

**Northern New Mexico College
ADMINISTRATIVE POLICY**

Subject:	Return of Title IV Funds Policy
File Reference:	1.17
Date Approved By Board of Regents:	February 22, 2001
Replaces Policy Approved On:	

Purpose: Federal regulations require Northern New Mexico Community College to have a written policy for the refund and repayment of federal aid received by students who withdraw during a term for which payment has been received. These policies are effective only if the student completely terminates enrollment (i.e., cancels his/her registration, withdraws, or is dismissed) or stops attending classes before completing more than 60 percent of the enrollment period.

Policy: Refund Policy: The amount of a refund of fees for students who withdraw will be calculated as outlined in the NNMCC Catalog and Student Handbook.

Repayment Policy: The amount of Title IV aid that a student must repay is determined via the Federal Formula for Return of Title IV funds as specified in Section 484B of the Higher Education Act. This law also specifies the order of return of the Title IV funds to the programs from which they were awarded.

A repayment may be required when cash has been disbursed to a student from financial aid funds in excess of the amount of aid the student earned during the term. The amount of Title IV aid earned is determined by multiplying the total Title IV aid (other than FCW) for which the student qualified by the percentage of time during the term that the student was enrolled. If less aid was disbursed than was earned, the student may receive a late disbursement for the difference. If more aid was disbursed than was earned, the amount of Title IV aid that must be returned (i.e., that was unearned) is determined by subtracting the earned amount from the amount actually disbursed.

The responsibility for returning unearned aid is allocated between the College and the student according to the portion of disbursed aid that could have been used to cover College charges and the portion that could have been disbursed directly to the student once the College charges were covered. NNMCC will distribute the unearned aid back to the Title IV programs and any amount due to the College resulting from the return of Title IV funds used to cover College charges.

For example:

Ursula received a Pell Grant in the amount of \$1,650 for the 2001 Spring semester. She registered for 12 credit hours, which cost \$343.50 and purchased the necessary textbooks, which came to \$300. Her total institutional charges for the semester are \$643.50. On February 16, 2001, Ursula received her financial aid balance check in the amount of \$1,006.50 that she can use for other related educational expenses throughout the semester. However, on February 28, 2001, her work schedule changed and she had to withdraw from all her classes. Since Ursula has totally withdrawn from college the Financial Aid Office must determine if a return of Title IV funds is required.

Financial Aid Office Calculation:

Ursula received a total Pell Grant disbursement of \$1,650.

Ursula withdrew from NNMCC after attending 44 out of the 111 days of the fall term.

Ursula has earned 39.6% of aid received (44/111).

Amount of aid earned by Ursula is \$653.40 ($\$1,650 \times 39.6\%$).

Amount of aid that must be returned is \$996.60 ($\$1,650 - \653.40).

Total institutional charges were \$643.50.

Percent of Financial Aid Unearned was 60.45 ($100\% - 39.6\%$).

Total aid that must be returned to the Pell Grant Program from NNMCC is \$388.64 ($\$643.50 \times 60.4\%$).

Initial amount of unearned aid that must be returned from Ursula is \$607.36 ($\$996.60 - \388.64).

Amount of financial aid that Ursula must pay back is \$303.68 ($\$607.36 \times 50\%$).

Ursula will be notified within 30 days of her overpayment and will be instructed to contact the U.S. Department to arrange a suitable repayment agreement.

Procedures:

Withdrawals & Return of Title IV Funds Policy

(Effective for the 2000 - 2001 Academic Year as of August 22, 2000)

This policy applies to students who withdraw (officially or unofficially) from enrollment at Northern New Mexico Community College. It is separate and distinct from NNMCC Refund Policy for non Title IV recipients (refer to Refund Policy in the 2001 - 2003 Catalog & Student Handbook). The calculated amount of the "Return of Title IV Funds" that is required for students affected by this policy is determined according to the following definitions and procedures, as prescribed by regulation, and may or may not be the same as used in other contexts at the College.

1. A student who withdraws is one who either officially goes through a "withdrawal from the college", is administratively withdrawn, is suspended from school, or ceases to attend school without providing notification to anyone.
2. A student's withdrawal date is: the date the student began the institution's withdrawal process (as described in the college catalog) or officially notified the institution of intent to withdraw; or the midpoint of the period for a student who leaves without notifying the institution; or the student's last date of attendance at a documented academically related activity.
3. A student may rescind his or her official notification to withdraw by filing a written statement that he or she is continuing to participate in academically-related activities and intends to complete the term (payment period) for which payment of Title IV funds were or would be received. The rescission of withdrawal is negated if the student subsequently ceases to attend prior to the end of the payment period. The withdrawal date then is the student's original date of withdrawal unless there is acceptable documentation showing a later date of attendance at an academically related activity and the College chooses to use such date.
4. Title IV aid is earned in a prorated manner on a per diem basis (calendar days) up to the 60% point in the semester. Title IV aid is viewed as 100% earned after that point in time.
5. In accordance with federal regulations, when Title IV financial aid is involved, the calculated amount of the "Return of Title IV Funds" is allocated in the following order:
Federal Stafford Loan
Federal Stafford Loan unsubsidized

Plus
Perkins
Pell Grant
Seog
Other

6. College and student responsibilities in regard to the return of Title IV funds follow:

Northern New Mexico Community College's responsibilities in regard to the return of Title IV funds include: Providing students with the information given in this policy; Identifying students who are affected by this policy and completing the Return of Title IV funds calculation for those students; Returning any Title IV funds that are due the Title IV programs.

The student's responsibilities in regard to the return of Title IV funds include: Returning to the Title IV programs any funds that were disbursed to the student and which the student was determined to be ineligible for via the Return of Title IV Funds calculation.

Any notification of a withdrawal should be in writing.

A student may rescind his or her official notification of intent to withdraw.

Submission of intent to rescind a withdrawal notice must be filed in writing.

Either of these notifications, to withdraw or a rescission of intent to withdraw, must be made to the Admissions and Records Office at NNMCC.

This policy supersedes and replaces the prior required "Federal Title IV Refund Policy" portion of the Northern New Mexico Community College refund policy. This policy is subject to change at any time, and without prior notice.

Cross Reference: