



## Return of Federal Student Aid Funds

Federal student financial aid is provided to students to fund their direct and indirect costs of education as determined by the institutional cost of education. Failure to complete a required term of enrollment may result in the student's need to refund or repay federal student financial aid for costs not incurred. A leave of absence (LOA), taken at any time after the start of a term, is considered a 'withdrawal of enrollment' for federal student aid purposes.

Because Leave of Absence requests generally exceed 180 days, a request for a Leave of Absence is considered a withdrawal from coursework, not a withdrawal from the academic program. However, all regulations and requirements pertaining to withdrawal from coursework for the purpose of an LOA – return of funds, reporting to NSLDS, exit counseling, satisfactory academic progress- are treated like all other complete withdrawals from classes.

If the withdrawing student received federal student aid, the UNMC Financial Aid Office follows the guidelines provided by the US Department of Education for repaying financial aid. This is a proportional calculation based on time enrolled during the semester, type of aid received, and direct costs (tuition/fees). Students should also refer to the [UNMC Refund Schedule](#) for determination of the amount of tuition owed if they withdraw from enrollment after the first week of classes. A refund only counts towards the tuition charged. **Fees are charged at 100% regardless of the date of withdrawal.**

### Repayment of Student Financial Aid Funds

In addition to receiving funds for direct costs (tuition and fees), students may also be provided funds for living expenses. Failure to complete a term of enrollment will result in the "repayment" of funds for periods of non-enrollment. For this policy, financial aid is considered to be used first for payment of tuition, fees, and other payments to the University. Therefore, all or part of any unearned funds will be used to reimburse financial aid programs. If a student withdraws from the University for any reason, student financial aid dollars must be returned to the Office of Financial Aid for refund and repayment to the respective federal aid programs. In accordance with federal laws, the following fund priority listing will be used when refunding and repaying funds to Title IV and non-Title IV aid programs for the academic term involved.

Federal Funds will be returned to the various federal aid programs in the following order:

#### **a. Title IV Program**

1. Unsubsidized Federal Stafford Loan
2. Subsidized Federal Stafford Loan
3. Federal Perkins Student Loan (FPSL)
4. Graduate PLUS Loan
5. Federal Direct PLUS Loan (parent)
6. Federal Pell Grant
7. Federal Supplemental Educational Opportunity Grant (SEOG)

#### **b. Non-Title IV Programs**

1. Health Profession Student Loan (HPSL)
2. Nursing Student Loan
3. Other Federal Grants (AFHPS/NHSC VA)

**Students receiving federal student financial aid are required to contact the Office of Financial Aid prior to finalizing a leave of absence or complete withdrawal.** Appointments can be made by calling the Financial Aid office at 402-559-4199 or email [FinAid@UNMC.edu](mailto:FinAid@UNMC.edu). A Financial Aid Counselor will discuss how the withdrawal will affect a student's current and future financial aid, if any funds will need to be repaid to UNMC, and the exit counseling requirements. In the event that funds are required to be paid back to UNMC, a hold for transcripts and future registration will be placed on the student's account until the balance is paid in full.



The financial aid office is responsible for completing this calculation and returning the required portion of Title IV aid to the Department of Education within 45 days of the withdrawal date. The student is notified within five (5) business days of the official withdrawal date as to the amount that is to be repaid. The student can contact the UNMC Student Accounts office to discuss payment plans for the remaining bill. If a student or parent who borrowed a Parent Plus loan is eligible to receive a portion of the aid that has not yet been disbursed, the student/parent can elect to receive or cancel the post-withdrawal disbursement. If elected to receive the post-withdrawal disbursement, any loan amount is added to the total loan balance owed to the Department of Education through loan repayment with the assigned loan servicer.