Title IV, HEA program funds are disbursed to a student on the presumption that he or she will attend the hours for which aid has been awarded. Therefore, an institution is not required to delay the disbursement of Title IV, HEA program funds until a student has attended enough hours to qualify for the enrollment status for which the funds were awarded. However, if the student has withdrawn and has not begun attendance in enough courses to establish a half-time enrollment status, the presumption is no longer valid. Thus, the institution may not make a first disbursement of a Direct Loan (i.e., the first disbursement of a Direct Loan in a loan period) to a student. Section 668.164(g)(3)(iii), which permits an institution to make a late disbursement of a Direct Loan for costs incurred to a student who did not withdraw, but ceased to be enrolled as at least a half-time student, does not apply because the student never really was a half-time student. Take, for example, a credit hour program where each semester comprises three modules of five weeks each. If a student enrolls in one three-credit course in the first module, and one three-credit course in the second module, the student will not begin attendance in six credit hours, the institution's minimum half-time enrollment status, until starting the course in the second module. The institution is not required to, nor should it, delay the disbursement of the student's Direct Loan program funds until he or she begins the course in the second module. However, if the student withdraws during the first module and the institution has not made the first disbursement of a Direct Loan to the student prior to the withdrawal, the institution may not make that first disbursement of the Direct Loan to the student at this point.

Question 14: The preamble to the final regulations states, “If the student has not begun attendance in enough courses to establish a half-time enrollment status, the institution may not make a first disbursement of a Direct Loan to a student (34 CFR 685.303(b)(2)(i)), or a second disbursement of Pell Grant funds, although the funds are included as aid that could have been disbursed in the Return of Title IV Funds calculation.” (75 FR 66895 (October 29, 2010).) Why is an institution prohibited from making a second disbursement of Pell Grant funds?

Answer 14: The preamble is incorrect. An institution would not be prohibited from making a second disbursement of Pell Grant funds if the Return of Title IV Funds calculation resulted in a post-withdrawal disbursement of Pell Grant funds. We published a correction to the preamble language in the Federal Register on April 13, 2011 (76 FR 20534).

Example—Program Offered in Modules

Provided here is an example illustrating many of the changes to the regulations addressing withdrawals from programs offered in modules. More detailed examples will be provided in the 2011-2012 Federal Student Aid Handbook.

Determination of Withdrawal Questions

As noted on page 66895 of the preamble to the final regulations, the following three questions may be used to determine whether a student in a program offered in modules is a withdrawal and the Return of Title IV Funds requirements apply:

Question 1: After beginning attendance in the payment period or period of enrollment, did the student cease to attend or fail to begin attendance in a course he or she was scheduled to attend? If the answer is no, this is not a withdrawal. If the answer is yes, go to question 2.

Question 2: When the student ceased to attend or failed to begin attendance in a course he or she was scheduled to attend, was the student still attending any other courses? If the answer is yes, this is not a withdrawal, however other regulatory provisions concerning recalculation may apply. If the answer is no, go to question 3.

Question 3: Did the student confirm attendance in a course in a module beginning later in the period (for non-term and nonstandard term programs, this must be no later than 45 calendar days after the end of the module the student ceased attending)? If the answer is yes, this is not a withdrawal, unless the student does not return. If the answer is no, this is a withdrawal and the Return of Title IV Funds requirements apply.

Example

This example illustrates (1) how to determine when a student is a withdrawal from a term-based program offered in modules; (2) the amount of aid to use in the Return of Title IV Funds calculation when a student withdraws from a program offered in modules; (3) how to determine the numerator and denominator when calculating the percentage of the payment period completed for a student who withdraws from a program offered in modules; and (4) what steps must be taken when a student who withdrew from a term-based program offered in modules returns within the payment period; (5) how to determine the numerator and denominator when calculating the percentage of the payment period completed for a student who withdraws again.

Program Profile:

Payment Period/Period of Enrollment: Payment period, 15-week semester

Program structure for payment period/period of enrollment: Three consecutive five-week modules, 35 days in each module, no scheduled breaks

A student enrolls for one three-credit course in each of the three modules. Student ceases attending module 1 after completing 10 days. The student does not confirm attendance in a later module. The student does not attend module 2, but returns for the one 3-credit course in module 3. The student withdraws from module 3 after completing 15 days.

When the institution determines that the student has ceased to attend module 1, the institution answers the Determination of Withdrawal Questions to determine whether the student is a withdrawal as follows:

The answer to Question 1 is yes. The student ceased to attend a course the student was scheduled to attend—the three-credit course in module 1. Because the answer to Question 1 is yes, Question 2 must be answered.

The answer to this Question 2 is no. When the student ceased to attend the course in module 1, he or she was not attending any other classes. Because the answer to Question 2 is no, Question 3 must be answered.

The answer to this Question 3 is no. The student did not confirm attendance in a later module. Thus, this student is a withdrawal and the Return of Title IV Funds requirements apply.

If the student was awarded Pell Grant funds, before performing the Return of Title IV Funds calculation, the institution must recalculate the student's awards to reflect the change in enrollment status from nine credit hours, to three credit hours. These recalculated aid amounts are used in the Return of Title IV Funds calculation.

The percentage of the payment period completed is determined by dividing the number of calendar days completed by the total number of calendar days in the payment period, which included all days within the period that the student was scheduled to complete, except for any scheduled breaks of at least five consecutive days when the student is not scheduled to attend a module or other course offered during that period of time, and any days the student was on an approved leave of absence. The student has completed 10 days. The total number of days in the payment period includes all the days in all the modules the student was scheduled to complete, which is 105 days (three modules of 35 days each). The percentage of the payment period completed is determined by dividing 10 days by 105 days, resulting in .0952, rounded to .095 or 9.50%.

When the student returns for module 3, §668.22(a)(2)(iii)(A) applies, which provides that, if a student withdraws from a term-based credit hour program offered in modules and reenters the same program prior to the end of the period, the student is treated as if he or she did not cease attendance for purposes of determining the student's aid awards for the period. The student is considered to be in the same payment period he or she was in at the time of the withdrawal and retains his or her original Title IV eligibility for that payment period, provided the student's enrollment status continues to support the same amount of those funds. To do this, the institution must:

- recalculate the student's Title IV, HEA program eligibility based upon enrollment in modules 1 and 3 and then re-disburse any Title IV, HEA program funds that had been disbursed and then returned under the Return of Title IV Funds provisions, adjusting, if necessary, for the change in enrollment status from nine credit hours to six credit hours;

- disburse any Title IV, HEA program funds the student was otherwise eligible for that had not yet been disbursed at the time the student withdrew, adjusting for the change in enrollment status; and
- cancel any Title IV overpayments assessed the student as a result of the prior withdrawal that were disbursed upon reentry.

When the institution determines that the student has ceased to attend module 3, the institution again answers the Determination of Withdrawal Questions to determine whether the student is a withdrawal:

The answer to Question 1 is yes. The student ceased to attend a course the student was scheduled to attend—the three-credit course in module 3. Because the answer to Question 1 is yes, Question 2 must be answered.

The answer to this Question 2 is no. When the student ceased to attend the course in module 3, he or she was not attending any other classes. Because the answer to Question 2 is no, Question 3 must be answered.

The answer to this Question 3 is no. There are no later modules in which the student can confirm attendance. Thus, this student is a withdrawal and the Return of Title IV Funds requirements apply.

The total number of days in the payment period is the original 105 days. While the student did not begin module 2, since module 2 was included in the original payment period or period of enrollment and used to determine the amount of Title IV, HEA funds eligibility, the 35 days from module 2 are included in the denominator.

The total number of completed calendar days in the period reflects the completed days in both modules 1 and 3. The student had completed 10 days in module 1 and 15 days in module 3 for a total of 25 days completed in the payment period. The percentage of the payment period completed is determined by dividing 25 days by 105 days, resulting in .238, or 23.8%.

Institutions that are Required to Take Attendance

Question 15: Guidance disseminated by the Department in Dear Colleague letter GEN 04-03 (February 2004) and revised in Dear Colleague letter GEN 04-12 (November 2004) provides that, for an institution that is required to take attendance, except in unusual instances, the date of the institution's determination that the student withdrew should be no later than 14 days after the student's last date of attendance as determined by the institution from its attendance records. Does this 14-day rule for determining a withdrawal apply to all institutions that fall under the definition of an institution that is required to take attendance (i.e., those required to take attendance by an outside entity, those that have an institutional requirement to take attendance, and those that can only meet an externally or internally imposed requirement by taking attendance or a comparable process)? How does the 14-day rule apply when a student is not treated as a withdrawal from a program

offered in modules because he or she has confirmed attendance in a module that begins later in the payment period or period of enrollment?

Answer 15: The 14-day rule applies to all institutions that are required to take attendance. Institutions that are required to take attendance are expected to have a procedure in place for routinely monitoring attendance records to determine in a timely manner when a student withdraws. The 14-day rule provides that, for an institution that is required to take attendance, except in unusual instances, the date of the institution's determination that the student withdrew should be no later than 14 days after the student's last date of attendance as determined by the institution from its attendance records, except that we are modifying the 14-day rule from the guidance provided in Dear Colleague letter GEN 04-03 (February 2004) and revised in Dear Colleague letter GEN 04-12 (November 2004) to address the situation where a student is not treated as a withdrawal from a program offered in modules because he or she has confirmed attendance in a module that begins later in the payment period or period of enrollment. When in accordance with §668.22(a)(2)(ii)(A) or (B) a student is not treated as a withdrawal from a program offered in modules at an institution that is required to take attendance because the student has confirmed attendance in a module that begins later in the payment period or period of enrollment, no action is required by the institution unless the student does not return as scheduled. If the student does not return as scheduled, the student is treated as a withdrawal (see §668.22(a)(2)(ii)(C)(I)), and the date of the institution's determination that the student withdrew should be no later than 14 days after the date that the student was scheduled to resume attendance. For example, a student enrolls at an institution that is required to take attendance for one course in each of three modules. The student completes the first module, but ceases attending the second module on October 4, prior to its completion. The student provides written confirmation that he will attend the third module, scheduled to begin October 24, but does not return. The institution must complete a Return of Title IV Funds calculation using October 4—the student's last date of academic attendance as determined by the institution from its attendance records—as the withdrawal date, and October 24 as the date of the institution's determination that the student withdrew.

In accordance with the previous guidance, if a student provides notification to the institution of his or her withdrawal prior to the date that the institution normally would determine that the student withdrew, the date of determination is the date of the student's notification. The institution is NOT required to administratively withdraw a student who has been absent for 14 days. However, after 14 days, it is expected to have determined whether the student intends to return to classes or to withdraw. If the student is eventually determined to be a withdrawal, the end of the 14-day period begins the timeframe for completing a Return of Title IV Funds calculation. If an institution has a policy that states the maximum number of excused absences that can occur after which a student will be administratively withdrawn, it may delay contacting the student until that date. However if the student eventually is determined to be withdrawn, the date of determination of the student's withdrawal remains 14 days from the student's last day of attendance. If the number of days in the institution's policy is less than 14 days, then the date of the institution's determination that the student withdrew is the date the institution's policy indicates that the student will be administratively withdrawn. An institution must return the amount of Title IV funds for which it is responsible as soon as possible, but no later than 45 days after it determines or should have determined that the student withdrew. In addition, if a student

is due a post-withdrawal disbursement, then the date of the institution's determination must allow for the institution to meet the 30-day post-withdrawal disbursement notification requirement. This requirement does not affect a student's withdrawal date. At an institution that is required to take attendance, a student's withdrawal date is always the last date of attendance as determined by the institution from its attendance records.

For additional information on the date of the institution's determination that the student withdrew, see Volume 5—Overawards, Overpayments, and Withdrawal Calculations, Chapter 2—Withdrawals and the Return of Title IV Funds, of the Federal Student Aid Handbook.

Question 16: If an institution monitors whether its online students log into classes, is this an institution that is required to take attendance?

Answer 16: No. The monitoring of whether online students log into classes does not by itself result in an institution being an institution that is required to take attendance for Title IV, HEA program purposes. If, however, the monitoring of student activity is tracking academic engagement, then the institution would be an institution that is required to take attendance for Title IV, HEA program purposes.

Question 17: If a student officially withdraws after the end of a limited period of required attendance taking, does the institution have to demonstrate that the student was in attendance after the attendance-taking period in order to determine the student's withdrawal date under the requirements for an institution that is not required to take attendance?

Answer 17: Yes. Unless an institution that is required to take attendance for a limited period can demonstrate that a student who was not in attendance at the end of the limited period attended after that period, the student's withdrawal date is determined according to the requirements for an institution that is required to take attendance (75 FR 66901 (October 29, 2010)). That is, the student's withdrawal date is the last date of academic attendance during the period of attendance taking, as determined by the institution from its attendance records. Take, for example, a student who is not in attendance in his or her classes on the last day of a two-week period of required attendance taking. The student begins the institution's withdrawal process two weeks after the end of the two-week period of required attendance taking. The institution must demonstrate that the student was in attendance after the two-week attendance-taking period in order to use the date the student begins the institution's official withdrawal process as the withdrawal date. If it cannot, the student's withdrawal date is the last date of academic attendance during the period of attendance taking, as determined by the institution from its attendance records.

Question 18: If an institution requires its faculty to provide a last date of attendance for students who receive all "F" grades to determine whether a student with failing grades has unofficially withdrawn, is this an institution that is required to take attendance?

Answer 18: No. A requirement that faculty provide a last date of attendance for students who receive all "F" grades to determine whether a student with failing grades has unofficially

withdrawn does not make an institution one that is required to take attendance for Title IV, HEA program purposes. Only if the institution requires its faculty to collect or record information about whether a student was in attendance is it considered to be one that is required to take attendance. For additional information on determining whether a student who failed to receive a passing grade is a withdrawal, see Volume 5—Overawards, Overpayments, and Withdrawal Calculations, Chapter 2—Withdrawals and the Return of Title IV Funds, of the Federal Student Aid Handbook.

Question 19: If an institution requires its faculty to take attendance for some courses in a program, but not others (for example, all core courses, but not elective courses), is this an institution that is required to take attendance?

Answer 19: An institution is only required to take attendance if attendance taking is required in all classes in the program for a period of time. If, for example, an institution requires that attendance be taken in all core courses, but not elective courses, and the core and elective courses are always taken together throughout a payment period, then the institution would not be classified as being required to take attendance for that program because attendance taking is not required for all courses for any period of time. However, if the core courses in the program are taken together in isolation—for example, over the first five weeks of a payment period—then this would be a program for which the institution is required to take attendance for those first five weeks because, for that period of time, attendance is required in all courses.

Question 20: Please confirm that an institution is not an institution that is required to take attendance if it has a census that reviews which students academically attended during a defined preceding period--e.g., determines who attended during the first two weeks of a course--rather than being limited to students' academic attendance on just one date.

Answer 20: Section 668.22 (b)(3)(iv) provides that an institution is not an institution that is required to take attendance for Title IV, HEA program purposes if the institution takes attendance on only one specified day to meet a census reporting requirement. So, if the institution is taking attendance on just the 14th day, it is not an institution that is required to take attendance for Title IV, HEA program purposes. Also, if the institution is taking attendance to determine whether each student attended at least once during the period, but is not continuing to monitor attendance for a student subsequent to the one day of attendance, it is not an institution that is required to take attendance for Title IV, HEA program purposes. If, however, the institution is taking attendance throughout the two weeks to determine when students are and are not present, then in accordance with §668.22(b)(3)(iii), the institution is taking attendance for a limited period and the institution is one that is required to take attendance for Title IV, HEA program purposes for that limited period.

Question 21: For a program that is offered in modules, may the institution require that attendance be taken on only one specified day for each module (i.e., have one census date per module) without the institution being considered an institution that is required to take attendance for Title IV, HEA program purposes.

Answer 21: Yes.

Question 22: If faculty at an institution are required to take attendance and some faculty do not comply with the requirement, how should the institution determine a withdrawal date for a student who withdraws?

Answer 22: If attendance taking is required, either by an outside entity, the institution itself, or the institution or the outside entity has a requirement that can only be met by taking attendance or a comparable process, the institution is one that is required to take attendance for Title IV, HEA program purposes and the student's withdrawal date is always the last date of academic attendance as determined by the institution from its attendance records. The institution is responsible for ensuring that it is in compliance with the requirement to take attendance. If some faculty do not comply with the required attendance taking, a student's withdrawal date will be the last date of academic attendance from the attendance records taken by the faculty that did take attendance. If no records of a student's academic attendance exist, the student is considered not to have begun attendance for Title IV, HEA program purposes and, therefore, never established eligibility for the Title IV, HEA program funds. The Title IV, HEA program funds must be handled by the institution in accordance with the requirements for the treatment of Title IV grant and loan funds if the recipient does not begin attendance at the institution in §668.21, rather than the Return of Title IV Funds requirements in §668.22.