

Withdrawing from Courses

If a student withdraws from all courses during a semester, regardless of the reason, federal regulations require Northwest Nazarene University (NNU) to determine the amount of Title IV Federal aid the student has earned. The Title IV federal aid programs that are covered by this law are Federal Pell Grants, Direct Loans (both subsidized and unsubsidized), Direct PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOG), TEACH Grants, and Iraq and Afghanistan Service Grants.

Though students' financial aid is posted to their account at the start of each period, funds are earned as students complete the period. If students withdraw during their expected term of enrollment, the amount of Title IV aid that students have earned up to that point is determined by a specific formula. If the student received more assistance than has been earned at the time of withdrawal, the excess funds must be returned by the school or by the student to the federal government. This is referred to as a Return to Title IV **(R2T4)**.

Federal regulations require a recalculation of financial aid eligibility if a student:

- officially withdraws from all courses for the semester;
- stops attending before the semester ends without officially withdrawing;
- fails all classes;
- does not complete all the sessions for which they were originally registered for in a period of enrollment.

Students who do not begin attendance in classes are not eligible for federal financial aid and must repay any federal assistance originally received.

The federal R2T4 return calculation may result in the student or parents being responsible for directly returning additional loan amounts to the U.S. Department of Education. Any amount of unearned grant funds that must be returned is called an overpayment. The maximum amount of a grant overpayment that must be repaid is half of the grant funds received or that were scheduled to be received. Grant overpayments of \$50 or less do not need to be repaid. Arrangements can be made through NNU or the U.S. Department of Education to return the unearned grant funds.