

# FINANCIAL CONSEQUENCES OF WITHDRAWING OR NOT PASSING CLASSES (RETURN OF TITLE IV)

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In general, federal regulations assume that students “earn” financial aid in relation to the amount of time in a term they complete. Federal law requires schools to calculate how much financial aid a student has earned if that student:

- Completely withdraws, or
- Stops attending before completing the semester, or
- Does not complete all modules (courses that are not scheduled for the entire semester) for which he/she has registered at the time those modules began, or
- Receives all Fs for all courses in any semester.

Based on this calculation, Moraine Park Technical College students who receive aid but do not complete all their scheduled classes could be responsible to repay some of the aid they received.

Students who withdraw from all courses before aid pays on the 15th day of classes will lead to a removal of the financial aid offered. Please review your email and student account on myMPTC Student for further details.

One hundred percent withdrawals established by the Registrar, class cancellations by the school, not attending the class at all, are also considered unearned and subject to a recalculation of aid and may result in a balance due. Please review your email and student account on myMPTC Student for further details.

Unearned funds must be calculated and returned no later than 45 days from the determination of the student’s withdrawal.

### How is the financial aid I earned, calculated?

Students who receive federal financial aid must “earn” the aid they receive by staying enrolled in classes. The amount of federal financial aid the student earns is determined on a pro-rated basis. Students who withdraw or do not complete all registered classes during the semester may be required to return some of the financial aid they were offered.

For example, if you complete 30 percent of the payment period, you earn 30 percent of the aid you originally were scheduled to receive. This means that 70 percent of your scheduled aid remain unearned and must be returned to the federal government. The percent unearned is equal to 100 percent minus the percent earned.

Once you have completed more than 60 percent of the payment period, you earned all of your federal financial aid.

### What is the withdrawal date?

The return of aid begins when the student officially or unofficially withdraws from or stops attending classes. The withdrawal date used in the return calculation of a student’s aid is the date the student began the official withdrawal process or the date of the student’s informing us that they wish to withdraw. If a student stops attending classes without notifying Moraine Park Technical College, the withdrawal date will be

the date that the instructor posts when they submit grades. This date coincides with the last date of attendance, the last date of an academic activity such as homework assignment, quiz, exam or graded paper.

### Students Attending Module Courses

Courses which do not span the length of the semester are considered to be “module” courses. This includes 8 week courses during fall and spring terms and most courses attended during the summer. If a student is enrolled in multiple different lengths of classes, depending on the combinations and what courses a student drops, they may be considered to have withdrawn, even if one module course is completed. If a student drops one or more courses and is no longer actively attending any courses, the student is considered withdrawn for financial aid purposes and aid must be adjusted based on the amount of the semester completed. Students enrolled in future modules may be asked to submit written confirmation they plan to attend those courses. For students enrolled in modules, the payment period only includes those days for the module(s) in which the student is registered. Moraine Park uses an R2T4 Freeze Date (RFD) and it is the same as the Pell Recalculation Date or Census Date, which is the 15th day of the main term. The RFD means that we include days which the student:

- Was enrolled or registered in the module as of the RFD; or
- The student attended at least one day in a module in which the student was not enrolled as of the RFD.

### Post Withdrawal Disbursement

If the student did not receive all of the funds that were earned prior to withdrawing, a post-withdrawal disbursement may be due. If the post-withdrawal disbursement includes loan funds, the student must give permission before the funds can be disbursed. Permission is required to use the post-withdrawal grant disbursement for all school charges. Students will be notified of post-withdrawal disbursement eligibility within 30 days of the date of withdrawal determination. The school must return the Title IV funds within 45 days of the date the school determines the student withdrew.

### Who returns the unearned federal funds?

The College and the student are both responsible for returning unearned aid to the U.S. government. Amounts that must be returned will be applied in the following order: Federal Direct Unsubsidized Stafford Loan, Federal Direct Subsidized Stafford Loan, Federal Direct Parent PLUS loan, Federal Pell grant, Federal Supplemental Educational Opportunity Grant, and Iraq and Afghanistan Service Grant. The College must return the lesser of 1) the total amount of unearned aid or 2) institutional charges multiplied by the unearned percentage. The student must return any remaining unearned aid not sent back by the College. The student also will be billed for any amount due the College resulting from the return of federal aid funds that were used to cover tuition and fees. For example, if the College is required to pay back to the government federal funds used to pay a portion of a student’s tuition for the semester, the student then must pay the college for that unpaid portion of their tuition.

### How do I repay the unearned funds?

The Moraine Park Office of Financial Aid will notify students if they owe federal funds back to the government.

Amounts that must be returned by the student will first be applied to federal loans. Any grant amounts the student has to return to the federal government must be repaid within 45 days after the student receives notification from the Office of Financial Aid. If the student owes any money to the College resulting from the return of federal funds used to cover tuition and fees, the student will be billed by Moraine Park Technical College.

**What happens if I don't repay?**

If a recalculation of aid has occurred because a student has withdrawn or dropped and as a result owes tuition and fees, the student's records will be placed on financial hold. This means you will not be permitted to register for classes or receive transcripts until your balance is paid. Students who do not make payments or satisfactory arrangements will also have their debts as well as all attorney fees, legal expenses and other collection costs submitted to outside collections and/or the State of WI Tax Refund Intercept Program for collection. Please contact Student Financial Services Office at (920) 924- 3124 for payment information. In addition, Moraine Park will refer all unpaid grant overpayments to the US Department of Education and you will become ineligible for further financial aid funding.