

Return of Title IV Funds

Jane is not eligible to receive a tuition reversal because she dropped her classes after NSU's refund period. A collections hold is placed on Jane's account at the time the funds are returned to the lender, which prevents Jane from registering for any additional classes, receiving transcripts, using the RecPlex in the Don Taft University Center, and accessing certain services available through SharkLink.

Example 2

Bob Smith is a graduate student at the Abraham S. Fischler College of Education. His term begins on August 21 and ends December 10. On November 21, Bob accepts a full-time job and drops his classes.

Bob's institutional costs consist of the following:

| | |
|--------------|-------------------|
| Tuition | \$5,730.00 |
| Fees | \$480.00 |
| Total | \$6,210.00 |

His financial aid package consists of the following:

| | |
|---|--------------------|
| Disbursed Federal Direct Unsubsidized Loan | \$10,141.00 |
| Total | \$10,141.00 |

Based on Bob's attendance (83 percent of the term), Bob has "earned" all of his financial aid for the term and will not have to return any funds.

Example 3

Susan Thomas is a student in the M.S. in Computer Science program. Her term begins on May 9 and ends on June 26. Her federal student loan funds are credited to her student account on April 27. On the same day, the loan proceeds are applied to cover Susan's institutional charges, and the funds in excess of those charges are refunded to her. On April 28, Susan drops her classes due to unforeseen circumstances.

Because Susan dropped her classes prior to the first day of class, she is not subject to the Title IV Funds calculation. A 100 percent reversal of tuition and fees will be made to her student account, creating a credit balance. When a course is dropped before the student attends the first class, NSU is required to return all funds that were applied to institutional charges.

Therefore, the credit balance will be returned to the appropriate Title IV account(s). In addition, Susan is required to return the refund that she received. It is recommended that students return their loan refunds directly to NSU's Office of the University Bursar. This will ensure that the return of funds to the Direct Loan Program is documented on the student's NSU student account.



For more information on the Return of Title IV Funds, please visit the financial aid website at nova.edu/financialaid/apply-for-aid/title-iv-return.html.

For questions, call the Office of Student Financial Assistance at 800-806-3680 or (954) 262-3380, email finaid@nova.edu, or visit one of our One-Stop Shops (located in the Horvitz and Terry Administration Buildings) or your local campus.

Nova Southeastern University

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NSU Federal School Code: 001509



How dropping or withdrawing from your classes affects your eligibility for financial aid



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Enrollment and Student Services

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Return of Title IV Funds

The Office of Student Financial Assistance (OSFA) is required by the Higher Education Act of 1965, as amended in 1998, to determine the amount of financial aid that a student "earned" for an academic term when the student does not complete at least one financial aid-eligible course within that term. When the "earned" aid is less than the disbursed aid, the institution and student are responsible for returning the "unearned" disbursed funds to the appropriate agency.

What Are Title IV Funds?

Title IV funds are federal financial aid grants, work study, and loan funds in the following programs:

- ◆ Federal Direct Unsubsidized Loan
- ◆ Federal Direct Subsidized Loan
- ◆ Federal Perkins Loan
- ◆ Federal Direct Graduate PLUS Loan
- ◆ Federal Direct Parent PLUS Loan
- ◆ Federal Pell Grant
- ◆ Federal Supplemental Educational Opportunity Grant (FSEOG)
- ◆ Iraq and Afghanistan Service Grant
- ◆ Teacher Education Assistance for College and Higher Education (TEACH) Grant
- ◆ Federal Work Study (not returned under this policy)

Who Needs to Know?

Any student who does not complete at least one financial aid-eligible course within an academic term will be reviewed for a return of Title IV Funds calculation. This includes students who drop or withdraw, officially or unofficially, are dismissed, or take a leave during a term.

The U.S. Department of Education (ED) also requires NSU to perform a return of Title IV Funds calculation for any student enrolled in multiple parts of a term who ceases attendance during the first part of the term, unless the student provides written confirmation of future attendance for the second part of the term courses.

What You Need to Know

- ◆ The Return of Title IV funds policy is separate from NSU's and individual state refund policies.
- ◆ Students "earn" financial aid for each calendar day that they attend classes. For example, if a student attends 32 days of a term that is 80 calendar days in length, the student will have "earned" 40 percent of his or her aid. Students who complete **more than 60 percent of the term** are considered to have "earned" **100 percent** of their financial aid.
- ◆ All nonpassing grades will be reviewed to determine if the student completed the course or ceased attendance prior to the end of the course. If the course was not completed, the student will be considered unofficially withdrawn and the last date of participation in the class will be used to calculate "earned" financial aid. If the last date of participation is not known, the midpoint of the term will be used to calculate "earned" aid.
- ◆ Any student who owes a balance after "unearned" financial aid is returned will have a hold placed on his or her account, which will prevent the student from receiving certain services offered by NSU.
- ◆ Students whose financial aid was not disbursed prior to ceasing attendance may be eligible to receive a percentage of their financial aid after they have withdrawn. In order to be eligible for these funds, the student must have completed all requirements and been eligible for the disbursement prior to ceasing attendance.
- ◆ Students with "unearned" grant funds must repay these funds to NSU or set up a repayment agreement with NSU's Collections Department within 45 days of notification. Students who fail to do so will lose eligibility for future Title IV aid until all unearned funds have been returned to the ED. NSU is required to report the overpayment to the ED after the 45-day time frame has elapsed.
- ◆ Students will receive a letter from the OSFA and a copy of the return of Title IV Funds calculation if any funds are required to be returned or if a late disbursement is offered. Students should follow the instructions in the letter carefully to accept or repay any funds due.
- ◆ Students enrolled in multiple parts of a term who drop or withdraw from all courses for the first part of the term, while remaining registered for one or more financial aid-eligible courses for the second part of the term, will receive an email notification from the OSFA with a request to complete an online Confirmation of Future Attendance form. The OSFA will perform a return of Title IV Funds calculation for students who do not respond to the request within seven calendar days, or for students who indicate that they will not be attending courses for the second part of the term. Students who confirm attendance for the second part of the term will not be reviewed for a Title IV Funds calculation, unless they fail to attend at least one financial aid-eligible course, as indicated.
- ◆ This policy does not apply to federal work study, scholarships, state grants, or institutional awards. Please contact the OSFA for more information on the consequences of dropping classes if you receive these types of financial aid.
- ◆ Students who drop or withdraw from one or more of their classes may fail to maintain the financial aid standards for Satisfactory Academic Progress. This may result in the student being ineligible to receive financial aid in the future. Please contact the OSFA and speak to a financial aid counselor before dropping a course.

Examples of Title IV Calculations

Example 1

Jane Doe is a music major in the College of Arts, Humanities, and Social Sciences. Her term begins on August 21 and ends December 10. On October 1 (42 days into the term), she drops her classes.

Jane's institutional charges are as follows:

| | |
|-------------------|--------------------|
| Tuition | \$14,970.00 |
| Fees | \$480.00 |
| Books | \$250.00 |
| On-Campus Housing | \$4,780.00 |
| Meals | \$1,450.00 |
| Total | \$21,930.00 |

Jane receives the following financial aid award:

| | |
|----------------------------------|--------------------|
| Federal Direct Unsubsidized Loan | \$990.00 |
| Federal Direct Subsidized Loan | \$1,732.00 |
| Federal Pell Grant | \$6,095.00 |
| Federal SEOG | \$750.00 |
| Federal Direct Parent PLUS Loan | \$13,215.00 |
| Total | \$22,782.00 |

Amount refunded to Jane \$852.00

As Jane has completed 42 days (37.5 percent) of her semester, according to the federally mandated calculation, 62.5 percent of the unearned portion of her aid, equaling \$13,706.25, must be returned.

NSU has to return all of the following aid applied toward Jane's institutional charges:

| | |
|----------------------------------|--------------------|
| Federal Direct Unsubsidized Loan | \$990.00 |
| Federal Direct Subsidized Loan | \$1,732.00 |
| Federal Direct Parent PLUS Loan | \$10,984.25 |
| Total Jane owes NSU | \$13,706.25 |

In addition, Jane is required to return \$532.50 of the amount refunded to her to the servicer of the Federal Direct Parent PLUS Loan.