



## ADMINISTRATIVE POLICY

# General Provisions 3.2

## Title IV Refunds

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### POLICY STATEMENT

A student who completely withdraws during any semester at Nevada State (NS) will be subject to the Federal Return of Title IV Funds Policy as conducted by NS 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 NS 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.

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### REASON FOR POLICY

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

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### PROCEDURES

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

1. The date the student began NS's official withdrawal procedure:
  - a. by withdrawing from the course in MyNS; or
  - b. by submitting a petition for late withdrawal during the semester; or
2. If the student drops on or after the first day of class, but before participation is reported by the instructor, the student will be considered to not have begun attendance unless there are points recorded in Canvas indicating otherwise; or
3. The mid-point date if no official documentation of withdrawal is available; or
4. The mid-point date if Canvas indicates earned points while PeopleSoft indicates "Never Attended;" or
5. 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 NS 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 NS or other institutions until the overpayment is satisfied.

NS's Tuition and Fees Refund Policy can be found in Section 20 of <http://system.nevada.edu/tasks/sites/Nshe/assets/File/BoardOfRegents/Procedures/PGMCH07FEESTUTION.pdf>

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## Order of Return of Title IV Funds

Based on Final Regulations released September 2, 2020, NS 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

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## Timeframe for the return of Title IV funds

NS 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 NS'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, NS will return the full amount owed to any Title IV program that the NS is responsible for returning. However, since NS does not have to return amounts of less than \$1.00, any amount less than \$1.00 will not be returned.

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## 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 NS.

Grant overpayments may be resolved through:

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

Grant overpayments of \$500 or more, for which the student does not pay Nevada State within the 45 day window, will be reported to NSLDS and the Default Resolution Group. Once the overpayment is reported, they student will need to resolve the overpayment through the Default Resolution Group.

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## NS's Responsibilities in the Return of Title IV Funds by the Student

NS has responsibilities that continue beyond completing the R2T4 calculation and returning the funds for which it is responsible. NS 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 NS sends the student notice of the overpayment, or
- the date NS 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, NS must notify the student that he or she must repay the overpayment or make satisfactory arrangements to repay it. In its notification, NS 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 NS 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 NS.
  - The student may sign a repayment agreement with NS. **Two years is the maximum time NS may allow for repayment.**  
NS 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, NS will report the student's overpayment to NSLDS and refer the student to the Default Resolution Group for collection.
5. The student should contact NS to discuss their options.

If the student takes no positive action during the 45-day period, NS 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.

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### 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.

NS 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 NS). NS 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, NS must obtain a student's authorization to credit a student's account with Title IV grant funds. NS is permitted to use a student's authorization for crediting the student's account for educationally related expenses that NS obtained prior to the student's withdrawal date so long as the cash management requirements for student authorizations are met. If NS did not obtain authorization prior to the student's withdrawal, NS would have to obtain authorization in accordance with the cash management requirements before the NS 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, NS must make the disbursement as soon as possible but no later than 45 days after the date of NS's determination that the student withdrew (no confirmation from the student is required).

NS 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 NS is processing the disbursement or notifying the student about his or her eligibility for a post-withdrawal disbursement of grant funds, NS 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 NS and states that he or she does not wish to receive a grant disbursement, NS is not required to send it.

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## Post-withdrawal disbursement of Title IV loan funds

NS 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 NS'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 NS to make.

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## CONTACTS

SUBJECT	CONTACT	PHONE	EMAIL
Primary Contact(s)	Anthony Morrone	702-992-2156	<a href="mailto:Anthony.Morrone@nsc.edu">Anthony.Morrone@nsc.edu</a>
Subject	Jenna Eastman	702-992-2155	<a href="mailto:Jenna.Eastman@nsc.edu">Jenna.Eastman@nsc.edu</a>

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## HISTORY

Updated February 2022

March 23, 2015: updated link for NS'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

April 21, 2023: clarified how to determine whether a student has begun attendance before participation is reported by the instructor.