



Refunds and Return of Title IV Federal Pell Grant Funds

Institutional Refund Policy

- On or before the 1st day of class through the 10th day of class for the enrollment period for which the student has been charged - 100% refund. **No refunds will be given for Adult Fees.**
- After the 10th day of class for the enrollment period for which the student has been charged - 0% refund.

Fees are charged by billable hours in the major, are due at the beginning of the enrollment period, and are non-refundable.

Return of Title IV/Repayment formulas will be used for students receiving Pell Grants.

Withdrawal from NWTC

A student wishing to withdraw from Northwest Technology Center prior to the end of a semester and/or financial aid disbursement period must provide notice to the school either in writing or verbally. This is an official withdrawal. Students are given a letter grade at the time of withdrawal. Students making Satisfactory Academic Progress at the time of their withdrawal who return to the same program/major within 180 days are considered to be in the same payment period.

Written or verbal notice should be submitted to the Northwest Technology Center counselor and attendance officer/central office secretary. The notice should contain the date the student will cease attendance and the reason for the withdrawal. The official withdrawal date is the date the student has the withdrawal form signed by the administration; however, for Title IV Return of Funds Calculations, the last date of attendance is always used for scheduled hours of attendance in a pay period. If a student does not return from an approved leave of absence, then the last date of attendance will be used for calculations of hours scheduled to attend. If a student quits attending class, on the 10th day of non-attendance the student will be unofficially withdrawn on the tenth day, and the last date of attendance will be used for calculations of hours scheduled to attend for financial aid Return of Funds calculations.

Title IV Return of Federal Pell Grant Funds

If a student withdraws, drops, or fails to complete a period for which they have paid the tuition, NWTC will calculate what, if any, return needs to be made. If the student is a Pell Grant recipient in many cases it may require a return of a portion of the monies received by both the institution and the student to the Pell grant program. The calculation will be according to the Dept. of Education's Return of Title IV Funds using the Department's Return to Title IV worksheet. The regulation requires a calculation based on the actual percentage of the period the student was scheduled to attend. An example calculation is demonstrated below. Other examples and calculations may be obtained in the Financial Aid Office. Refunds to students who are paying their own tuition or agencies that are sponsoring a student who withdraws or is dropped, may receive a refund according to the institutional refund policy as noted in the Withdrawal and Institutional Refund section of the Financial Aid Policies and Procedures Handbook, the Student Handbook, and the Student Consumer Information Handbook.

Examples of the application of the refund policy are available upon request. An appeals process exists for students who believe that individual circumstances warrant exception from the published policy (see the Appeals Process section in the Financial Aid Policies and Procedures Handbook).

Return of Title IV/Repayments Formulas Used for Students Receiving Pell Grants

If a student does not return from an approved leave of absence or if a student quits attending class, on the 10th day of non-attendance the student will be unofficially withdrawn, and the last date of attendance will be used for calculations of hours scheduled to attend. If a student has unofficially withdrawn and NWTC does not become aware of this until records are checked at the end of an academic period, the withdrawal date will be determined within 30 calendar days of the

- the end of the payment period
- the end of the academic year, or
- the end of the student's educational program

Calculating the Title IV Return of Unearned Federal Pell Grant Funds

As a general rule, grants do not need to be repaid. However, a student may have to repay a certain amount if he/she withdraws or is dismissed prior to completing more than 60% of a payment period. When a student has exhausted all leave according to the attendance policy (see the attendance policy in the Student Handbook or the Student Consumer Information Handbook online or obtain a hard copy in the Counselor's Office, the Assistant Superintendent's Office, the Central Office, or the

Financial Aid Office), and a leave of absence has not been requested (or one has been requested but denied) on the 10th day of non-attendance the student will be unofficially withdrawn upon that day.

The last date of attendance is the date used as the calculation for scheduled hours for the student's attendance on the Return of Title IV Funds Calculation Worksheet. The portion of a federal grant that the student is entitled to receive is calculated on a percentage basis by comparing the total number of hours in a payment period to the hours scheduled to complete in the payment period upon the student's last day of attendance. For example, if the student completes 30% of the payment period, he/she earns 30% of the assistance that he/she was originally scheduled to receive. This means that a portion of the scheduled award remains unearned and must be returned to the Department of Education. Once a student has completed more than 60% of the payment period, he/she has earned all (100%) of the grant money for that pay period.

Once the amount of Title IV aid earned by the student and school is determined by the Financial Aid Office, the student will receive a certified letter stating how much Title IV aid was earned. The letter will also explain if the student has an outstanding balance that is owed to the school for tuition and fees. The student must realize that tuition and fees may be offset from the amount earned by the student.

Upon withdrawal if the amount earned by the student is greater than the amount disbursed, then a post-withdrawal calculation is performed (see the Post-Withdrawal Disbursements section of the Financial Aid Policies and Procedures Handbook). If the amount earned by the student is less than the amount disbursed, then a Title IV Return of Fund calculation is performed. If the amounts earned and disbursed are equal, no further action is taken.

Example 1: A student receives a Pell Grant in the amount of \$2,888 for a payment period that is 450 clock hours in length. As of the student's last date of attendance, the hours scheduled to be completed for the payment period are 350 of the 450 hours, which is 77.78%. In this case, neither the student, nor the school owe any money back.

Example 2: A student receives a Pell Grant in the amount of \$1,882 for a payment period that is 300 clock hours in length. As of the student's last date of attendance, the hours scheduled to be completed for the payment period are 63 of the 300 hours, which is 21.00%. The student had tuition and fee charges of \$600 which were paid for with the Pell Grant. The Return of Title IV Funds calculation determines that the student is required to repay \$72 to the Pell Grant program. This calculation also determines that NWTC is required to return \$474 to the Pell Grant program.

Please refer to the Return of Title IV funds worksheet in the back of the Financial Aid Policies and Procedures Handbook to see what calculations are involved or contact the Financial Aid Director for more information.

Aid to Be Returned

If the student receives more Pell Grant monies than the amount earned, NWTC or the student or both must return the unearned funds. When a return of Pell Grant funds is due, NWTC and the student both have a responsibility for returning funds. Whatever funds are not returned by the school must be returned by the student. The student's repayment obligation is determined after the school's earned/unearned funds are calculated. NWTC will return all unearned funds within 30 days from the date Financial Aid Director determines the student withdrew. Necessary funds will be returned to the Federal Pell Grant Program by the Business Office by reducing the authorization drawn from G5, by electronic transfer payment through the G5 system.

If a student owes a repayment to the Pell Grant Program, NWTC will notify the student by certified mail within 30 days that he/she must repay the overpayment. In the notification NWTC will inform the student that

- The student owes an overpayment of Pell Grant funds
- The student's eligibility for additional Title IV funds will end if the student fails to take positive action by the 45th day following the date the school sent or was required to send notification to the student

There are two positive actions a student can take to extend eligibility for Title IV funds.

- The student may repay the overpayment in full to the school within 45 days
- The student may sign a repayment agreement with the Department of Education

If the student fails to take one of the positive actions during the 45-day period, the student's overpayment will be reported to NSLDS and referred to the Department of Education for collection:

Mailing address: National Payment Center
P.O. Box 105028
Atlanta, GA 30348

The student should contact the school to discuss his/her options.