

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

(A) PURPOSE

The purpose of this policy is to establish what occurs relative to a student’s financial aid when they fall below half-time status or cease to be enrolled in the curriculum, which may affect the full amount of Title IV Financial Aid, Health Resources and Services Administration (HRSA) Funding or NEOMED-Based Financial Aid and loans awarded in that Payment Period.

(B) SCOPE

This policy applies to all NEOMED students who receive Federal Title IV Financial Aid, HRSA Funding or NEOMED-Based Financial Aid who withdraw, are approved for a leave of absence (medical, enrichment, or University -mandated); are academically dismissed; or fail to begin coursework and have received a disbursement of financial aid funds for the period of enrollment/payment period. Federal Student Aid (also known as Title IV), NEOMED-Based Financial Aid and HRSA Funding are awarded to a student under the assumption that a student will complete coursework for the entire period for which the financial aid source was awarded and disbursed. NEOMED’s Office of Financial Aid will use a calculation developed by the U.S. Department of Education to determine the amount of financial aid disbursed at the start of the Payment Period, the amount of financial aid the student is able to retain versus the amount they are ineligible to retain.

This policy is written and revised with the intent of being compliant with regulations set forth from the United States Department of Education and other agencies from which NEOMED receives funding. In the event new regulations are created or existing regulations are revised or removed, the most up to date regulations will be enforced regardless of whether the process of updating this policy has been completed.

(B) DEFINITIONS

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

- (1) “Credit Balance Refund” refers to when the total amount of Financial Aid (NEOMED-Based Financial Aid, Title IV Financial Aid, private educational funding, or HRSA Funding) exceeds the total charges assessed to the student for the Payment Period and the excess is refunded to the student
- (2) “Earned Financial Aid” refers to financial aid that a student is eligible to receive based on their attendance in a degree granting program.
- (3) "Free Application for Federal Student Aid" ("FAFSA") refers to a federal application used to determine a student's eligibility for financial aid. The resulting SAI is used to establish a student's financial need for NEOMED-Based Financial Aid. The FAFSA is required annually.
- (4) “Health Resources and Services Administration (HRSA) Funding” refers to federal funding that is awarded to NEOMED through a grant application process and is administered by the Office of Financial Aid utilizing the terms and conditions set forth by HRSA. Funding under HRSA includes, but is not limited to, Title VII Loan Programs (Loan for Disadvantaged Students, Primary Care Loan, Health Professions Student Loan) and the Scholarship for Disadvantaged Students.
- (5) “Late Disbursement” refers to the disbursement of financial aid for a payment period made after the student ceases to be eligible (e.g. withdrawal, dismissed, end of the academic year, graduation).
- (6) “Modules” refers to a course or courses in the program that do not span the entire length of the Term or Payment Period.
- (7) “NEOMED-Based Financial Aid” includes all funding from the NEOMED Foundation, NEOMED operating budget, and NEOMED business arrangements. Institutional funds available to NEOMED students includes scholarships (need and non-need), need-based loans, and forgivable loans.

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

- (8) “Payment Period” refers to the period of time for which a student is enrolled, defined as semesters or term.
- (9) “Period of Enrollment” refers to the timeframe during which a student is engaged in curricular activity.
- (10) “Return of Title IV Calculation” also known as the “R2T4” Calculation refers to a federal formula developed by the U.S. Department of Education used to determine the percentage of Earned and Unearned Title IV Financial Aid. It is also the calculation used to determine Earned and Unearned HRSA Funding and NEOMED-Based Financial Aid.
- (11) "Student Aid Index" (“SAI”), also known as Expected/Estimated Family Contribution ("EFC"), refers to a calculation of what the family of a student may be able to contribute (though not expected to pay) toward education costs based on income, asset, and household size data reported on the Free Application for Federal Student Aid ("FAFSA").
- (12) “Title IV Financial Aid” refers to funding from the Federal Student Aid Office of the United States Department of Education. Title IV Financial Aid available to students include loans from the William D. Ford Federal Direct Loan (Direct Loan) Program, the Direct Unsubsidized Loans, and Direct PLUS Loans (Graduate PLUS).
- (13) “Unearned Financial Aid” refers to financial aid that a student receives at the start of a Payment Period under the expectation, they would complete the entire Payment Period, but due to their withdrawal, are not eligible to receive.
- (14) “Withdrawn Status” refers to conditions when a student is no longer eligible for Title IV Financial Aid, HRSA Funding and NEOMED-Based Financial Aid because their registration drops to less than half time status, they withdraw or are

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

dismissed from NEOMED, or are approved for a leave of absence that lasts longer than 180 calendar days. A student is considered to have withdrawn if they do not complete all the days in the payment period or period of enrollment they were scheduled to complete.

(D) POLICY STATEMENT

Per federal regulations, when a student’s registration falls below half-time status or ceases attendance at NEOMED, the amount of Unearned Title IV Financial Aid received by the student must be determined. NEOMED adopts the same calculation to determine the amount of Unearned NEOMED-Based Financial Aid and for HRSA Funding.

- (1) Determination of an Exemption from an R2T4 (Coursework Offered in Modules Only):
 - (a) A student enrolled in Modules is not considered to have withdrawn and therefore exempt from the Return of Title IV Funds calculation when:
 - (i) The student successfully completed one module or a combination of modules with a combined length of at least 49% of the number of countable days in the payment period or period of enrollment.
 - (ii) The student successfully completed coursework comprising at least half-time status, according to NEOMED’s definition of half-time status.
 - (iii) The student provided written confirmation of attendance in a later module that begins later in the payment period and within 45 days of the end of the module from which the student withdrew. This written confirmation must be provided before the time when

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

NEOMED must complete the return of Title IV funds calculation – within 30 days of the date of withdrawal.

- (iv) When all requirements for graduation from their program are met before completing the days in the period that the student was scheduled to complete.
- (b) Determination of Countable Days for 1(a)(i):
 - (i) Add all of the days between the start and end date of the regular term (or all terms in the period of enrollment); and
 - (ii) Subtract any scheduled breaks of five consecutive days or more that apply to all students who enroll in the term; and
 - (iii) Subtract all days between modules.
 - (iv) The determination of countable days only applies when calculating a potential exemption to the R2T4 calculation.
- (2) Determination of Withdrawal Date
 - (a) For Return of Title IV Calculation purposes, NEOMED is not required to take attendance. Determination of the withdrawal date is based on whether a withdrawal is an official withdrawal or an unofficial withdrawal.
 - (i) Official withdrawals are communicated by the Office of the Registrar. When a leave of absence, formal withdraw or dismissal by a NEOMED student is declared, the Office of the Registrar will notify affected offices through a Student Status Update that includes the status change and the effective date of the status

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

change. The effective date will be used as the change in enrollment status and used in the Return of Title IV Calculation.

- (ii) Unofficial withdrawals. If when a student drops out without notifying NEOMED the Office of Financial Aid will seek, from the appropriate college, the last date the student was engaged in curricular activity by use of examination registration, attendance sheets, login activity and participation in online courses. The last date of academic engagement in will be used to determine the withdrawal date.
 - (b) Failure to begin coursework. If a student receives a disbursement of financial aid for a Payment Period and never begins coursework in the Payment Period, the student will be considered having never been enrolled and will be ineligible for the financial aid disbursed for the Payment Period. The financial aid will be revoked and returned to the fund source. In the event the student received a Credit Balance Refund, it is the student’s responsibility to surrender the refund, in accordance to the [Financial Aid Disbursement and Credit Balance Refund Policy](#).
 - (c) In the event a student is owed a Credit Balance Refund at the time of a leave of absence, withdrawal, or dismissal, NEOMED will not issue the refund to the student until a Return of Title IV Calculation is performed to ensure the student is eligible for the funds. Any eligible Credit Balance Refunds after the calculation will be issued to the student within fourteen (14) days of when the Return of Title IV Calculation is complete.
- (3) Return of Title IV Calculation
- (a) Using the Return of Title IV Calculation issued by the U.S. Department of Education, the percentage of Earned Financial Aid is calculated using the

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

percentage of the Payment Period completed. The percent completed is equal to the number of calendar days attended divided by the total number of calendar days in the Payment Period. Excluded from the denominator are breaks of at least five (5) consecutive days or longer (e.g., if the Payment Period includes a spring break, all calendar days of the break would be excluded from the total calendar days scheduled in the Payment Period).

(i) Earned Percent = Number of Days Completed in the Payment Period / Total Days in the Payment Period

(ii) Unearned Percent = 100% - Earned Percent

(b) In cases where the Earned percent is greater than sixty percent (60%), no financial aid will be returned, as the federal regulations view the aid has been "100% earned".

(4) Responsibility of University and Student Regarding Returning Funds

(a) The Return of Title IV calculation will determine the amount and source of Unearned Title IV Financial Aid due from NEOMED and the amount due from the student. Unearned NEOMED-Based Financial Aid as well as Unearned HRSA Funding will be credited to the program they were awarded from based on an internal calculation using the federal calculation.

(b) The student is responsible for returning their portion of Unearned Direct Loans to their servicer according to the terms of the borrower's promissory note, as determined by the Return of Title IV Calculation.

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

- (c) Unearned portions of NEOMED-Based Financial Aid and HRSA Funding do not require a separate return by the student.
 - (d) The student’s NEOMED tuition account will reflect the revocation of unearned aid as well as any adjustments to amounts previously charged to the student for the Payment Period. As a result, the student may have a balance owed to NEOMED.
- (5) Order of Returning Unearned Aid
- (a) Title IV Financial Aid
 - (i) In accordance with federal regulations, Unearned Financial Aid will be returned to the federal government within forty-five (45) days of the student’s last day of Period of Enrollment in the following order:
 - (a) Federal Direct Unsubsidized Loan; or
 - (b) Federal Direct Grad PLUS Loan.
 - (b) NEOMED-Based Financial Aid and HRSA Funding
 - (i) Funds from Unearned NEOMED-Based Financial Aid and HRSA Funding will be returned to the program they were disbursed from and allocated to eligible students.
- (6) Late Disbursement
- (a) For a student to receive a post-withdrawal disbursement of financial aid, they must meet the conditions to receive a Late Disbursement.

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

- (b) Late Disbursement are funds that could have been disbursed during the Payment Period to the student but were not disbursed as of the date of NEOMED’s determination that the student withdrew. Disbursements for future Payment Periods are not eligible for Late Disbursement.
- (c) Determining student eligibility for a Late Disbursement
 - (i) Any Late Disbursement of Direct Loan funds due must meet the required conditions for Late Disbursements:
 - (a) NEOMED must have had a valid Free Application for Federal Student Aid (FAFSA) record with an official SAI before the student became ineligible. The processing date on the FAFSA will be used to determine eligibility.
 - (b) NEOMED must have originated the loan prior to the date the student became ineligible.
 - (ii) Any Late Disbursement of NEOMED-Based Financial Aid or HRSA Funding due must meet the required conditions for Late Disbursements as follows:
 - (a) Scholarships/grants: The student was eligible at the time of withdrawal, and the disbursement was already scheduled prior to the date the student became ineligible.
 - (b) NEOMED-Based and Title VII Financial Aid Loans: The student must have accepted the loan prior to the date the student became ineligible.

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

- (c) The amount of financial aid earned by the student is more than the amount disbursed as of the date of withdrawal.
- (d) Determine the amount of a Late Disbursement
- (i) The amount of a Late Disbursement is determined by the Return of Title IV Calculation.
 - (ii) For a student who withdraws after completing greater than sixty percent (60%) of the Payment Period, even though a return of Title IV Financial Aid is not required, if the student is eligible for a Late Disbursement then a Return of Title IV Calculation will be completed to determine whether the student has eligibility for a Late Disbursement.
 - (iii) According to federal law, NEOMED may not make a Late Disbursement of Title IV Financial Aid to the account or estate of a student who has died.
- (e) NEOMED must notify a student in writing prior to making any Late Disbursement of loan funds within thirty (30) days of the date of NEOMED's determination that a student has withdrawn. The notification will:
- (i) provide the information necessary for the student to make an informed decision as to whether the student would like to accept any disbursement of loan funds, including the advantages of keeping loan debt to a minimum; and

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

- (ii) provide at least a Fourteen (14) day response deadline, and explain that the student may accept or decline all or a portion of the funds; and
 - (iii) explain if no confirmation from the student is received, the funds cannot be credited to the student’s tuition account and the student may not receive a direct disbursement; and
 - (iv) identify the type and amount of the loan funds and that the student is obligated to repay any loan funds disbursed.
- (f) NEOMED must notify a student in writing if there is a Late Disbursement of NEOMED-Based Financial Aid. These funds will automatically be disbursed without separate acceptance by the student. In cases where a student consents to electronic communications, the notification will be sent to the student’s NEOMED email account. Students who do not elect to participate in electronic communications will receive a paper notification through the U.S. Postal System to a local/permanent address.
- (g) Disbursement of post-withdrawal funds
- (i) NEOMED will disburse the funds with a student’s confirmed desire to disburse loan funds.
 - (ii) Funds will be applied to any outstanding balance due first and then any credit will be released to the student as a student Credit Balance Refund.
 - (iii) A Late Disbursement must be made within 180 calendar days of the date that NEOMED determined that the student withdrew.

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

(7) Tuition/Fee Recalculation

- (a) Students may be eligible to receive a refund of instructional fee, non-resident surcharge and in some cases, mandatory fees. Students should consult the [NEOMED Tuition, Fees and Insurance Refund Policy](#).

(8) Student Notification Process

- (a) Upon Completion of the Return of Title IV Calculation, students will receive a copy of the calculation and a notice of any payment due to the University by the NEOMED Accounting Office. Instructions will be provided to the student on the amount of Unearned Title IV Financial Aid that must be repaid by the student. In cases where a student consents to electronic communications, the notification will be sent to the student’s NEOMED email account. Students who do not elect to participate in electronic communications will receive a paper notification through the U.S. Postal System to a local/permanent address.

(9) Effects of Withdrawing, Leave of Absence or Dismissal on Student Loans

- (a) Students whose enrollment status is less than half-time (as outlined in the [Financial Aid Eligibility, Application and File Verification Policy](#)) will not be considered enrolled for the purpose of student loans, beginning on the date of determination. Students will enter their eligible grace period on their student loans. In cases where a grace period does not exist, active repayment will begin within thirty (30) days. In cases when a leave of absence lasts longer than 180 calendar days, the Office of the Registrar will report enrollment status as withdrawn, per federal guidelines. The Withdrawn Status does not negate the leave of absence status with the University.

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

- (b) Students with a leave of absence lasting longer than 180 calendar days are obligated to remain in contact with their loan servicer and make required payments or apply for applicable deferment/forbearances.
- (c) In cases of Title IV Financial Aid, HRSA Funding (Title VII Loans) and NEOMED-Based Loans, exit counseling is required. Instructions on how to complete the exit counseling will be provided by the Office of Financial Aid (for Title IV Financial Aid Loans) and the NEOMED Accounting Office (for NEOMED-Based and Title VII loans).

(10) Regaining Eligibility

- (a) Students with a balance due to NEOMED because of a return of Title IV Financial Aid, NEOMED-Based Financial Aid and/or HRSA Funding will be required to pay the balance in full before they will be able to register to return to the curriculum from a leave of absence.
- (b) Students should refer to the [Financial Aid Satisfactory Academic Progress Policy](#) to ensure they are meeting the academic expectations to receive federal and institutional aid assistance.
- (c) Students re-entering the curriculum in a future academic year should re-apply for financial aid by the appropriate deadline and should refer to the [Financial Aid Application, Eligibility and File Verification Policy](#).

NEOMED ACADEMIC POLICY	POLICY NO: 3349-AC-256
ACADEMIC POLICY TITLE: Financial Aid Return of Title IV and Institutional Aid Policy	EFFECTIVE DATE: July 1, 2020 REVISED AND UPDATED: March 25, 2024
RESPONSIBLE DEPARTMENT: Office of Financial Aid	APPROVAL AUTHORITY: Office of the Provost and Senior Vice President for Academic Affairs

REFERENCES

FORMS

[Financial Aid Eligibility, Application and File Verification Policy](#)

[NEOMED Satisfactory Academic Progress for Financial Aid Eligibility Policy](#)

[Financial Aid Disbursement and Credit Balance Refund Policy](#)

[NEOMED Tuition, Fees and Insurance Refund Policy](#)

CROSS-REFERENCE

HEA, Section 484B – Student Eligibility

HEA Sec. 485(a)(1)(F) – Refunds, withdrawal, returns of Title IV financial aid

34 CFR 668.4 – Payment Period

34 CFR 668.21 and 34 CFR 674.16(f)(1)&(2) – Treatment of Title IV Aid if the student does not begin attendance

34 CFR 668.22 – Treatment of Title IV Aid when a student withdraws

34 CFR 668.43 – Institutional information related to refund policy and Title IV calculation

34 CFR 668.164 – Disbursing Funds