

Return of Title IV Federal Student Aid Policy

Federal Regulation 34 CFR 668.22 specifies how a school must determine the amount of Title IV program assistance you earn if you withdraw from school. The Title IV programs offered by Northeast Wisconsin Technical College that are covered by this law are as follows: Federal Pell Grants, Iraq and Afghanistan Service Grants, Direct Loans, Direct PLUS Loans, and Federal Supplemental Educational Opportunity Grants (FSEOG).

Though your aid is posted to your account at the start of each period, you earn the funds as you complete the period. If you withdraw during your payment period or period of enrollment (please contact the Financial Aid Office to discuss which one applies to your situation) the amount of Title IV program assistance you have earned up to that point is determined by a specific formula. If you received (or your school or parent received on your behalf) less assistance than the amount you earned, you may be able to receive those additional funds. If you received more assistance than you earned, the excess funds must be returned by the school and/ or you.

If you withdraw completely from school during the semester, a portion of the total amount of Federal Title IV aid disbursed to you may need to be returned to the financial aid programs based on federal regulations. The portion that must be returned is based on the percentage of time you were enrolled in school.

The amount of assistance you earn is determined on a pro rata basis. For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period or period of enrollment, you earn all the assistance that you were scheduled to receive for that period.

For Example: A student who remains enrolled for 10% of a semester will be eligible to keep 10% of the total Title IV aid disbursed to him/her. The balance (or 90%) must be returned to the Title IV program(s).

In addition, if you begin attendance and do not officially withdraw, you must complete the term which you received funding for and earn a grade, or a repayment may be processed based on the mid-point of the semester or your last recorded date of academically related activity.

NOTE: No Title IV aid funds are required to be returned if the student remains enrolled for more than 60% of the semester before withdrawing.

The Financial Aid Office will determine the amount to be paid back to the financial aid programs within 30 days of your withdrawal and the funds will be returned to the program within 45 days.

Title IV Aid & Order of Return

If you receive (or your school or parent receive on your behalf) excess Title IV program funds that must be returned, NWTC must return a portion of the excess equal to the lesser of:

1. Your institutional charges multiplied by the unearned percentage of your funds, or

2. The entire amount of excess funds. The school must return this amount even if it didn't keep this amount of your Title IV program funds. If your school is not required to return all of the excess funds, you must return the remaining amount.

For any loan funds that you must return, you (or your parent for a Direct PLUS Loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time.

The least desirable aid is returned first, in ascending order of desirability as follows:

1. Federal Direct Unsubsidized Loan
2. Federal Direct Subsidized Loan
3. Federal Parent Loans (PLUS)
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant (SEOG)
6. Talent Incentive Program (TIP)

Funds are not returned to the Federal Work-Study Program.

State funds are not calculated as a part of the Return to Title IV calculation, however there may be a separate calculation done to determine any state aid owed back to the State of Wisconsin – Higher Education Aids Board (HEAB).

Date of Withdrawal

Regulations define the withdrawal date as the date:

- The student begins the withdrawal process by notifying the school of their intent to withdraw or otherwise provides official notification, OR
- The midpoint of the payment period in which the student received Title IV aid, OR
- The last date of an academically related activity that the student participated in.

How No Show Grades Affect Financial Aid

A grade of No Show (NS) is assigned when a student enrolls in a course but does not attend or does not complete course requirements as outlined in the syllabus. Instructors determine when a grade of NS is appropriate based on the course requirements. For full semester in-person classes (15 weeks), a NS grade will be assigned after the second week for non-attendance. For all other delivery modes a grade of NS will be assigned when a student enrolls but does not attend.

If a student's enrollment status changes due to a grade of NS or due to dropping a late starting class before it begins, the student may owe a financial aid repayment.

Financial aid is disbursed to students at the start of each semester; however, it is not fully earned until the end of the semester. Eligibility is determined by a student's enrollment and completion of courses for each semester. Grades of NS may change a student's enrollment status.

Students receiving financial aid that receive NS grades may be required to repay a portion of their financial aid based on any change to their enrollment status. If a student receives a NS grade that changes their enrollment status (see chart below) financial aid must be recalculated. Courses for which a grade of NS is received do not count toward a student's semester credit load.

Courses that begin after the start of the semester will not be counted for eligibility unless the student enrolls and attends the course. Students that drop these courses before they begin may not receive a NS grade but may have their financial aid recalculated if the drop changes their enrollment status.

The chart below outlines each enrollment status based on total credits during a semester:

Full-time	12+ credits
3/4-time	9-11 credits
Half-time	6-8 credits
Less than half-time	1-5 credits

Summer Term = 6 or more credits and dependent on remaining aid eligibility.

For more information about how enrollment changes will affect your eligibility, contact the [Financial Aid Office](#) before making any changes to your enrollment.

Repayment

At the time you withdraw, the Student Finance Office will automatically use all or a portion of your institutional refund as payment toward the amount that must be returned to the Title IV programs. You may also be required to repay a portion of the aid funds that were disbursed to you after your charges had been paid. You will be notified/billed for any grant funds that must be repaid immediately.

Failure to resolve the repayment within 30 days could result in your account being sent to the U.S. Department of Education for Collection and a HOLD being placed on all future financial aid eligibility. You will not be allowed to obtain grades and/or an academic transcript. Student loan funds are to be repaid in accordance with the terms of the loan.

Any amount of unearned grant funds that you must return is called an overpayment. The maximum amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You do not have to repay a grant overpayment if the original amount of the overpayment is \$50 or less. You must make arrangements with NWTC or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when you withdraw are separate from NWTC's refund policy. Therefore, you may still owe funds to the school to cover unpaid institutional charges. NWTC may also charge you for any Title IV program funds that NWTC was required to return. NWTC's refund policy can be found [here](#).

Post-Withdrawal Disbursement

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If your post-withdrawal disbursement includes loan funds, NWTC must get your permission before it can disburse them. You may choose to decline some or all of the loan funds so that you don't incur additional debt. NWTC may automatically use all or a portion of your post-withdrawal disbursement of grant funds for tuition and fees. NWTC needs your permission to use the post-withdrawal grant disbursement for all other institutional charges. If you do not give your permission, you will be offered the funds. However, it may be in your best interest to allow NWTC to keep the funds to reduce your debt at the college.

There are some Title IV funds that you were scheduled to receive that cannot be disbursed to you once you withdraw because of other eligibility requirements. For example, if you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not receive any Direct Loan funds that you would have received had you remained enrolled past the 30th day.

The Financial Aid Office will determine if you are eligible to receive Title IV funds that were awarded but not yet disbursed to you at the time of your withdrawal from school. If you are eligible for a post-withdrawal disbursement, we will first apply these funds to your outstanding college charges (if any). Any remaining amount of the post-withdrawal disbursement will be released to you. If the post-withdrawal disbursement is in the form of a loan, you will be required to accept the loan in writing by replying to a letter received by the financial aid office. You can expect to receive the letter pertaining to this within 2-3 weeks from withdrawing. A post-withdrawal disbursement amount would first be used to pay any outstanding charges on your student account before the funds would be returned to you.

Class Refunds

If you owe a grant repayment or have an outstanding student loan, any class refund due to you may be claimed by the Financial Aid Office and returned to the lender or the proper financial aid account. Click [here](#) to view the Refund Policy.