

## Tool Deferments

(Only for students who are eligible to charge their tool costs to their NDSCS account.)

### **Tool costs can cause a remaining fall balance AND future registration issues:**

A student approved for a Tool Deferment is allowed to register for the upcoming spring semester while still owing a balance for the fall semester.

- Tool costs can cause a remaining fall semester balance - a student may be financially prepared to pay for their estimated costs for the academic year (with financial aid, personal payments, etc.), but they may be short for the fall semester; this is because the tool costs are charged to their NDSCS account as of the date they signed the tool charge slip at the Bookstore (the costs need to reflect the date of the charge slip, and cannot be divided between the fall and spring semesters).

The payment for the remaining fall balance would be deferred until the upcoming spring semester's due date (in January); this gives the student:

- The ability to use their refund from the upcoming spring financial aid to pay their remaining fall balance.
- An extended timeframe to make personal payments towards their remaining fall balance.

### **Eligibility Requirements:**

- ✓ Programs that have eligible tools/kits: Auto Body, Auto Tech, Diesel (including CAT, John Deere, Case IH, Komatsu), HVAC/R, Powersports, Precision Machining\*.
- ✓ Original tools/kit costs are over \$1,500.00 (pre-tax); need to be sold as a package, not as individual tools that add up to \$1,500.00\*.
- ✓ The tools/kit charges had to have been originally charged to the student's NDSCS account.
- ✓ The student's remaining fall balance is less than or equal to ½ of the original tools/kit costs (pre-tax amount). If financial aid was used to meet this requirement, the student must also be eligible for the equivalent amount of financial aid for the upcoming spring semester.
- ✓ The remaining fall balance is to be paid in full by the upcoming spring semester's due date.

### **Please Note:**

- A monthly late fee of 1.75% will be assessed each month until the fall balance is paid-in-full. (Ex. Fall balance of \$2,500 x 1.75% = \$43.75 monthly late fee.)
- Deferred Payment Plan - instead of paying monthly late fees, a student may qualify for a Deferred Payment Plan. To qualify, a student must be receiving enough upcoming spring financial aid (such as grants, loans, 3<sup>rd</sup> party funding, military benefits, trust papers, etc.) that will cover both the estimated spring costs and the remaining fall costs. A one-time setup fee of \$50 applies. If interested, contact Business Affairs for final approval and documentation.
- A financial hold is placed through an automated process on any student's account that is over 2 days past due. This hold prevents registration; on the day the student is going to register for the upcoming spring semester, they will need to contact Business Affairs to have the hold lifted for that day.