

**POLICY 620**  
**RETURN OF TITLE IV FUNDS**  
**Citation: 34 CFR Sections 668.22**

**1. General**

If a student who received Title IV SFA funds (Pell Grant, Campus Based funds, Federal Direct Loan program funds) withdraws from NMIMT after beginning attendance for the semester, the amount of Title IV assistance earned by the student must be determined. This is done through a calculation developed by the United States Department of Education.

If the amount disbursed to the student is greater than the amount the student earned, unearned funds must be returned to the SFA programs. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she is eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

The amount of assistance the student has earned is based upon the percentage of the semester in which the student was enrolled.

$\text{Enrolled days} / \text{total number of days in the semester} = \% \text{ of aid earned}$

Once the student has completed more than 60% of the semester, he/she is considered to have earned all of the funds awarded and is not subject to the calculation.

Federal Work-Study funds are excluded from the R2T4 calculation.

**2. Types of Withdrawals**

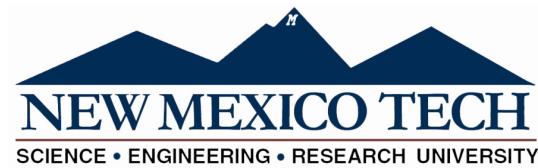
There are two types of withdrawals for Title IV financial aid purposes.

**2.1. Official Withdrawals**

If the student officially notifies NMIMT of his/her intentions to withdraw, this date is considered to be the last date of attendance and will be the official withdrawal date for calculating the amount of Title IV SFA funds earned.

**2.2. Unofficial Withdrawals**

If a student receives grades of all F, U, or UA for a semester, the student is considered to have unofficially withdrawn from New Mexico Tech. The midpoint of the semester is used as the student's unofficial withdrawal date unless documentation is submitted to show a different last date of attendance at an academically related activity. Examples of academically related activities are attendance in class, an exam, a tutorial, computer-assisted instruction, academic counseling, academic advisement, turning in a class assignment, or attending a study group that is assigned by the school. To use a date later than the midpoint of the semester, the student will need to have an instructor submit notice of one of the above items to the Financial Aid Office by the deadline stated in the letter sent to



the student regarding the unofficial withdrawal.

### **3. Calculation**

The Return of Title IV (R2T4) funds calculation has two parts. One part determines the amount of funds the school must return to the Title IV programs. The other part determines the amount of funds the student is required to return.

### **4. Process**

The Financial Aid Office completes the Return of Title IV Funds calculations within 30 days of the withdrawal notification, and notifies the student of the calculation results. Funds are returned accordingly, within 45 days. If the student owes a grant overpayment, the student has a certain number of days to take positive action to correct the overpayment. If the student fails to take positive action by the deadline, the overpayment is referred to the Department of Education and reported on the National Student Loan Database System. The student then loses Title IV eligibility.