



FEDERAL STUDENT AID

Return of Unearned Aid

Policy Revised: 3.22.18 | Policy Effective: Spring 2018

NWC participates in Federal Student Aid (Title IV) programs and is required to publish its policy on unearned federal student calculations. The following definitions, policies, and process apply when a student who has received federal student aid for the semester withdraws from the College, voluntarily or involuntarily after the semester has begun, or does not otherwise complete the full enrollment period.

INSTITUTIONAL WITHDRAWAL PROCESSES

After a period of enrollment/semester has begun, a student may choose to withdraw from select courses or the institution as a whole.

Withdrawal from Courses – Students who withdraw from a course and whose enrollment status falls below full time (below 12.0 credits) receive a *tuition & fee* refund in accordance with the College's refund policy. Students who withdraw from a course and whose enrollment status remains at full time status, receive a *fee-only* refund based on the College's refund policy. Review the College's Catalog for withdrawal requirements and for complete refund calculations (institutional & federal) in the *Academic Procedures and Policies* and *Expenses and Financial Aid* sections (<http://catalog.nwc.edu/>).

Withdrawal from College – To withdraw from the College, a student must complete an official *Change of Status/Total Withdrawal* form, which can be obtained at the Enrollment Services Office (100 Orendorff Bldg.). Review the College's Catalog for withdrawal requirements and for complete refund calculations (institutional & federal) in the *Academic Procedures and Policies* and *Expenses and Financial Aid* sections (<http://catalog.nwc.edu/>).

WHO IS SUBJECT TO RETURN OF UNEARNED FEDERAL AID

All federal student aid recipients who withdraw, drop out, are expelled, are administratively withdrawn after the first day of the semester, receive failing grades for all completed courses within a semester (F, UF, U), or do not otherwise complete the period of enrollment/semester (for programs containing courses taught in modules) will be subject to this Return of Unearned Federal Aid policy

This policy applies to students who have been awarded assistance through the Federal Pell Grant, FSEOG, or Federal Direct Loans. For these students, this policy overrides & supersedes the Northwest College Institutional Refund Policy, which is published in the *Semester Class Schedule* and *Northwest College Catalog*.

If a student receives federal student aid and; (a) does not register for courses, (b) registers but does not begin attendance, or (c) withdraws, drops out, or otherwise cancels his or her registration on or before the first day of classes, all federal aid offered to that student for that semester will be cancelled.

DETERMINATION OF STUDENT SEPARATION DATES

The Financial Aid Offices uses these methods for determining a student's withdrawal/separation dates:

Official Withdrawals (student initiated withdrawals & drop outs). The Financial Aid Office uses the date the student initiates the withdrawal process as indicated on the student's official withdrawal *Change of Status/Total Withdrawal* form as the student's withdrawal date when calculating unearned federal aid for the period of enrollment/semester (form available in the Enrollment Services' Office). For those students who do not submit an official withdrawal form, the Financial Aid Office uses the latest course withdrawal date as the official withdrawal date when calculating unearned federal aid for the period of enrollment/semester.

Unofficial Withdrawals (expulsions & administrative withdrawals). When available, the Financial Aid Office uses instructor-supplied last date of course attendance as the withdrawal date for students who have been administratively withdrawn from the college (unofficial withdrawals) to calculate unearned federal aid for the period of enrollment/semester. In the absence of instructor-supplied last dates of attendance, the Financial Aid office uses the latest date of administrative withdrawal request, as submitted by the student's instructors, to calculate unearned federal aid for the semester.

All F grades (non-passing grades for all completed semester courses). Students who earned failing grades in all completed period of enrollment/semester courses are subject to the "All F Grades" policy, housed within the College's Satisfactory Academic Progress (SAP) policy for federal student aid. SAP policy located here: www.nwc.edu/fapolicy. When available, the Financial Aid Office uses instructor-supplied last date of attendance in each failed course as the student's individual course withdrawal date. In the absence of instructor-supplied last dates of attendance, the Financial Aid office uses semester's midpoint as the student's individual failed course withdrawal date. The Financial Aid Office uses the latest of all individual course withdrawal dates within the semester (voluntary course withdrawal, instructor last date of attendance, administratively withdrawal, semester midpoint, or module course end date) to determine the unofficial withdrawal date used to complete the unearned federal aid calculation.

Incomplete period of enrollment. For students who do not complete the full period of enrollment/semester by taking only those courses that are shorter in length than the full semester (defined as modules), the Financial Aid Office uses the course end date of the longest course completed within the period of enrollment/semester when calculating unearned federal aid for the period of enrollment/semester.

CALCULATIONS

Return of Unearned Federal Aid regulations require a refund calculation be performed on any student who withdraws from the College before completing 100% of the enrollment period (semester) or who does not complete the enrollment period/semester.

- Students who complete 60.01% or more of each semester are considered to have fully earned all eligible federal financial aid for the semester. Students who complete <60.01% of the semester have not earned 100% of their eligible federal aid and are required to repay a prorated amount of aid received.
- The number of days of semester enrollment, up to and including the withdrawal day, is divided by the number of days in the semester (minus any College breaks of 5 or more days within the semester) to determine the percentage of enrollment completed.
 1. This percentage is multiplied by the total federal aid received to determine the amount of earned aid, which is subtracted from total aid received to determine the amount of unearned aid.
 2. The total institutional charges are multiplied against the portion of the semester that was not completed to determine the unearned institutional charges.
 3. Whichever dollar amount is less (unearned aid or unearned institutional charges) is the amount of total unearned federal aid. These unearned funds are then returned to the financial aid programs in the order specified by federal regulations (listed below) within 45 days of the withdrawal date of determination.
- If a student has received unearned funds that must be repaid to these programs, Northwest College will notify the student in writing of the amounts and to which programs they owe within 45 days of withdrawal from the College.
- Students who are eligible for undisbursed aid after withdrawal from the College will receive a federal student aid post-withdrawal disbursement notice. Eligible post-withdrawal federal grant aid is automatically applied to a student's account, but all eligible post-withdrawal federal student loan disbursements require a student's written acceptance confirmation prior to disbursement.

ORDER IN WHICH UNEARNED FEDERAL AID IS RETURNED

Federal student aid regulations require unearned aid to be returned toward federal student aid programs in this specific order:

1. Unsubsidized Direct Loans (other than Direct PLUS Loans)
2. Subsidized Direct Loans
3. Federal Perkins Loans (NWC does not participate in the Perkins Loan program)
4. Direct PLUS Loans
5. Federal Pell Grants for which a return is required
6. Federal Supplemental Educational Opportunity Grants
7. (FSEOG) for which a return of funds is required
8. TEACH Grants for which a return is required (NWC does not participate in the TEACH grant program)
9. Iraq and Afghanistan Service Grant, for which a return is required

RELATED POLICIES

Students who have signed a campus housing contract will be subject to the terms of that contract and will not receive financial aid for any debt thereby incurred. Students may be required to repay a portion or all of the assistance they received for living expenses, as well as other expenses.