



GRAND FORKS, ND 2026

# NDASFAA

WITHDRAWALS AND R2T4S: NEW  
REGULATIONS AND EXAMPLES

- Scott Lingen, FAAC, Bismarck State College
  - 701-224-5441, [scott.lingen@bismarckstate.edu](mailto:scott.lingen@bismarckstate.edu)



<https://canva.link/1wbfcxxy18ahm2p>



# Intent of New Regulation

---

To increase accuracy and simplicity of performing R2T4 calculations by:

- Addressing unique circumstances for what constitutes a withdrawal
- Simplifying term completion percentage calculation
- Codifying longstanding policies into regulation
- Addressing a significant issue with prison education programs (PEPs) and Title IV-approved leaves of absence (LOAs)

# Amendments and Key Impacts

---



## **Optional Withdrawal Exemption**

- Impacts instances when student withdraws before or in early days of term or payment period

## **Determination of Withdrawal Status**

- Impacts how withdrawal date is determined at schools required to take attendance


## **Leave of Absence in PEP Programs**

- Impacts PEP withdrawals

## **Clock-Hour Programs**

- Impacts percentage completed for clock-hour programs

## **Treatment of Modules**

- Impacts how R2T4 percentage complete is calculated when student attended modules
- 



# Optional Withdrawal Exemption

# Optional Withdrawal Exemption

---

668.22(a)(2)(ii)(A)(6) exempts institution from performing R2T4 calculation if **all conditions are met** for the payment period or period of enrollment:

- Student is treated as never having begun attendance;
- Institution returns all Title IV aid disbursed to the student;
- Institution refunds all institutional charges to the student; and
- Institution writes off or cancels any balance owed by the student to the institution due to the institution's returning of Title IV aid




# Optional Withdrawal Exemption



---


## Important points:

- **Effective 7/1/2026, with an option to implement as early as 2/3/2025, with immediate update to policies and procedures (P&P)**
  - Optional and may be applied on a case-by-case basis
  - No regulatory time limit on how long a student attended
  - Documentation is required
  - All four of the components must be met
  - May not undo a previously processed R2T4
  - Student-focused provision
- 

# Optional Withdrawal Exemption

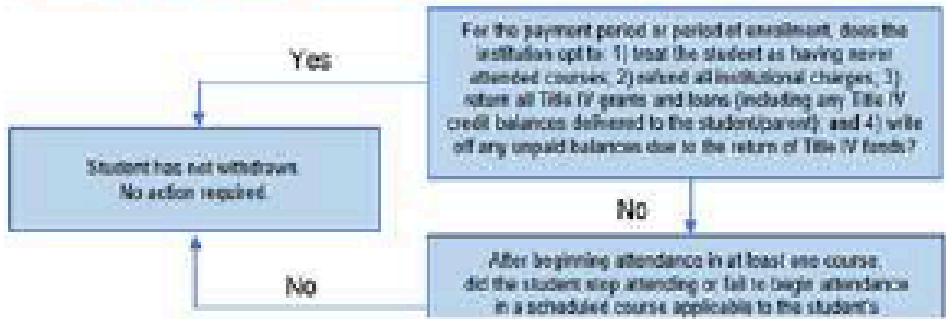


<b>Institutional Charges</b>	<b>Noninstitutional Charges</b>
<ul style="list-style-type: none"><li>• Tuition and fees</li><li>• Food and housing (if contracted with the school)</li><li>• Course fees (e.g., enrollment, registration, or technology fees if paid by all students in the program)</li><li>• Course materials (books, kits, tools, supplies, etc.) if student does not have real and reasonable opportunity to purchase elsewhere</li></ul>	<ul style="list-style-type: none"><li>• Application fees</li><li>• Parking tickets</li><li>• Group health insurance if required for all students and remains in effect after withdrawal</li><li>• Library fines</li><li>• Refundable housing deposits</li><li>• Course materials the student has a real and reasonable opportunity to purchase elsewhere</li></ul>

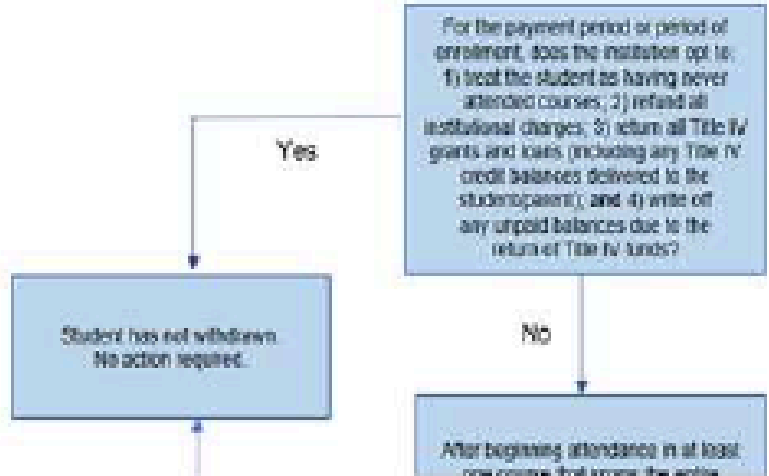


# Optional Withdrawal Exemption

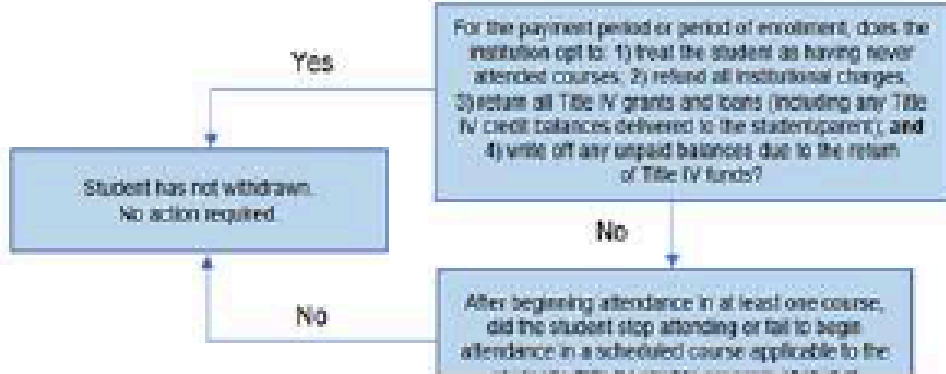
## Determining Whether a Student Has Withdrawn from a Standard- or Nonstandard-Term Program Offered in Modules



## Determining Whether a Student Has Withdrawn from a Standard- or Nonstandard-Term Program Without Modules



## Determining Whether a Student Has Withdrawn from a Nonterm or Subscription-Based Program

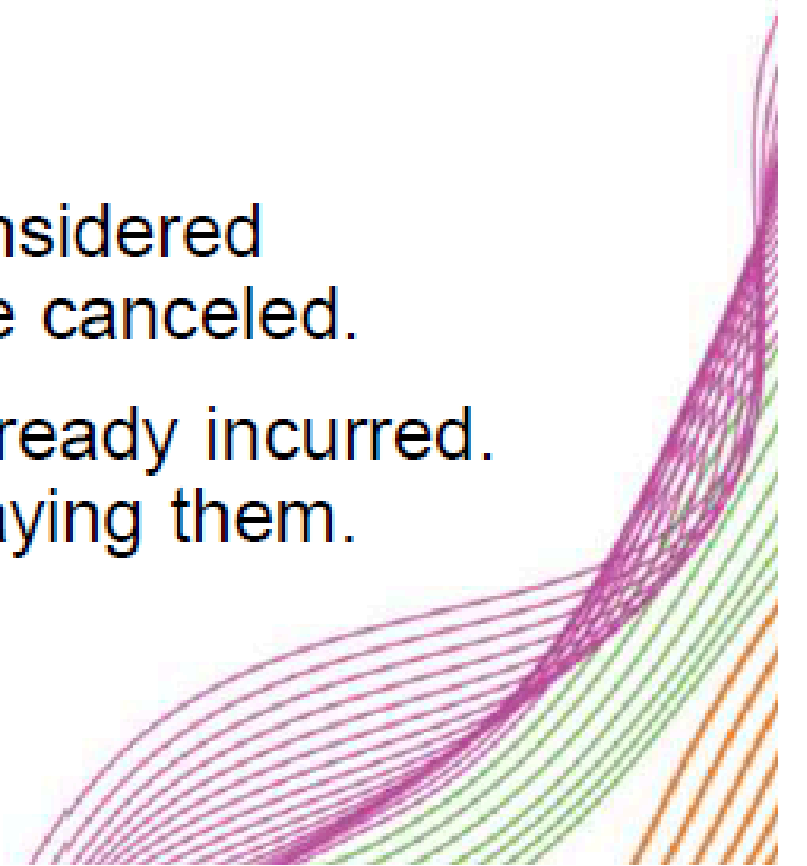


# Poll Question

A new student withdraws within a week of beginning classes. A refund of institutional charges is applied, but orientation fees, which include event-related on-campus housing and meals (dorm and meal plan), remain on the student's account.

To apply the exemption, must a school cancel orientation charges?

- Yes. Orientation charges are considered institutional charges and must be canceled.
- No. Costs for orientation were already incurred. The student is responsible for paying them.
- I'm not sure.



# Poll Answer

---

The answer is...

- Yes
- Orientation charges are considered institutional charges and must be canceled if school wants to apply the exemption



# Determination of Withdrawal Status

# Determination of Withdrawal Status

688.22(b)(2) is amended to codify longstanding guidance that an institution that is required to take attendance must document the date of the institution's determination that the student withdrew no later than 14 days after the student's last date of attendance (LDA) as determined by the institution from its attendance records



# Determination of Withdrawal Status

---

## Important points:

- Does not require student to be withdrawn 14 days after nonattendance
- Does not require an administrative withdrawal on the 14<sup>th</sup> day
- Counts calendar days (including breaks and holidays)
- May be earlier than 14 days after LDA
- Comply even if activity is not being tracked at least every 14 days
- Not considered withdrawn if the school determines student is attending

# Poll Question

If a school that is required to take attendance determines that the student has withdrawn 25 days after the student's last date of attendance (LDA), what is the date of determination that the student withdrew?

- The date of the student's LDA.
- The 25<sup>th</sup> day after the student's LDA.
- The 14<sup>th</sup> day after the student's LDA.



# Poll Answer

---

The answer is...

The 14<sup>th</sup> day after the student's last day of attendance.





# Treatment of Modules

# Treatment of Modules

668.22(1)(9) is amended to consider a module part of the payment period used in the denominator of the R2T4 calculation only when a student begins attendance in the module.



# Treatment of Modules

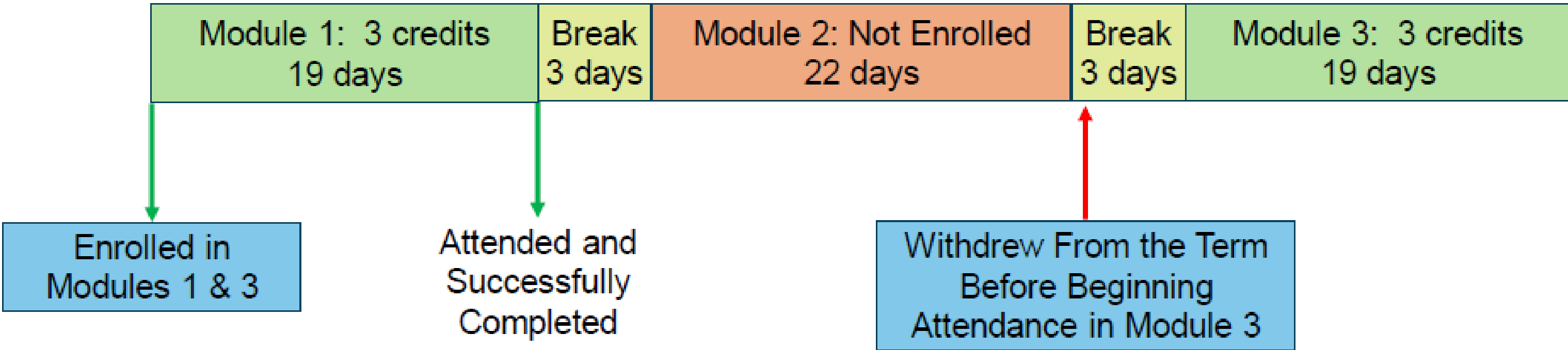
---

## Important points:

- Simplifies the percent complete calculation by only including days in the module if the student actually attends the module
- Eliminates use of an R2T4 Freeze Date (RFD)
- No longer based on enrollment in a module
- No longer based on the types of aid the student is receiving



# Treatment of Modules – On July 1, 2026



- Days completed = 19
- Days enrolled = 38
- Days in modules in which student began attendance = 19
- $19 \div 19 = 100\%$  earned aid



# Poll Question

**How is the effective date of the new treatment of modules regulation applied?**

- All withdrawals occurring in payment periods beginning on or after *7/1/2026*
- All withdrawals with a withdrawal date on or after *7/1/2026*
- All withdrawals with a date of determination on or after *7/1/2026*
- All withdrawals processed on or after *7/1/2026*

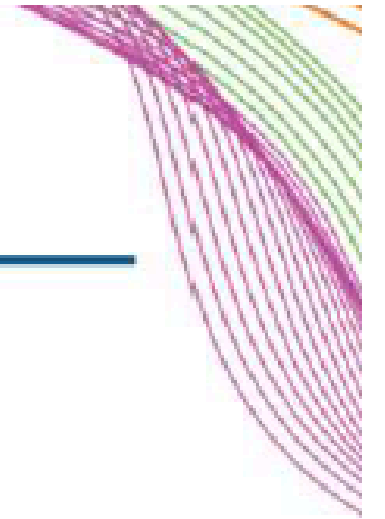


# Poll Answer

---

The answer is...

To all withdrawals with a withdrawal date on or after 7/1/2026





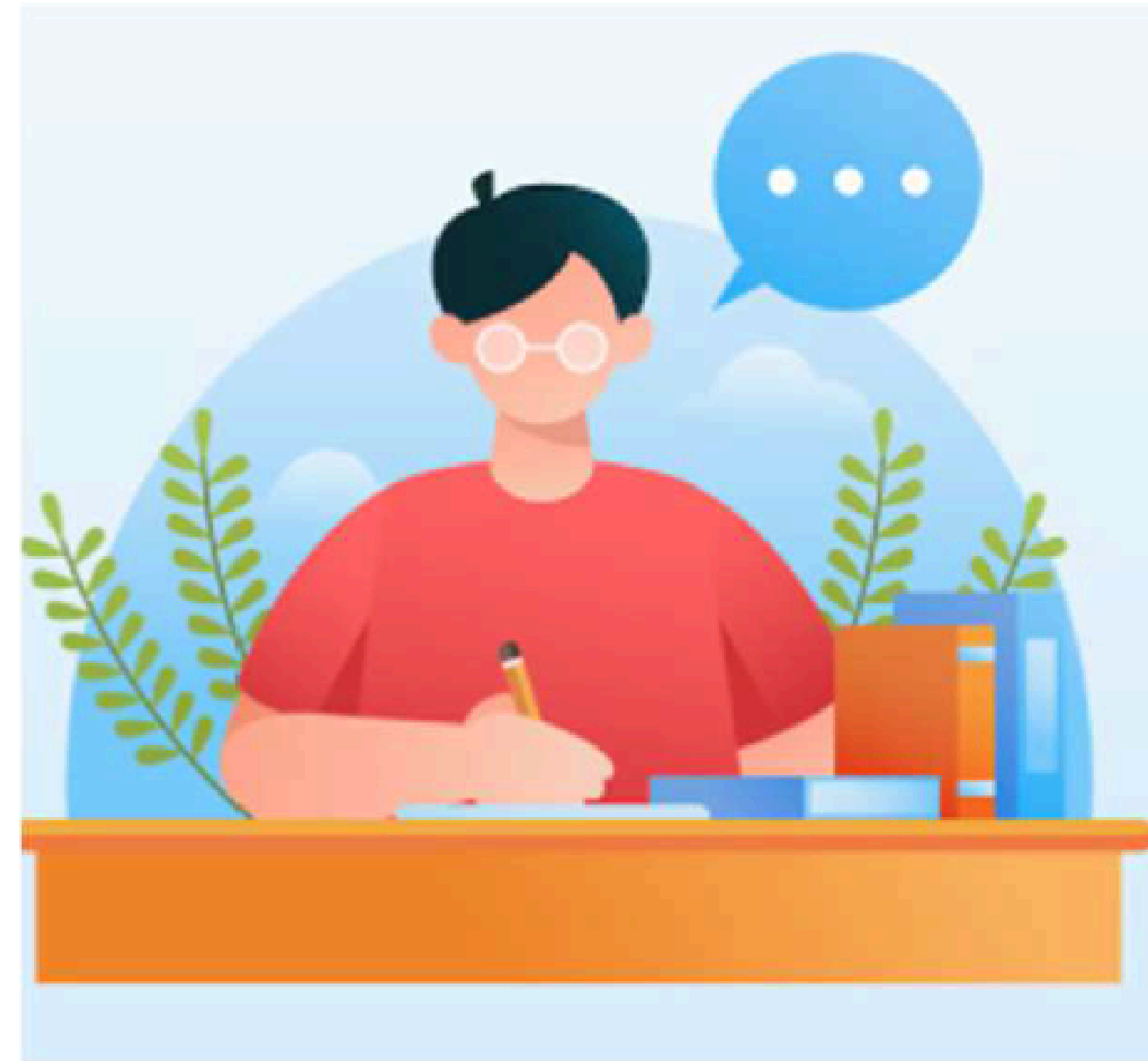
# Scenarios

# Scenario 1: Alfalfa

---

## Scenario Facts:

- Begins Fall 2026 on August 15
- Is enrolled full time
- Received grants and loans
- Received a Title IV refund on the first day of class
- Officially withdraws after attending only 2 days
- School applies the optional withdrawal exemption policy and cancels all institutional charges and returns Title IV aid except for the Title IV credit balance that was refunded to Alfalfa on August 15



# Poll Question

**Under the circumstances, is the school compliantly applying the optional withdrawal exemption?**

- Yes
- No
- It depends



# Poll Answer

---

The answer is...

- No
- If the student is permitted to retain the credit balance, the optional withdrawal exemption may not be used, and an R2T4 calculation must be completed

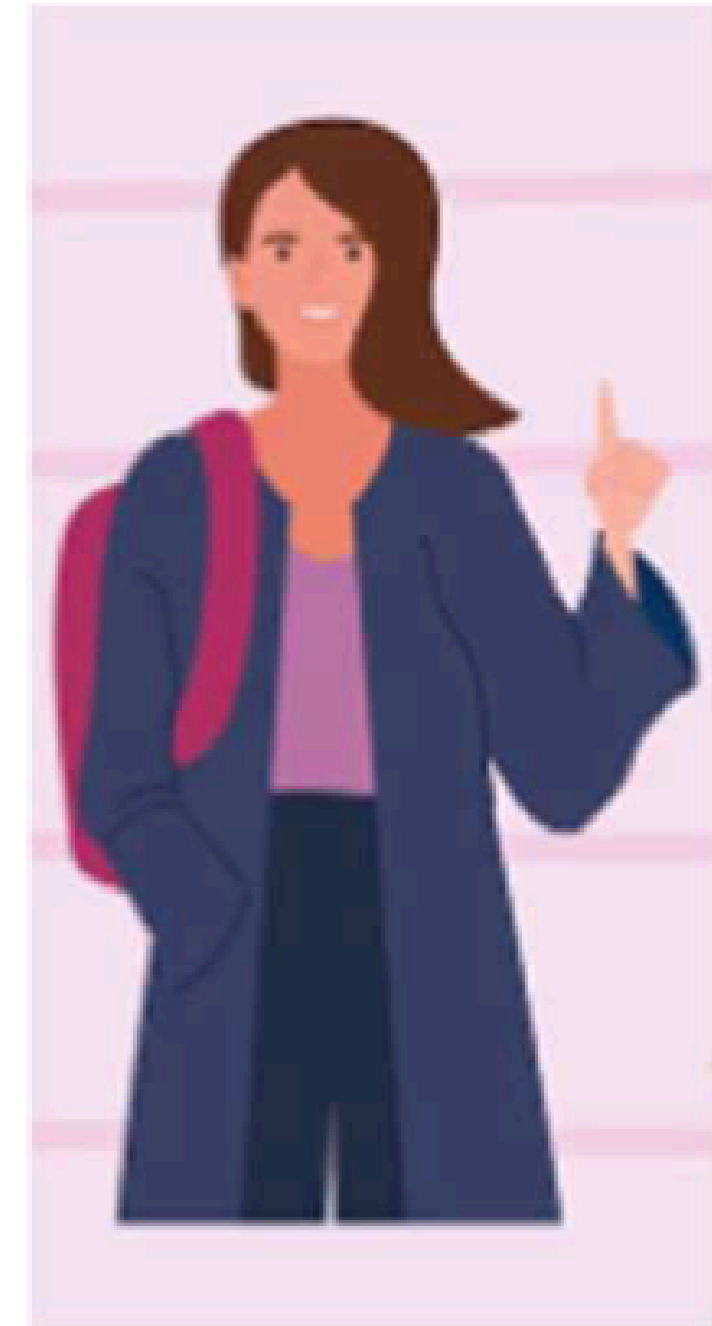


# Scenario 2: Cathy

---

## Scenario Facts:

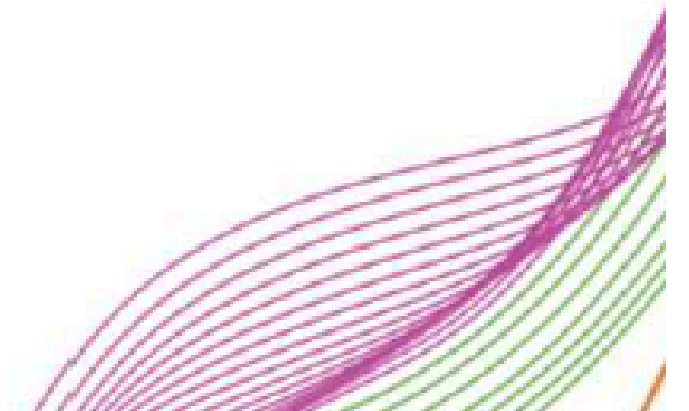
- Begins attendance in a clock-hour program on August 15
- Stops attending classes on September 1
- On September 15, the school discovers Cathy has stopped attending and contacts her
- Plans to return September 22
- Planned return is within the time period for excused absences, so no action is taken
- Cathy never returns to class
- On September 25, the school considers Cathy withdrawn



# Poll Question

**What is the date the school determined that Cathy withdrew?**

- September 1 (Cathy's current LDA)
- September 15 (the date the school discovers Cathy hasn't attended classes since 9/1)
- September 25 (the date the institution considers Cathy withdrawn)
- Some other date



## Poll Answer

---

The answer is...

September 15

# Scenario 3: Darby

---

## Scenario Facts:

- Begins the Fall 2026 semester on August 15
- Is enrolled in 9 credits: 3 credits each in Module 1, 2, and 3
- Began attendance in Module 1 and 2
- Successfully completed Module 1 but withdrew from the term during Module 2, before beginning Module 3



# Poll Question

**Under the new rules, what is the denominator of the percentage completed calculation?**

- The scheduled days in Module 1
- The scheduled days in Modules 1 and 2
- The scheduled days in Modules 1, 2, and 3
- I'm not sure.



## Poll Answer

---

The answer is...

The days in Module 1 and Module 2

# Scenario 4: Harley

---

## Scenario Facts:

- Is enrolled in 9 credits for the Fall 2026 semester; 3 credits each in Module 1, 2, and 3
- Earns a “C” in Module 1 and an earned “F” in Module 2
- Begins attendance in Module 3 but withdraws from the term five days after Module 3 begins



# Poll Question

**Under the new rules, what is the denominator of percentage completed calculation?**

- The scheduled days in Module 1
- The scheduled days in Modules 1 and 3
- The scheduled days in Modules 1, 2, and 3
- I'm not sure



## Poll Answer

---

The answer is...

The days in Modules 1, 2, and 3





GRAND FORKS, ND 2026

# NDASFAA

WITHDRAWALS AND R2T4S: NEW  
REGULATIONS AND EXAMPLES

- Scott Lingen, FAAC, Bismarck State College
  - 701-224-5441, [scott.lingen@bismarckstate.edu](mailto:scott.lingen@bismarckstate.edu)



<https://canva.link/1wbfcxxy18ahm2p>

