



US Federal Student Loans

Student Guide to Direct Loans from the US Department of Education

London Contemporary Dance School

OPE ID/FAFSA code G41342

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For any questions or queries about US Federal loans, please contact the LCDS Federal Aid Administrator on: USloans@theplace.org.uk

Introduction

London Contemporary Dance School (LCDS) participates in the William D. Ford Federal Direct Loan (Direct Loan) Program. These webpages outline the types of loans available, how to apply for them and when and how they are disbursed. We will also keep you informed at each step of the process by email.

You may have previously borrowed via a private lender through the FFEL Program. This program is no longer available. However, the Direct Loan Program offers the same loans but instead of a bank lending the money, the U.S. Department of Education (the Department) lends the money directly to students through the student's school. There are also some differences in the names of the loans. The FFEL Program's Federal Stafford Loans (subsidized and unsubsidized) are called Direct Subsidized Loans and Direct Unsubsidized Loans and the FFEL Program's Federal PLUS Loan is called a Direct PLUS Loan in the Direct Loan Program.

This guide will explain the loans that may be available, the application and disbursement process and detail LCDS policies around the loans.

Please note that students studying at schools outside of the USA can apply for Direct Subsidised, Direct Unsubsidised and Direct PLUS loans but are not eligible for PELL or Teach Grants or Perkins loans. Additionally, please be aware that LCDS is currently unable to complete 1098T tax forms for US students.

Useful Contacts and websites

LCDS Federal Aid Administrator: USloans@theplace.org.uk

Full information about the loan process can be found on the [Federal Student Aid](#) website.

Types of Loan Available

There are 3 types of loan available to students through the Federal program. These are the Direct Subsidized, Direct Unsubsidized (Stafford loans) and Direct PLUS loans. If you are a Graduate you can apply for a PLUS loan in your own right. If you are an undergraduate student you cannot apply for the PLUS, but your parents can apply on your behalf.

Direct Subsidized

Only available to undergraduate students with demonstrated financial need. No interest is charged while at a student is enrolled at least half-time at LCDS, during the grace period and during the deferment period.

Direct Unsubsidized

Available to undergraduate and postgraduate students. Not based on financial need; interest is charged during all periods, even during the time a student is at LCDS and during grace and deferment periods.

Direct PLUS – see ‘What is a Plus loan’ below

PLUS loans help pay for education expenses up to the cost of attendance minus all other financial assistance. Interest is charged during all periods. PLUS loan borrowers must not have an adverse credit history and a credit check will be required before a loan can be approved.

Origination fees

Origination fees are applicable to subsidized, unsubsidized and Plus loans as follows:

Subsidized/Unsubsidized: 1.057%
Graduate and Parent PLUS: 4.228%

These rates are applicable for loans whose first disbursement occurs between 1 October 2020 and 30 September 2022. Rates may change on 1 October 2022 and usually new rates are published in early June. **Please note, until the revised rates are published, we cannot set up any loans for first time undergraduate borrowers.**

Loan consolidation

If you already have FFEL Program loans and will now be receiving Direct Loans, consolidating your FFEL and Direct Loan program loans together into a Direct Consolidation loan may make loan repayment easier. If you consolidate, you will have just a single monthly payment. Consolidating your FFEL Program loans into a Direct Consolidation Loan may also allow you to take advantage of certain benefits that are offered only in the Direct Loan Program, such as Public Service Loan Forgiveness and the Income Contingent Repayment Plan.

To learn more about when you may consolidate, the pros and cons of doing so, and the application process, click [here](#) or call 800/557-7394.

How much can I borrow through Subsidized/Unsubsidized Loans?

Type of student	Subsidized (\$)	Additional unsubsidized (\$)	Combined max (\$)
Dependent undergrad yr 1	3500	2000	5500
Dependent undergrad yr 2	4500	2000	6500
Dependent undergrad yr 3	5500	2000	7500
Independent undergrad yr 1	3500	6000	9500
Independent undergrad yr 2	4500	6000	10500
Independent undergrad yr 3	5500	7000	12500
Graduate	0	20500	20500

For 2022-2023 the estimated costs are:

	BA (each year of study)	MA Expanded Dance Practice	MA Screen Dance
	12 months	12 months	16 months
Tuition	£19,850	£22,150	£23,000
Accommodation	£10,800	£10,800	£14,400
Transport	£1,440	£1,440	£1,920
Flights	£3,000	£3,000	£3,000
Food	£4,800	£4,800	£6,400
Miscellaneous	£1,000	£1,000	£1,000
Total	£40,890	£43,190	£49,720

Please note: The figures above represent those for the 2022-2023 academic year. Tuition fees are subject to an annual increase, so the estimated cost of attendance for subsequent years will be higher than that indicated above.

The Direct Stafford Loans by themselves may not cover your total Cost of Attendance. Should you require further funding, you, or for undergraduate students, your parents, may need to apply for a PLUS Loan.

What is a Plus Loan?

Parent PLUS and Graduate PLUS loans are applied for in the same way as Stafford loans. Unlike the Stafford Loan, however, the Graduate and Parent PLUS loans are subject to an adverse credit history check. For PLUS loans disbursed between 1 July 2021 and 30 June 2022 the interest rate is 6.28% (subject to change).

Parent PLUS loans are federal loans taken out by a parent on behalf of a student and are only available to students under age 24 who are studying at undergraduate level. If the parents are denied after their application for a Parent PLUS loan, their child (the student) is eligible to be considered "independent" for Stafford loan purposes. Please alert us as soon as possible if your PLUS loan is denied and provide us with the relevant supporting paperwork so we can adjust the Stafford loan amounts accordingly.

While Parent PLUS loans generally go into repayment immediately, a parent borrower can request to defer repayment during the student's studies and/or for an additional 6 months after the student graduates. Parents must request to have their loan deferred directly through the lender.

Graduate PLUS loans are available to postgraduate students (MA only) and are borrowed by the student. Graduate PLUS loan borrowers must apply for the maximum Stafford loan available to them before being allowed a Grad PLUS. This loan, like the Parent PLUS, can also be deferred during your studies but you must request this yourself, with the lender, otherwise the loan will go into repayment immediately.

Do I need a credit check?

When you apply for a Direct PLUS Loan, the Department will check your credit history. To be eligible to receive a PLUS Loan, you must not have an adverse credit history. If you are determined to have an adverse credit history, you may still receive a Direct PLUS Loan if you obtain an endorser who does not have an adverse credit history. An endorser is someone who agrees to repay the Direct PLUS Loan if you do not repay the loan.

If you are a parent borrowing on behalf of your dependent student, the endorser may not be the student on whose behalf you (the parent) obtain a Direct PLUS Loan. In some cases, you may also be able to obtain a Direct PLUS Loan if you document to our satisfaction that there are extenuating circumstances related to your adverse credit history.

How to apply for Direct Loans

Eligibility for Direct Loans and Application Process

Direct Loans are available to all US citizens or permanent residents with a valid social security number who have a high school diploma and are not in default on any previous student loans. Male students also have to be registered for Selective Service.

Step 1: Free Application for Federal Student Aid (FAFSA)

You will need to complete the Free Application for Federal Student Aid (FAFSA). We will use the information from your FAFSA to assist in determining your eligibility for a Direct Subsidized Loan and/or a Direct Unsubsidized Loan.

- You may complete the FAFSA electronically via [FAFSA on the Web](#)
- To complete the FAFSA electronically, you must have a Federal Student Aid ID. On the FAFSA website there is an FSA ID button – click on that then follow the instructions.
- After the Department processes your FAFSA, you will receive a Student Aid Report (SAR). Please retain the SAR for your records and be prepared to provide it to us if we ask.
- LCDS's ID is **G41342** and you should add this to your FAFSA application. If our FAFSA code is missing, LCDS will not be able to access your SAR.

In addition to completing a FAFSA, you will need to be accepted in a degree-granting program (that is to say a BA or MA degree) at our school on at least a half-time basis and meet other eligibility requirements such as maintaining Satisfactory Academic Progress (SAP) and being within the borrowing limits for Direct Subsidized Loans and Direct Unsubsidized Loans.

Step 2: Award Notification

Once your Student Aid Report (SAR) is available, please email USloans@theplace.org.uk. We will review your SAR and determine your maximum eligibility for a Direct Subsidized Loan and/or Direct Unsubsidized Loan. Depending on your status, we may also include information about a Direct PLUS Loan award for which you or your parent may be eligible. (If you are a graduate/professional student, you may be eligible for a Direct PLUS Loan; if you are a dependent undergraduate student, your parent may be eligible for a Direct PLUS Loan.)

We will email you with the loans and amounts you can get and you can then decide how much you would like to borrow.

Please note, the loan amounts available will depend upon your intended program of study, Estimated Family Contribution, other funding and the estimated Cost of Attendance. If you do not wish to borrow the maximum amount indicated, email the Federal Aid Administrator with your requested loan amounts.

Once the loan amounts have been agreed you must complete a Master Promissory Note

Step 3: Direct Loan Master Promissory Note Completion

You must complete a **new** Direct Loan Master Promissory Note (MPN) for each loan type you wish to borrow. Although you may have previously signed an MPN to receive FFEL or Direct Loan Program loans, these MPNs cannot be used to make Direct Loans at LCDS.

The MPN is the legal document through which you promise to repay your Direct Loans and any accrued interest and fees to the Department. It also explains the terms and conditions of your loans. In some cases, a Direct Loan MPN can be used to make loans for up to ten years. However, **you will need to complete a new Direct Loan MPN each academic year** that you receive a Direct Subsidized Loan and/or a Direct Unsubsidized Loan at our school.

- You may complete a Direct Loan MPN electronically [here](#)
- To complete a Direct Loan MPN electronically, you must have a Federal Student Aid ID. This is the same ID used to complete the FAFSA.
- After you complete your MPN, you will be able to print and retain it for your records. You do not need to provide us with a copy; just email us to say you have completed it.
- Please use our ID code **G41342** in your MPN.

Step 4: Direct Loan Entrance Counseling Completion

You must complete Direct Loan Entrance Counseling each year before you can receive a Direct Loan.

- You may complete Direct Loan Entrance Counseling electronically [here](#)
- To complete Direct Loan Entrance Counseling electronically, you must have a Federal Student Aid ID. This is the same ID used to complete the FAFSA.
- After you complete entrance counseling, email us to say you have completed it.
- You will need to complete Entrance Counseling for each type of Loan you borrow (eg Stafford and PLUS).
- Parents may, in some circumstances, be required to complete Entrance Counseling for a Parent PLUS loan.

You will also be required to complete [Exit Counseling](#) shortly before you complete your studies.

Federal Student Aid also have [Financial Awareness Counseling](#). Whilst this is not compulsory you may find it of use when planning your borrowing and spending.

Step 5: (Optional) Annual Student Loan Acknowledgement

Both new and returning borrowers may complete the 'Annual Student Loan Acknowledgement' to understand their loan history and obligations. This is not mandatory, however. Should you wish to complete this you can do this [here](#).

Step 6: Loan Certification

Once you have completed the required processes as outlined above, we will originate (certify) the loans and send a confirmation letter to you. You will be able to use this letter to support your visa application.

Federal loans will be disbursed in either 2 or 3 instalments, depending on your programme of study, and must be allocated to any due Tuition Fees first.

Please note that once originated loan information will be sent to the [National Student Loan Data System](#).

As you can see this is a long process. For you to have your payment disbursed in time for the start of session you will need to have completed your FAFSA and signed the MPN by June/July if possible. You will also need proof of funding for your UK student visa application.

Step 7: Disbursement of Funds

The first instalment for new undergraduate borrowers will not be available to LCDS until you have completed the first month of your course of study. For all other students the first disbursement will be available early October. Subsequent instalments will be available at the beginning of each term.

Before each disbursement LCDS is required to confirm you are still eligible to receive funds. This includes ensuring you are making Satisfactory Academic Progress and are studying 'at least half time'.

The loans will be disbursed to LCDS who will then arrange to convert the loans to pounds sterling. Once we know the amount in pounds received the money is allocated to tuition fees as laid down in the US Dept of Education regulations before any excess is returned to you. You will then be notified of how the loan has been allocated.

Please note, you will need a UK bank account to receive any excess funds and these will be paid in GBP pounds sterling.

Please note any PLUS loan is allocated to your Institutional charges before the subsidized and unsubsidized.

Repayment of Federal Direct Loans

Repayment of Federal loans is a very serious obligation. There are a number of repayment options available to help borrowers to meet their obligations. Remember, you are required to make your student loan payments even if you:

- do not complete your education
- are not employed upon completion of your studies
- do not find employment in your field of study
- feel that the education you received did not meet your expectations
- do not receive a bill

You must make your loan repayments on time or it may have serious consequences. It may:

- damage your credit rating, which could impact your ability to borrow
- refer your account to a collection agency
- incur collection costs
- cause garnishment of your wages
- cause withholding of your state or Federal treasury payments (including federal tax refunds, Social Security benefits, etc.)
- cause a civil lawsuit, including court costs and legal expenses
- cause loss of deferment and forbearance entitlements and flexible repayment options
- cause loss of eligibility for further financial aid
- suspend your professional license

Repayment options

There are a number of repayment options available. You should discuss them with your lender to determine which will be the best for you:

- Standard Repayment
- Graduated Repayment
- Extended Repayment
- Income-Based Repayment
- Pay As You Earn Repayment
- Income-Contingent Repayment
- Income-Sensitive Repayment

For full details see the [Department of Education Repayment](#). You will usually pay the least amount of interest under the Standard Repayment Plan.

Overview of application process

Step by step guide to applying for Direct Federal Loans - Stafford, Parent PLUS, Graduate PLUS

STEP 1: Complete a [FAFSA](#) to generate your Student Aid Report (SAR) which we need when certifying you for any federal loans. LCDS's OP EID code for the FAFSA and is **G41342**.

STEP 2: Once your SAR is available email: USloans@theplace.org.uk. We will review your SAR and tell you what loans you can get.

STEP 3: Confirm the loans you wish to take out, including PLUS loans.

STEP 4: Submit your [Master Promissory Note](#) (MPN) electronically. You will need separate MPNs for each of your loans (one for Direct Subsidised/Unsubsidised and one for Direct PLUS). PLUS loans will also require a credit check.

STEP 5: Complete your [Entrance Counselling](#).

STEP 6: (Optional) Complete [Annual Student Loan Acknowledgement](#).

STEP 7: LCDS will set up approve your loan. A letter, that can be used as proof of funds for your UK student visa application, will be issued confirming your loan amounts.

STEP 8: Your loan will then be disbursed in two or three instalments. The first instalment will not be available to the conservatoire until you have completed the first month of your course of study. Subsequent instalments will be available towards the beginning of each term.

Entrance and Exit Counselling

Entrance Counselling

Entrance counselling ensures you understand the terms and conditions of your loan and your rights and responsibilities. You will learn what a loan is, how interest works, your options for repayment and how to avoid delinquency and default.

When you have finished, a record of completion will be sent to LCDS. No loan can be set up until this counselling is on file. Please note you must complete this counselling in one sitting. You cannot save and leave an incomplete session.

Undergraduate

Entrance counselling for undergraduate students is required if you have not previously received a Direct Subsidised and/or Unsubsidised loan.

Postgraduate

Entrance counselling for graduate students is required if you have not previously received a Direct Unsubsidised and/or Graduate Plus loan.

Exit Counselling

All undergraduate and postgraduate students in their final year of study must complete Exit Counselling prior to receiving their final loan disbursement or when they drop below half-time enrolment, for example they withdraw from, or suspend, their studies.

The purpose of Exit Counselling is to ensure you understand your student loan obligations and are prepared for repayment. You will learn about what your federal student loan payment will look like after school. A repayment strategy will be recommended that best suits your future plans and goals.

Satisfactory Academic Progress for Federal Aid Recipients

1. Overview

London Contemporary Dance School is required by US Federal Law (34CFR 668.16) to define and enforce standards of Satisfactory Academic Progress (SAP) for students who wish to access US Federal Aid, namely William D. Ford Federal Direct Loans. The guidelines have been established to encourage students to progress and successfully complete the academic programme for which aid is received.

This Policy is designed in compliance with the requirements set out by the US Department of Education and related to students who are in receipt of Direct Subsidised, Direct Unsubsidised, or Direct Plus loans, or a combination of these, or whose parents have Direct Parent PLUS Loans.

2. Satisfactory Academic Progress

The US Department of Education regulations require students in receipt of US Federal Aid to be enrolled in an eligible educational programme and making Satisfactory Academic Progress to be eligible to receive any Title IV (Direct Loan) funds.

Under Direct Loan regulations, London Contemporary Dance School is obliged to check student progress and will do so prior to the release of the second and third disbursements, each academic year.

Students who receive US Federal Aid will be evaluated at the end of each term. This evaluation process will consider your progress under the following criteria;

- Qualitative (grade-based) measurement
- Quantitative (time-based) measurement

To receive US Federal Aid, you must meet minimum standards for both the above-mentioned components while simultaneously adhering to academic progress rules and the UK Government's immigration rules.

Qualitative (grade-based)

Students in receipt of US Federal Aid must remain in, and maintain at all times, good academic standing. This is consistent with the School's requirement for graduation for all students.

Undergraduate

Students studying at undergraduate level at London Contemporary Dance School must maintain a minimum of 40% (third-class Honours) grade level. Further information can be found within the School's Undergraduate Course Handbook.

Postgraduate

Students studying at postgraduate level at London Contemporary Dance School must maintain a minimum of 50% (Pass) grade level. Further information can be found within the School's Postgraduate Course Handbook.

Detailed information about Academic Progress for all students studying at undergraduate, and postgraduate levels is set out within the School's validation arrangements with the University of the Arts

and the University of Kent. By enrolling onto courses, students confirm that they will abide by the regulations in place.

In addition to the School's academic standards outlined above, additional checks are made in-year for students in receipt of US Federal Aid prior to the release of the second and third disbursements each academic year.

Quantitative (time-based)

US Federal regulations state that the maximum timeframe for completion of a degree programme may not exceed 150% of the published length of a programme. Periods when a student is not receiving US Federal Aid funding will be included in the maximum timeframe.

Students must complete their programme at a pace that ensures they will graduate within the maximum timeframe and should remain enrolled at least half-time throughout. It is expected however that students receiving Federal Aid will study on a full-time basis.

Please note, that while a student may maintain their eligibility for US Federal Aid, institutional academic progression rules and student visa restrictions may impact a student's ability to continue within the programme. Conversely, a student may lose eligibility for US Federal Aid and still meet the institutional requirements for continued enrolment.

Impact of Change to Enrolment

All periods of enrolment contribute when assessing progress, including periods when the student did not receive Direct Loan funding.

Withdrawals

Students considering withdrawing from their programme are encouraged to liaise with the Federal Aid Administrator to seek advice on the effect withdrawal can have on loans eligibility and repayment options.

Course Repetitions

All attempted credits and courses count towards the Maximum Time Frame and grades will be calculated as part of Qualitative grade measurement.

3. Monitoring SAP – Progress evaluation

Students receiving financial aid will be evaluated prior to each disbursement of federal aid (except for the first payment). This evaluation process will consider the student's progress as per the requirements stipulated in the relevant Programme Specification.

4. Financial Aid Warning

Failure to achieve the required standard of academic progress will result in a Financial Aid Warning. This warning will last for one payment period (i.e. until the next disbursement), during which time the student can still receive US Federal Aid. Students will be notified of this Warning in writing.

If the student regains satisfactory academic progress by the next disbursement due date, the next disbursement will be released, and they will be removed from the Financial Aid Warning status.

If the student fails to regain satisfactory academic progress by the next disbursement, they will no longer be eligible for Federal Aid, unless an appeal is submitted (see section 5), and funds will not be disbursed.

Re-establishing Title IV Funds

Where a student has failed to achieve the required standard of academic progress and subsequently becomes ineligible to receive US Federal Aid, they may once again become eligible providing they have met the required standard of academic progress for the subsequent period of payment. The student will remain eligible providing the required standard of academic progress is maintained.

Should the student fail to achieve the required standard of academic progress in future payment periods, the above Financial Aid Warning process will be used.

5. Appeals

London Contemporary Dance School does not have the right to waive the SAP requirement for any student. However, where a student is given notice of termination of their Federal Aid due to failure to maintain SAP, they may appeal within 10 days of receiving the notification if exceptional circumstances can be demonstrated.

The following will be considered as appropriate grounds of appeal;

- death of an immediate family member (parent, grandparents, spouse, sibling, or dependent child),
- an extended illness which has resulted in an absence from academic activities for at least fifteen days,
- the extended illness of an immediate family member that places a hardship on the student,
- the student was the victim of a natural disaster that caused them to be absent from the School,
- Other relevant mitigating circumstances accepted by Faculty.

Appeals should be submitted in writing, by email, from the student's School email account to USloans@theplace.org.uk and addressed to the Federal Aid Administrator. This process is separate from any academic appeals process.

All appeals must be submitted with supporting documentation to evidence the appeal and confirmation of what has changed to allow the student to make satisfactory academic progress at the next payment period. Suitable evidence may include, but is not limited to, medical documentation, including fit to study letters from a medical professional, death certificates for immediate family members, and any other documentation that the student feels would support their appeal.

The appeal will be considered on its merits and a response to the appeal will be provided within 14 working days. Disbursement of loan funding will not be made while an appeal is being processed. The decision following an appeal is final.

If a student's appeal is successful they will be placed on Federal Aid probation for the duration of the subsequent payment period and will continue to be eligible to receive funding for that period. The student must meet SAP requirements to remain eligible for Federal Aid.

Following this, if the specific probation requirements are not met, the student will once again become ineligible for Federal Aid. The student will be notified in writing. If the appeal is denied a student may regain eligibility if they continue to study and their minimum cumulative pass grade reaches the required levels.

They will be notified in writing of their change in status within 14 working days after they complete the applicable payment period.

Return of Direct Loan Funds Policy

1. Overview

US Federal Law specifies that, should a student withdraw from their programme of study, London Contemporary Dance School must complete a Return to Title IV (R2T4) calculation and arrange for any 'unearned' Federal Aid funds to be returned to the US Department of Education.

When a student withdraws or interrupts their studies during a payment period, the amount of Title IV program assistance that has been earned up to that point is determined by a specific formula.

This policy specifies how London Contemporary Dance School will determine the amount of US Higher Education Act Title IV programme assistance (Direct and PLUS Loans) that students earn if they withdraw from the School. For R2T4 purposes, any interruption of studies (e.g. leave of absence) for longer than 180 or an "unapproved leave of absence" is also deemed to be a withdrawal.

At London Contemporary Dance School, the Federal Aid Administrator is responsible for calculating Return of Title IV Funds (R2T4), using worksheets and software provided by the US Department of Education, and the Finance Department is responsible for the actual transfer of the resulting funds. All funds will be returned to the US Department of Education within 45 days of the date when the School determines that a student's status has changed.

If a student has queries regarding their Title IV program funds, they can call the US Federal Student Aid Information Centre at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at www.studentaid.ed.gov.

2. Refund Policy

London Contemporary Dance School has an institutional Refund Policy for all students who have officially enrolled at the School. The School Policy should therefore not be confused with R2T4 calculations and refunds.

The amount of Title IV funds due for return as a result of a withdrawal is calculated independently of the tuition fee liability charged by the School. Therefore, the student may still owe funds to the School to cover unpaid institutional charges, or may indeed be entitled to a refund in accordance with the LCDS Refund Policy (but only after any Title IV funds owed have been returned to the US Department of Education, if applicable). The School may also attempt to collect from the students any Title IV funding that London Contemporary Dance School is required to return to the US Department of Education.

3. Withdrawal Procedure

If a student is considering withdrawing or taking a break from their studies, it is recommended they discuss their personal circumstances with the Head of Student Well-being. If they hold a Tier 4 or a Student Route visa, any changes may affect this; therefore, it is strongly recommended that they seek immigration advice before making their decision.

Once a decision has been made, they should contact the Federal Aid Administrator as soon as possible on USloans@theplace.org.uk if they change the status of their studies due to one of the following circumstances;

- intermitting from their studies
- withdrawing from their programme of study
- early completion of their programme

3.1 Official Changes to Study

The withdrawal/intermit date will be recorded on the student record as the date on which the withdrawal/intermission occurs, and this date will be used for R2T4 calculation purposes. To note the effective date may be different from the date of notification of intent to withdraw/intermit.

3.2 Unofficial Changes to Study

An unofficial withdrawal occurs when a student ceases to attend the School, either temporarily (e.g. unofficial leave of absence) or indefinitely (where there is no intent to return), but the School has not received notice of this from the student.

The Academic Administration Co-ordinator will monitor student attendance and identify from attendance registers where a student has missed consecutive days of class without notifying the School for the reasons of the absence (such as illness). Authorised absences will allowed, however.

Where a student fails to maintain attendance and is deemed to have withdrawn unofficially, the withdrawal date for R2T4 calculation purposes will be the last known date of attendance, as provided by the class registers. The date of the institution's determination that the student withdrew will be no later than 14 days after the student's last date of attendance as determined by the School from its attendance records.

4. Calculating R2T4

Students "earn" Federal Aid funds by attending classes. Under US Federal Law, the School is required to report any changes to your enrolment within tight timescales. For students who withdraw, intermit, or complete their studies earlier than expected, it may be necessary to complete a R2T4 calculation and arrange for the return of any "unearned" or credit balance funds to the US Department of Education within 45 days of the date the School determines that the student withdrew. This date will be used to calculate the "earned" funds and to inform the National Student Loan Data System (NSLDS).

Where a student unofficially withdraws, London Contemporary Dance School will comply with the return of Title IV funds; the R2T4 calculation will be made from the last known date of attendance.

The Federal Aid Administrator will calculate the amount of Title IV program assistance that has been earned up to that point, using a R2T4 calculation formula provided by the US Department of Education within the worksheet *Treatment of Title IV Funds When a Student Withdraws from A Credit-Hour Program*.

The calculation will be based on the amount of attendance within a payment period. Students earn Title IV aid in direct proportion to the amount of attendance within a payment period.

Students who have been in attendance for more than 60% of the Payment Period are deemed to have earned 100% of the scheduled Title IV funds for that period.

Students who have been in attendance for less than 60% are required to return unearned funds.

The following calculation will be used to calculate unearned funds;

$$\frac{\text{Number of calendar days completed}}{\text{Number of calendar days in payment period}} = \% \text{ of loan 'earned'}$$

It should be noted that in calculating the number of days, scheduled breaks of more than 5 days should be excluded from both the numerator and the denominator in the above calculation.

5. Returning unearned funds

5.1 Return of the School's share

The School must return the unearned Federal Aid funds to the US Department of Education using the G5 system as soon as possible and within 45 days from when the withdrawal was identified in the following priority;

- Unsubsidised Direct Loans
- Subsidised Direct Loans
- Graduate PLUS Loan
- Parent PLUS Loan

up to the value of the disbursement for that term.

At the same time, the School will send the student a copy of the R2T4 calculation showing the value returned by the school and against which loans have been returned, and a notification showing the value to be returned by the student and the value to be repaid in the normal way.

The school will also inform NSLDS of the withdrawal which will trigger all loans going into repayment.

5.2 Return of the Student's share

Any unearned funds that have been disbursed directly to the student will be paid back to the US Department of Education by the student in accordance with the terms set out in the student's Promissory Note, and the Direct Loan servicer will be notified. The student MUST contact their services to make arrangements for repayment.

The School will provide the student with a copy of their R2T4 calculation and the student will be notified within 30 days of the withdrawal date of the requirement to repay the overpayment or else make satisfactory arrangements to repay the overpayment, in accordance with the terms set out the student's Promissory Note. The School will also advise the student to complete exit counselling, which will explain repayment arrangements.

Once the return has been completed, a statement will be produced for the student if there are any balances owed to London Contemporary Dance School after repayment of the unearned funds. London Contemporary Dance School's Finance Office will contact the student to request payment of any outstanding balance.

6. Post-withdrawal Disbursement Process

If a student did not receive all the funds earned, a post-withdrawal disbursement may be due, but the student must request for this to take place. A student may choose to decline some, or all, of the funds.

If London Contemporary Dance School owes the student a post-withdrawal disbursement of funds, the Federal Aid Administrator will contact the student, or a parent for a Direct Parent PLUS Loan, in writing, prior to making any post-withdrawal disbursement of loan funds, whether those loan funds are to be credited to the student's account, or disbursed directly to the student or parent, in accordance with the guidance detailed in the Federal Student Aid Handbook.

This written notification must take place no later than 30 calendar days of the determination of the date the student withdrew. London Contemporary Dance School is permitted to credit a student's account without the student's permission for current charges for tuition, fees and accommodation, if applicable, up to the amount of the outstanding charges.

The notice must identify the type and amount of the loan funds it wishes to credit the student's account or disburse directly to the student, or to the parent in the case of a Direct Parent PLUS Loan, advising that they may accept or decline all or a portion of the funds. The student or parent will have 14 days to respond.

Once the School has received confirmation from a student or parent that a post-withdrawal disbursement is to be made, any Credit Balance will be processed as soon as possible, and no later than 14 days after the R2T4 calculation has been completed.