

Policy Name: Financial Refunds - SOMI
Policy Number: ADM 5.01
Title of Policy Owner: Chief Financial Officer
Policy Type: RHEI/Shared Services BSMCON SCHS SOMI
Approved by: RHEI Leadership Team
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Policy Status: Approved

I. Policy

It is the policy of Bon Secours St. Mary's Hospital School of Medical Imaging (SOMI) to process financial refunds timely and consistently in accordance with SOMI policy and applicable federal, state and accreditation requirements.

II. Purpose

The purpose of this policy is to identify situations that result in financial refunds, establish internal controls and procedures for processing such refunds and ensure compliance with the requirements and regulations governing financial refunds including, but not limited to, Title IV – Higher Education Act of 1965, as amended (Title IV Regulations), Code of Virginia and accrediting standards.

III. Scope

This is an institutional policy that applies to all SOMI Associate Degree students.

IV. Definitions

Add/Drop Period – is the period of time, generally measured as the start of each Semester through 11:59pm on the tenth (10th) calendar day of each Semester in which students have the capability to add, or drop, from enrollment without financial penalty.

Credit Balance - is created when payments or Financial Aid applied to a Student Account exceeds charges for Tuition and Fees (or other allowable charges) during a specific Semester.

Date of Determination (DOD) – as determined by the Operations Coordinator and recorded in the Student Information System (SIS) as the date which the Operations Coordinator receives written communication from the student or electronic notification via the SIS that the student has dropped/withdrawn from a course(s) or permanently resigned from SOMI. The DOD that a student withdrew should be no more than fourteen (14) calendar days after the student's LDA as determined by the institutions records within the SIS.

Financial Aid – is any source of financial funding to defer a student's Cost of Attendance (COA). Examples of Financial Aid may include, but are not limited to, Title IV Financial Aid, Scholarships, Third Party Payors, etc.

Financial Refund - denotes that some form of payment has taken place between the student (or related party initiated by or on the behalf of the student) and SOMI for which a subsequent event occurs that results in the payment being returned to the student (or related party).

Last Date of Attendance (LDA) – as determined by the Operations Coordinator and recorded in the Student Information System (SIS), is the last date of an academically-related activity in a course, such as attendance in a course, or completion and submission of a course assignment, exam, tutorial, clinical experience, skills lab, or simulation experience.

Other Charges – are charges assessed to the Student Account, which may include but are not limited to, application fees, textbooks, uniform(s), other academic program tools, laptop computer bundle, etc. Other Charges include items purchased on SOMI's online bookstore.

Post-Withdrawal Disbursement - is a disbursement of earned (i.e., eligible) Title IV Federal Financial Aid that made after a student withdrawal.

Semester - is the standard measurement used to group weeks of instructional time in the academic year. Semester is generally referred to as period of enrollment and includes fall, spring, and summer. For purposes of Title IV, Semester is the term also denoting a Payment Period.

Student Accounts – collectively refers to a student specific record of all pending, scheduled or posted financial transactions over the duration of program enrollment. Student Accounts is generally referred to as transactions contained within the Registration Bill (generally pending or anticipated transactions) and Student Ledger Card (posted transactions). ADM 4.04 Student Accounts policy should be reviewed in conjunction with this policy.

Third Party Payor – is an entity that remits payment to SOMI on behalf of a student. Examples of a Third Party Payors include, but are not limited to, VA529 Plans, Veteran Affairs, employer provided tuition benefit plans such as Ed Assist, UPS, BSMH Guild Tuition Benefits, etc.

Title IV Credit Balance - is created when the amount of Title IV Financial Aid disbursed to a Student Account exceeds charges for Tuition and Fees (or other allowable charges) during a specific Semester.

Title IV Financial Aid – is Federal financial aid authorized by Title IV of the Higher Education Act of 1965, as amended. Title IV Financial Aid programs that SOMI participates in includes: Federal Pell Grant and Federal Direct Loans (Subsidized, Unsubsidized and PLUS).

Tuition and Fees – are charges incurred for academic instruction (Tuition) and other fees related to student learning resources, technology, campus activities, student benefit funds and graduation activities (Fees).

V. Policy Details

A. Designation of a Responsible Party

Subject to appropriate oversight by the Chief Financial Officer, the Bursar, and in cases of R2T4, the Financial Aid Director, is responsible for monitoring compliance with the requirements of this policy and applicable federal, state and accreditation requirements.

B. Financial Refunds - General

A Financial Refund denotes that some form of payment has taken place between the student (or related party initiated by or on the behalf of the student) and SOMI for which a subsequent event occurs that results in the payment being returned to the student (or related party). Financial Refunds occur in multiple different scenarios. In most cases, Financial Refunds occur when a Credit Balance results on the Student Account. A Credit Balance is generated when student payment(s) and/or Financial Aid posted to the Student Account is in excess of charges for Tuition and Fees (or other allowable charges). ADM 4.04 Student Accounts policy should be referenced in conjunction with this policy in the event of a Financial Refund.

1. Enrollment Cancellation

In accordance with § 23.1-215 B of the Code of Virginia, an applicant who provides written notice of cancellation of enrollment within three (3) business days, excluding weekends and holidays, of executing the Enrollment Agreement is entitled to a Financial Refund of all monies paid, less the non-refundable \$75 application fee.

A request for enrollment cancellation more than three (3) business days after executing the Enrollment Agreement and making an initial payment, but prior to the first day of Semester in which the student is enrolled will result in a

Financial Refund of all monies paid, less a maximum fee of 15% of charges indicated on the Registration Bill or \$100, whichever is less.

Financial Refunds due to enrollment cancellation are processed within forty-five (45) calendar days of receipt of notice of enrollment cancellation.

2. Student Overpayment

In the event that a student remits payment (self-pay) in excess of charges of Tuition and Fees in a specific Semester, a Financial Refund will be processed within forty-five (45) calendar days of the payment posting date to the Student Account. In the event of a student overpayment, the student may authorize SOMI to hold the Credit Balance and apply it to future charges in a subsequent Semester.

3. Withdrawal or Permanent Resignation

In the event that a student withdraws from a (or all) course(s) or permanently resigns from SOMI after completion of the Add/Drop Period, but prior to sixty (60) percent completion of the Semester, a Financial Refund of SOMI Tuition and Fees will be made in accordance with the Refund Schedule, as outlined below.

Policy ADM 3.07 Student Withdrawal should be referenced and adhered to in conjunction with this policy.

In the event that a student ceases to attend classes for a period of fourteen (14) consecutive calendar days, the student may be determined as Unofficially Withdrawn. In such circumstances, SOMI will contact the student to determine whether the student intends to return to classes or permanently withdraw.

The percentage of Semester completed is calculated by taking the number of completed calendar days up to and including the Date of Determination (DOD) divided by the total number of calendar days in the Semester, less any scheduled breaks of five (5) or more consecutive calendar days.

Percentage of Semester Completed as of Date of Determination (DOD)	Percentage of Tuition and Fees Refunded
Less than 10%	90% Refund
10% up to but not including 20%	80% Refund
20% up to but not including 30%	60% Refund
30% up to but not including 40%	40% Refund
40% up to but not including 60%	20% Refund

60% or more

No Refund

4. Other Charges

As further outlined in ADM 4.04 Student Accounts policy, certain items such as laptop computer bundles, uniform(s) and other items purchased through the SOMI online bookstore are **non-refundable**. In the event that a student purchases books through SOMI's online bookstore that are subsequently returned, students may incur a shipping charge for such returned books. In such cases, any Financial Refund associated with book returns will be credited to the Student Account and it is the student's responsibility to submit payment for the difference, including any applicable shipping charges.

Financial Refunds for refunded Tuition and Fees are processed within forty-five (45) calendar days of the DOD.

C. Financial Refunds - Title IV Financial Aid Funds

SOMI processes Financial Refunds of Title IV Financial Aid Funds in accordance with Title IV Regulations. There are two (2) scenarios in which Financial Refunds of Title IV Financial Aid funds may occur.

1. Title IV Credit Balance

A Title IV Credit Balance is created when the amount of Title IV Financial Aid disbursed to a Student Account exceeds charges for Tuition and Fees (or other allowable charges) during a specific Semester. In accordance with Title IV Regulations, Financial Refunds that result from a Title IV Credit Balance are processed within fourteen (14) calendar days from the date that the Title IV Credit Balance was created (i.e. the date that the Title IV Financial Aid was disbursed to the Student Account and applied to posted charges). Title IV Credit Balance Financial Refunds are automatically processed within fourteen (14) calendar days to the student borrower, or parent borrower in the event of a Federal Direct Parent PLUS Loan, unless the student (or parent) borrower voluntarily authorizes SOMI to administer the Title IV Credit Balance in an alternative way.

Title IV Credit Balance Authorization Form

There are three (3) scenarios in which a Title IV Credit Balance may be administered in an alternate way, all of which require a Title IV Credit Balance Authorization Form to be completed by the student (or parent) borrower and submitted to the Bursar.

- i. A student borrower can authorize SOMI to retain the Title IV Credit Balance on the student's behalf and apply it to a future Semester within the same Academic Year.
- ii. A parent borrower can authorize SOMI to retain the Title IV Credit Balance resulting from a Federal Direct Parent PLUS Loan on the child/student's behalf and apply it to a future Semester within the same Academic Year.
- iii. A parent borrower can authorize SOMI to disburse the Financial Refund created by a Title IV Credit Balance resulting from a Federal Direct Parent PLUS Loan directly to the child/student.

In all three (3) scenarios the Title IV Credit Balance Authorization can be revoked by submitting a subsequent form.

SOMI is authorized to retain up to \$200 of a Title IV Credit Balance without a Title IV Credit Balance Authorization Form in order to satisfy an outstanding Student Account balance in a prior semester within the Academic Year.

2. Return to Title IV (R2T4)

In accordance with Title IV Regulations, when a student who utilizes Title IV Financial Aid withdraws from all courses or permanently resigns from SOMI during a Semester, the Financial Aid Director is required to determine the treatment of Title IV Financial Aid funds. Within thirty (30) calendar days of the Date of Determination, the Financial Aid Director is required to complete the Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program (R2T4 Calculation) Worksheet as published by the Department of Education and attached to this policy.

Title IV Financial Aid funds are earned in direct proportion to the percent completion of the Semester up to sixty (60) percent. Once a student completes 60% of the Semester, the student has earned 100% of Title IV Financial Aid funds. The percent completion of the Semester is calculated by taking the number of completed calendar days up to and including the Last Date of Attendance (LDA) posted for a student who withdraws from all courses and remains enrolled at SOMI or for a student who permanently resigns from SOMI, divided by the total number of calendar days in the Semester, less any scheduled breaks of five (5) or more consecutive calendar days.

In the event that a student ceases to attend classes for a period of fourteen (14) consecutive calendar days, the student may be determined as Unofficially Withdrawn. In such circumstances, for the completion of the R2T4 Calculation, the DOD for Unofficially Withdrawn students is the equivalent to the student's LDA plus fourteen (14) calendar days.

Upon completion of the R2T4 Calculation Worksheet, should the calculation yield that the student received (i.e. disbursed to the Student Account) Title IV Financial Aid funds that were unearned, such unearned Title IV Financial Aid funds must be returned to the U.S. Department of Education (ED) within forty-five (45) calendar days of the DOD. In cases of R2T4, there are responsibilities of both SOMI and the student for the return of unearned Title IV Financial Aid funds. Unearned Title IV Financial Aid funds are returned in a specific order starting with Federal Direct Loans (Unsubsidized, Subsidized and Parent PLUS), followed by any remaining funds (Federal Pell Grant). The R2T4 Calculation Worksheet will determine the amount of unearned Title IV Financial Aid funds that must be returned by SOMI, in addition to the amount of unearned Title IV Financial Aid funds that must be returned by the student. In the event that the R2T4 Calculation results in unearned Title IV Financial Aid funds that are required to be returned to the ED by the student, the student will receive communication via the SIS of such repayment. Typically, in this circumstance, students will be required to repay unearned Federal Direct Loans to the loan holder in accordance with the terms and conditions of the Master Promissory Note.

In the event that the calculation yields that the student earned but did not receive (i.e. no disbursement was made to the Student Account) Title IV Financial Aid funds, a Post Withdraw Disbursement may be effectuated.

Post-Withdrawal Disbursement

A Post-Withdrawal Disbursement may be effectuated when the R2T4 Calculation results in the student earning Title IV Financial Aid funds that were not disbursed (i.e., not posted to the Student Account) prior to withdrawal.

1. Post-Withdrawal Disbursement of Title IV Federal Grant Funds

In the event that the R2T4 Calculation results in a Post-Withdrawal Disbursement (PWD) of Title IV Federal Grant funds (i.e., Federal Pell Grant), SOMI is permitted to disburse such Title IV Federal Grant funds to the Student Account without prior consent from the student. SOMI is required to disburse such funds to the Student Account within forty-five (45) calendar days of the Date of Determination (DOD). In the event that a Student Account balance (i.e., owed to SOMI) is greater than the PWD of Title IV Federal Grant funds, such funds will offset (i.e., reduce) the allowable Student Account balance. In the

event that the student has a zero Student Account balance and processing of the PWD of Title IV Federal Grant funds results in a Title IV Credit Balance, the Financial Refund will be processed and provided to the student no later than fourteen (14) calendar days after disbursement to the Student Account.

2. Post-Withdrawal Disbursement of Title IV Federal Direct Loan Funds

In the event that the R2T4 Calculation results in a Post-Withdrawal Disbursement (PWD) of Title IV Federal Direct Loan funds (i.e., Federal Direct Subsidized, Unsubsidized, or Parent PLUS Loans), SOMI is required to contact the student, or parent in the case of Parent PLUS loan within thirty (30) calendar days of the Date of Determination (DOD) and inform the student (or parent) that a PWD of Title IV Federal Direct Loan funds is available. The student (or parent) is provided fourteen (14) calendar days from the communication to accept (or deny) any portion of (or all), of the Title IV Federal Direct Loan funds. Should approval be provided, SOMI is required to disburse such funds to the Student Account within forty-five (45) days of the Date of Determination. In the event that a Student Account balance (i.e., owed to SOMI) is greater than the PWD of Title IV Federal Direct Loan funds, such funds will offset (i.e., reduce) the allowable Student Account balance. In the event that the student has a zero Student Account balance and processing of the PWD of Title IV Federal Direct Loan funds results in a Title IV Credit Balance, the Financial Refund will be processed and provided to the student (or parent) no later than fourteen (14) days after disbursement to the Student Account.

In all circumstances, any PWD is required to be disbursed to the Student Account within one-hundred eighty (180) calendar days of the withdrawal.

D. Financial Refunds – Third Party Payors

In certain circumstances, SOMI may have a written agreement with a Third Party Payor in which SOMI invoices the Third Party Payor directly on behalf of a student. In the event that a Third Party Payor remits payment to SOMI on behalf of a student and the student subsequently withdraws from a course(s) or permanently resigns from SOMI, SOMI will process any related Financial Refunds to the Third Party Payor and/or by the terms contained in the agreement. Financial Refunds related to Veteran Affairs are further discussed in ADM 4.07 Establishing Principles of Excellence - Military policy.

Policies ADM 3.07 Leave of Absence or Permanent Resignation and/or ADM 3.08 Add/Drop/Withdrawal from a Course outline the process that students are required to follow. These policies should be referenced and adhered to in conjunction with this policy.

E. Financial Refunds – Catastrophic Events

In the event that a Catastrophic Event occurs, SOMI’s leadership team maintains the authority to enact additional Financial Refunds to students that are deemed appropriate during such circumstances and in accordance with ADM 9.13 Catastrophic Events and Continuity of Operations policy

VI. Attachments

Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program (R2T4 Calculation) Worksheet

VII. Related Policies

- ADM 3.07 Leave of Absence or Permanent Resignation from the School
- ADM 4.04 Student Accounts
- ADM 4.07 Establishing Principles of Excellence - Military
- ADM 9.13 Catastrophic Events

VIII. Disclaimers

Nothing in this policy creates a contractual relationship between Bon Secours St. Mary’s Hospital School of Medical Imaging (SOMI) and any party. SOMI, in its sole discretion, reserves the right to amend, terminate or discontinue this policy at any time, with or without advance notice.

IX. Version Control

Version	Date	Description	Prepared by
1.0	08/01/2022	Establish AAS Financial Refund Policy	Chief Financial Officer
2.0	08/01/2023	New Template. Updates to Definitions and processes for Other Charges and PWD	Chief Financial Officer