



ADMINISTRATIVE POLICY

General Provisions 3.2

Title IV Refunds

POLICY STATEMENT

A student who completely withdraws during any semester at NSC will be subject to the Federal Return of Title IV Funds Policy as conducted by NSC Financial Aid. Federal law requires the amount of student assistance earned up to the point of withdrawal be determined by a specific calculation. In some instances, the student may owe funds back to NSC or the federal programs from which the financial assistance was received.

The amount of assistance the student has earned is determined on a pro-rata basis. That is, if the student completed 30 percent of the payment period or period of enrollment, the student earned 30 percent of the assistance the student was originally scheduled to receive. Once the student has completed at least 60 percent of the payment period or period of enrollment, the student earned all of the assistance. The federal government has mandated a policy of aid recalculation where recipients of Title IV funding fail to complete a minimum of 60 percent semester attendance. Title IV programs authorized under the Higher Education Act of 1965 include Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, subsidized and unsubsidized Federal Direct Loans, and PLUS loans.

REASON FOR POLICY

This section is required 34 CFR 668.22(j)(1) under 34 CFR [668.22](#)

PROCEDURES

For the purpose of determining point of withdrawal during a semester, the student's separation date is:

1. The date the student began NSC's official withdrawal procedure; or
2. The mid-point date if no official documentation of withdrawal is available; or
3. The mid-point date if Canvas indicates earned points while PeopleSoft indicates "Never Attended;" or
4. The day before a scheduled break of five days or more, if the official withdrawal date falls during the break.

If the student is enrolled in courses with start and end dates that do not correspond to the semester's start and end dates (e.g. mini-sessions, modules or dynamically-dated courses) the following provisions apply.

1. If the student drops or withdraws from these courses during the earlier session(s), the Title IV program assistance that the student has earned up to that point will be evaluated, regardless of enrollment in later course sessions. This may result in funds being returned.
2. If the student withdraws or drops from these courses during the earlier session(s) and provides written notification to NSC Financial Aid that the student will be attending the future sessions, Title IV program assistance will not be evaluated at that time and no funds will be returned at that time.
3. Should the student confirm enrollment for future courses and drop, withdraw or do not attend courses, Title IV program assistance will be evaluated taking into consideration the earliest and latest enrollment period. This may result in higher amounts of funds being returned.
4. Students who do not begin attendance in a course are not considered to have earned any portion of a Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), or Nevada State institutional grants that may have been disbursed based on enrollment in that course. Students in online courses are required to demonstrate participation in an academically related activity in order to be considered as having begun attendance.

The student is responsible for repayment of any assistance for which the student did not qualify or earn. The student will be notified within 30 days of the institutional determination of withdrawal of the overpayment that the student must repay. Upon notification, the student will have 45 days to resolve the outstanding balance owed. After the 45 day period, the overpayment may be referred to the U.S. Department of Education for collection. The student will be ineligible for future federal and state financial assistance at NSC or other institutions until the overpayment is satisfied.

NSC's Tuition and Fees Refund Policy can be found in Section 20 of <http://system.nevada.edu/tasks/sites/Nshe/assets/File/BoardOfRegents/Procedures/PGMCH07FEESTUITION.pdf>

Order of Return of Title IV Funds

Based on Final Regulations released September 2, 2020, NSC will return Title IV funds to the programs from which the student received aid during the payment period or period of enrollment as applicable, in the following order, up to the net amount disbursed from each source:

- Unsubsidized Direct Loans (other than Direct PLUS Loans)
- Subsidized Direct Loans
- Direct PLUS Loans (parent or graduate)
- Federal Pell Grants for which a return of Title IV funds is required
- Iraq and Afghanistan Service Grant, for which a return of Title IV funds is required
- FSEOG for which a return of Title IV funds is required
- TEACH Grants for which a return of Title IV funds is required

Timeframe for the return of Title IV funds

NSC will do one of the following as soon as possible but no later than 45 days after the date it determines that the student withdrew:

- deposit or transfer the funds into NSC’s federal funds bank account,
- initiate the return of funds to the Department electronically using the “Refund” function in G5 or;
- issue a check to the Department.

Since the de minimis provision that waives returns of grant funds from students when the original amount to be returned is less than \$50.00 does not apply in this situation, NSC will return the full amount owed to any Title IV program that the NSC is responsible for returning. However, since NSC does not have to return amounts of less than \$1.00, any amount less than \$1.00 will not be returned.

Return of Title IV Grant Funds by the Student

The student is obligated to return any Title IV overpayment in the same order that is required for NSC.

Grant overpayments may be resolved through:

- full and immediate repayment to the NSC;
- repayment arrangements satisfactory to the NSC; or
- overpayment collection procedures negotiated with the Default Resolution Group.

NSC’s Responsibilities in the Return of Title IV Funds by the Student

NSC has responsibilities that continue beyond completing the R2T4 calculation and returning the funds for which it is responsible. NSC has additional responsibilities if a student is required to return funds due to R2T4.

The applicable regulations limit the amount of grant funds a student must repay to one-half of the grant funds the student received or could have received during the applicable period. Moreover, repayment terms for students who owe Title IV grant overpayments were established to ensure that students who could not immediately repay their debt in full had the opportunity to continue their eligibility for Title IV funds. Students who owe overpayments as a result of withdrawals initially will retain their eligibility for Title IV funds for a maximum of 45 days from the earlier of:

- the date NSC sends the student notice of the overpayment, or
- the date NSC was required to notify the student of the overpayment.

Within 30 days of determining that a student who withdrew must repay all or part of a Title IV grant, NSC must notify the student that he or she must repay the overpayment or make satisfactory arrangements to repay it. In its notification, NSC must inform the student of the following five items:

1. The student owes an overpayment of Title IV funds.
2. 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 NSC sent or was required to send notification to the student.
3. There are three positive actions a student can take to extend his or her eligibility for Title IV funds beyond 45 days:
 - The student may repay the overpayment in full to NSC.
 - The student may sign a repayment agreement with NSC. **Two years is the maximum time NSC may allow for repayment.** NSC has procedures in place that ensures we immediately refer for collection (to the Default Resolution Group) any student who violates the terms of the repayment agreement.
 - The student may sign a repayment agreement with the Department.
4. If the student fails to take one of the positive actions during the 45-day period, NSC will report the student's overpayment to NSLDS and refer the student to the Default Resolution Group for collection.
5. The student should contact NSC to discuss their options.

If the student takes no positive action during the 45-day period, NSC will both refer the student for collection to the Default Resolution Group AND report the overpayment immediately to NSLDS after the 45-day period has elapsed.

Post-withdrawal disbursement (PWD) of Title IV grant funds

Post-withdrawal grant disbursements are either credited to a student's account to satisfy outstanding allowable charges or paid directly to the student.

NSC is permitted to credit a student's account with the post- withdrawal disbursement of Title IV grant funds to cover current outstanding allowable charges without the student's permission for tuition, fees, and room and board (if the student contracts with NSC). NSC must credit the student's account with the PWD for current charges within 180 days of the date of determination.

To cover charges other than current charges, NSC must obtain a student's authorization to credit a student's account with Title IV grant funds. NSC is permitted to use a student's authorization for crediting the student's account for educationally related expenses that NSC obtained prior to the student's withdrawal date so long as the cash management requirements for student authorizations are met. If NSC did not obtain authorization prior to the student's withdrawal, NSC would have to obtain authorization in accordance with the cash management requirements before the NSC can credit the student's account for other current charges or for educationally related activities.

For any amount of a post-withdrawal grant disbursement not credited to the student's account to cover allowable charges, NSC must make the disbursement as soon as possible but no later than 45 days after the date of NSC's determination that the student withdrew (no confirmation from the student is required).

NSC may not delay its disbursement processes while it ascertains whether a student wishes to receive the grant funds he or she is entitled to. However, while NSC is processing the disbursement or notifying the student about his or her eligibility for a post-withdrawal disbursement of grant funds, NSC may, at its discretion, notify the student that it may be beneficial to turn down all or a portion of the grant funds to preserve grant eligibility for attendance at another institution. Of course, if the student independently contacts NSC and states that he or she does not wish to receive a grant disbursement, NSC is not required to send it.

Post-withdrawal disbursement of Title IV loan funds

NSC must notify a student, or 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). The information provided in this notification must include the information necessary for the student, or parent for a Direct Parent PLUS Loan, to make an informed decision as to whether the student or parent would like to accept any disbursement of loan funds and must be provided within 30 days of the date of NSC's determination that a student has withdrawn. In addition, the notice must request confirmation of any post-withdrawal disbursement that the student or parent, as applicable, wishes the NSC to make.

CONTACTS

SUBJECT	CONTACT	PHONE	EMAIL
Primary Contact(s)	Anthony Morrone	702-992-2156	Anthony.Morrone@nsc.edu
Subject	Jenna Eastman	702-992-2155	Jenna.Eastman@nsc.edu

HISTORY

Updated February 2022

March 23, 2015: updated link for NSC's Tuition and Fees Refund Policy

March 7, 2019: effective Spring 2019, the student's separation date for unofficial withdrawals will be calculated using the mid-point, rather than the last date of attendance reported in PeopleSoft, as this cannot be documented in the absence of attendance records.

October 29, 2019: corrected two occurrences in the second paragraph where percentage was corrected from 61 to 60 percent.

February 14, 2022: added timeframe and order for return of Title IV funds