

REFUND OF METHODIST COLLEGE FINANCIAL AID
(Used only for students withdrawing from all courses.
Do not confuse with the Return of Federal Financial Aid)

Students receiving **Methodist Scholarships or Grants** will be allowed to keep the scholarship or grant earned on the census day (the Friday of the first week of class). However, the amount the student is allowed to keep will not exceed the amount of tuition, fees and dorm charges which Methodist College retains.

Students receiving **Nebraska State funds** will be able to keep the same refund percentages as the tuition refund schedule. Portions of this grant are subject to the Return of Federal Financial Aid policy. Note: If a student drops to less than half-time prior to or on the census date (the Friday of the first week of class) the student will not receive a state grant.

**RETURN OF UNEARNED FEDERAL FINANCIAL AID
FOR STUDENTS IN THE DEGREE PROGRAMS**

Applies to Students Who:

- Withdraw from all classes, *and*
- Receives federal Financial Aid, *and*
- Withdraw up to and including the 60% point in time

Awards Affected:

- Pell Grant
- AC Grant
- SEOG Grant
- Stafford Loan
- Perkins Loan

Students should be aware that this policy may result in a student owing funds to the College and/or federal government.

Federal Policy requires that Nebraska Methodist College determine the amount of federal financial aid that a student has *earned* at the time of complete withdrawal from all courses at Methodist College. The amount of *unearned* financial aid must be returned to program funds.

Earned Federal Aid

A student must repay a portion of his financial aid if she/she withdraws from all courses prior to completing 60 percent of the semester/term (measured in days). If the student that is withdrawing from all courses, completes more than 60 percent of the semester/term, he/she has earned all of his/her financial aid.

Repayment of Unearned Aid

Repayment of unearned aid is shared by Methodist College and the student in proportion to the aid each is assumed to possess. Federal formula determines each share and the allocation to each program.

- Nebraska Methodist College will return the *lesser* of the amount of unearned aid or the institutional charges times the percent of unearned aid. Institutional refunds due a student will first be applied to the NMC share of repayment of unearned aid then to a student's share (if any) and then to the student (if any). If the institutional refund does not cover all of Nebraska Methodist College's share, the balance will be charged against a student's account.
- The student will return the amount of unearned financial aid less the amount Nebraska Methodist College returns. Students return their share of unearned aid attributable to a loan under the terms and conditions of the promissory note. Any refund that a student owes to a grant program is then reduced by half.

Grant Overpayment

A student does not have to repay a grant overpayment of \$50 or less.

A student owing an overpayment will continue his eligibility for federal aid for 45 days from the earlier of the date:

- Date the College sends notification to the student.
- Date the College was required to notify the student of the overpayment.

During that time, the student will have an opportunity to either:

- Repay the grant in full to the institution.
- Sign a repayment agreement with the Department of Education.

A student temporarily ceasing enrollment at Nebraska Methodist College may (at the College's option) instead sign a repayment agreement with the College. If the student does not take one of these three actions during the 45 day period, the student becomes ineligible for Title IV funds from the 46th day and beyond. The maximum repayment period is two years.

Post Withdrawal Disbursements

Financial aid that *could* have been disbursed (but was not disbursed) may be disbursed late, up to the amount of the earned financial aid. Only certified Stafford Loans may be disbursed late. Late disbursements will only be made for students who

- Submitted a valid Student Aid Report by date of withdrawal.
- Completed verification (if required) by date of withdrawal.
- Submitted all required documents for disbursement by date of withdrawal.

Students will be notified within 14 days of receipt of a post withdrawal disbursement, of any funds available to them after the credit has been applied towards their unpaid institutional charges. Students will have 14 days to accept or reject these funds. If the student does not respond to the notice, these funds will be returned to the program.

Leave of Absence

Students receiving an approved Leave of Absence from the College and indicating an intent to return the next enrollment period will not be considered as withdrawn for purposes of the Federal Unearned Financial Aid Calculation or Tuition and Fees Refund Calculation. However, if the student does not return the following term (including, Summer for a Spring withdrawal), the date of the Official Leave of Absence will be used to determine the Unearned Financial Aid Calculation and the Tuition and Fees Refund Calculation. Students should be aware of their responsibilities regarding their loan repayments when taking an Official Leave of Absence. Only one Leave of Absence for purposes of refunds will be granted in any 12 month period unless for reasons of jury duty, military service or circumstances covered under the Family and Medical Leave Act of 1993.

Order of Return of Title IV Funds

Unearned funds will be returned in the following order:

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|---------------------------------------|-------------------------|-----------------------------------|-----------------|
| 1. Unsubsidized Federal Stafford Loan | 3. Federal Perkins Loan | 5. Federal Pell Grant | 7. Federal SEOG |
| 2. Subsidized Federal Stafford Loan | 4. Federal PLUS Loan | 6. Academic Competitiveness Grant | |

Definitions:

- **Withdrawal Date.** The withdrawal date to determine *earned* financial aid is the date when the student begins the withdrawal process or officially notifies the College of the intent to withdraw or the midpoint (50 percent) of the period of enrollment for a student who leaves without notifying the institution. The student may begin the withdrawal process either orally or in writing, but the student must ensure that the withdrawal date is documented by a College Official. If there is a conflict of when the student stated his or her intent to withdraw and the official withdrawal date, the earlier date will be used in the calculation of federal aid earned. A student may rescind his or her withdrawal by declaring, in writing, his or her intent to continue attendance and complete the term.
- **College Official.** The student may begin the process to withdraw with any of the following College Officials: his or her advisor, his or her instructor, Registrar, College Counselor, Financial Aid Officer, or Student Accounts Representative.
- **Federal Financial Aid.** Federal financial aid includes Federal Pell Grant, Academic Competitiveness Grant, Federal Supplemental Educational Opportunity Grant (SEOG), Federal Stafford Loan (both subsidized and unsubsidized), Federal PLUS Loan and Federal Perkins Loan. The Federal Nursing Loan and the Nurse Faculty Loan are not Title IV Loans and they are not included in the calculations in this policy. They are repaid in accordance with the student's promissory note.