



Albert Einstein College of Medicine

Student Financial Aid Policies & Procedures

CONTENTS

SECTION 1:	INTRODUCTION	5
1.1	Introduction to the Office of Student Finance	5
1.2	Purpose and Philosophy of the Office of Student Finance	5
1.3	Policies and Procedures Development Responsibilities	5
1.3.1	Responsible Personnel	5
1.3.2	Documents and Methods.....	6
SECTION 2:	ADMINISTRATIVE ORGANIZATION AND OFFICE MANAGEMENT	7
2.1	Institutional and Divisional Structure	7
2.2	Separation of Duties.....	7
2.3	Student Finance Office Structure and Position Responsibilities	8
2.3.1	Staffing.....	8
2.3.2	Personnel Policies	8
2.3.3	Training.....	8
2.3.4	Code of Conduct	8
2.4	Frequent Contact Information.....	12
2.5	General Office Administration	12
2.5.1	Accommodations for Disabilities	12
2.5.2	Appointments with Staff.....	12
2.5.3	Treatment of Correspondence/Forms	12
2.5.4	Confidentiality of Student Records.....	13
2.6	Records Management and Retention	13
2.6.1	Retention Period.....	13
2.6.2	Safeguarding Records	13
2.7	Information Sharing	13
2.7.1	Family Educational Rights and Privacy Act.....	13
SECTION 3:	FINANCIAL AID PROGRAMS	14
3.1	Institutional Eligibility Requirements.....	14
3.1.1	Administrative Capability	14
3.1.2	Reporting.....	22
3.2	General Title IV Student Eligibility Requirements	23
3.2.1	General Student Eligibility Criteria	23
3.2.2	Procedures for Applying Student Eligibility Criteria	26
3.3	Program-specific Policies and Procedures for Federal Aid Programs.....	27

3.3.1	Student Eligibility Criteria.....	27
3.3.2	Counseling	28
3.3.3	Documentation.....	34
3.4	Program-specific Policies and Procedures for Institutional Aid Programs	34
3.4.1	Renewal of Financial Aid	34
3.4.2	Revisions of Institutional Aid Awards.....	35
SECTION 4:	APPLICATION AND FORMS	36
4.1	Application Process	36
4.1.1	Procedures.....	36
4.2	Forms	37
4.3	Deadlines.....	37
4.4	Document Assignment, Collection and Tracking.....	37
4.5	Corrections and Updates	37
4.5.1	Correcting Errors	38
4.5.2	Updating Information.....	38
4.5.3	Procedures for Corrections and Updates.....	39
4.6	Pre-award Appeals.....	39
SECTION 5:	FILE REVIEW	40
5.1	General Procedures	40
5.2	Verification	40
5.2.1	Notice to Students Selected for Verification	40
5.2.2	Applicable Deadlines and Failure to Provide Required Documentation 41	
5.2.3	Notice of Verification Results	41
5.2.4	Documentation of Verification Process and Results	42
5.2.5	Updates and Corrections to Application Information.....	42
5.2.6	Suspected Fraud.....	42
5.3	Database Matches, Reject Codes and C-Codes Clearance	42
5.4	Review of Subsequent ISIR Transactions – Postscreening	42
SECTION 6:	STUDENT BUDGETS	43
6.1	Various Student Populations.....	43
6.2	How Budgets Are Derived and Updated	43
6.2.1	Standard Budget Components.....	43
6.2.2	Method for Constructing and Updating Budget Components	43
6.3	Additional Costs.....	44
6.4	Budget Appeals.....	45
SECTION 7:	AWARDING AND PACKAGING FINANCIAL AID	46
7.1	Packaging Philosophies	46
7.2	Available Funds & Number of Eligible Students	46
7.3	Packaging Groups	47
7.4	Determining Institutional Award Amounts	47
7.5	Package Construction.....	47
7.6	Packaging Other Educational Resources	48

7.6.1	AmeriCorps Awards	49
7.6.2	Chapter 30 Veterans' Educational Benefits	49
7.7	Treatment of Educational Tax Provisions.....	50
7.7.1	Qualified Education Tax Benefits.....	50
7.7.2	Employer-Provided Educational Assistance.....	50
7.8	Award Package Notification	50
7.8.1	Packaging Appeals.....	51
7.8.2	Award Package Revisions.....	51
7.9	Overawards & Overpayments.....	51
7.9.1	Resolving an Overaward or Overpayment When Student is Liable ...	52
7.9.2	Resolving an Overaward or Overpayment When School is Liable	52
SECTION 8:	PROFESSIONAL JUDGMENT	53
8.1	PJ Authority and Individuals Who May Exercise It	53
8.2	Circumstances for Which PJ Adjustments are Allowed and Resulting Actions Taken.....	53
8.3	Request for PJ Consideration.....	53
8.4	PJ Documentation	53
SECTION 9:	DISBURSEMENT OF FINANCIAL AID	55
9.1	Definition of Disbursements and Disbursement Methods	55
9.2	Disbursement Dates and Schedules	55
9.3	Student and Parent Authorizations.....	56
9.3.1	Authorizations for Disbursements	56
9.3.2	Credit Balances	57
9.4	Student Notifications	58
9.5	Undeliverable Title IV Funds	58
9.6	Recovery of Title IV Disbursements When Student Does Not Begin Attendance	59
9.7	Excess Cash	59
9.7.1	Direct Loans.....	59
9.8	Trial Balances and Reconciliation	60
9.8.1	Fiscal Records.....	60
9.8.2	Trial Balances	60
9.8.3	Reconciling Cash	60
9.8.4	Reconciling Federal Student Aid Funds	60
9.8.5	Review of Subsidiary Account Detail and Fiscal and Program Records	60
9.8.6	Resolving Discrepancies.....	60
SECTION 10:	SATISFACTORY ACADEMIC PROGRESS	62
10.1	SAP Review	62
10.2	Qualitative Component	62
10.3	Quantitative Component	63
10.3.1	Maximum Timeframe	63
10.3.2	Pace Component	64

10.4	Treatment of Withdrawals, Incompletes, Pass/Fail Courses, Repeated Courses, Transfer Credits, and Audited Courses	65
10.5	Consequences of Failure to Maintain SAP	67
10.6	Appeals	67
10.7	Regaining Eligibility.....	68
10.8	Questions?.....	69
SECTION 11: RETURN OF TITLE IV FUNDS		70
11.1	Withdrawal.....	70
11.2	Return of Title IV Funds.....	73
SECTION 12: INSTITUTIONAL REFUNDS		76
12.1	Process Overview and Applicability.....	76
12.1.1	Leave of Absence.....	76
12.2	Institutional Refund Components	76
SECTION 13: TITLE IV FRAUD		78
13.1	Applicant Fraud	78
13.2	Institutional and Third-Party Fraud	78
13.3	Training.....	79
13.4	OIG Contact Information.....	79
13.5	Red Flags Policy	80
SECTION 14: APPENDICES		81
14.1	Forms & Correspondence	81
14.2	Resource and Reference Documents	81
SECTION 15: EFFECTIVE DATE		83
SECTION 16: POLICY MANAGEMENT AND RESPONSIBILITIES		83
SECTION 17: AUTHORIZED SIGNATURE		83

SECTION 1: INTRODUCTION

1.1 Introduction to the Office of Student Finance

The Einstein College of Medicine Office of Student Finance assists students in financing their education. The Office is located on the second floor the Van Etten Bldg (room 230) and is open from 9 am to 5 pm Monday through Friday. Evening hours are scheduled throughout the year as needed. The phone number is (718) 862-1810. The fax number is (718) 862-1814. The Office's Web site may be accessed at <http://www.einstein.yu.edu/education/md-program/financial-aid/>.

The policies contained herein are specific to the Einstein College of Medicine. Other offices, including the Admission Office, the Office of Student Affairs, the Finance Office, and the Office of Internal Audit, will use this Manual as well. **PLEASE NOTE: This Manual and the policies contained herein apply only with respect to the students' eligibility for federal financial aid, not to the students' eligibility to remain in the program absent federal financial aid. This means that students who become ineligible for federal financial aid may still be eligible to remain in their program of study, depending on their program's policies, procedures and guidelines. Students should contact their program dean's office for guidance.**

1.2 Purpose and Philosophy of the Office of Student Finance

The Einstein Office of Student Finance is the student's professional partner in exploring and navigating the different avenues by which a student may finance his or her education. The Office is responsible for helping students apply for aid from all sources possible, including the federal and state governments, private organizations, and the Einstein College of Medicine. By staying current on all applicable laws, regulations, and guidance, and knowing the marketplace, the Office of Student Finance advises students with the most up-to-date information available, with a specific eye for medical students.

1.3 Policies and Procedures Development Responsibilities

This Manual was developed by the Director of Student Finance. The Director of Student Finance is responsible for updating this Manual to ensure that it remains complete and accurate.

The Registrars, the Dean of Student Affairs, and the CFO play critical roles in shaping financial aid policies and procedures. The Office of Student Finance relies on the work and input of those offices on a daily basis, and the officers are consulted with respect to the drafting and updating of financial aid policies and procedures.

1.3.1 Responsible Personnel

The Director of Student Finance is responsible for ensuring that all staff are aware of new policies and changes to existing policies. Einstein policies and procedures are modified to reflect changes in institutional, federal, and state requirements on an as-needed basis. The policies and procedures are reviewed and revised at least annually.

1.3.2 Documents and Methods

The Office of Student Finance refers to applicable federal laws and regulations, guidance documents such as the U.S. Department of Education's ("ED") Federal Student Aid Handbook and Application and Verification Guide, and the policies and procedures set forth in this Manual when determining student eligibility for and disbursing federal student financial aid. The Federal Student Aid Handbook and Verification Guide are available at <http://www.ifap.ed.gov/ifap/byAwardYear.jsp?type=fsahandbook>.

Staff members also monitor changes to existing laws and regulations through resources such as ED's Information for Financial Aid Professionals ("IFAP") Web site and ED e-mail alerts. The professional student aid organizations in which the College of Medicine are members also keep staff informed. Such organizations include the National Association of Student Financial Aid Administrators ("NASFAA"), the Eastern Association of Student Financial Aid Administrators ("EASFAA"), and the New York State Financial Aid Administrators Association, Inc. ("NYSFAAA"). The college is also a member of the National Association of College and University Business Officers ("NACUBO") and reviews NACUBO updates in considering whether to change existing college policies and procedures as well as whether to adopt new policy and procedures. The College of Medicine is a member of American Association of Medical Colleges ("AAMC") and subscribes to the AAMC listserv for up-to-date information specific to medical students.

SECTION 2: ADMINISTRATIVE ORGANIZATION AND OFFICE MANAGEMENT

2.1 Institutional and Divisional Structure

The Office of Student Finance has direct reporting responsibility to the CFO. Like all business functions of the University, the Office of Student Finance has responsibilities to the Associate Dean of Finance.

In addition to the Office of Student Finance, the following offices have responsibilities that pertain to the approval, disbursement, or delivery of Title IV program assistance:

- Office of Finance– Responsible for day-to-day financial transactions
- Registrar’s Office – Responsible for matters related to grades and enrollment
- Admissions Office – Responsible for verifying high school diplomas
- Montefiore Information and Technology Services (“MITS”) – Responsible for maintaining the SIS (student information system)

2.2 Separation of Duties

Authorizing payments versus disbursing funds: Federal regulations require that the functions of authorizing payments and disbursing or delivering Title IV funds be divided among organizationally independent individuals so that no office has responsibility for both functions as to any particular student. One of the basic principles in the Office of Student Finance is that staff members may either authorize and award aid (“Student Aid”) OR disburse and deliver Title IV funds to students (“Student Accounts”), but may not perform both functions.

Student Aid staff may authorize or award aid at the direction of their immediate supervisor, the Director of Student Finance. All disbursements of Einstein’s student financial aid awards are initiated by the Bursar.

The College of Medicine prohibits individuals who are members of the same family or who together exercise substantial control over the College of Medicine from carrying out the two separate functions of authorizing Title IV payments and disbursing or delivering Title IV funds. A member of a person’s family is defined as a parent, sibling, spouse, child, spouse’s parent or sibling, or sibling’s or child’s spouse. A person exercises substantial control over the College of Medicine if, for example, he or she is a member of the Board of Trustees, the chief executive officer, or other executive officer of Montefiore Medicine Academic Health or any of its affiliates.

Controls adopted to ensure separation of authorization and disbursement functions: To ensure the separation of functions described above, the Einstein College of Medicine uses the following internal controls.

(1) Physical records. All Office of Student Finance staff have access to files, which are maintained in locked cabinets in the Office. Most financial aid files are maintained electronically in the university’s SIS.

(2) Electronic records. Student Aid staff have “update” permission with respect to the student aid forms and processes in the SIS. The Office of Student Finance has implemented electronic controls that restrict Student Aid staff from changing data that affect disbursement or delivery of Title IV funds. The Student Accounts staff have “update” permission with respect to the student accounts forms and processes in the SIS. The Office of Student Finance has implemented electronic controls that restrict Student Accounts staff from changing data that affect the authorization of Title IV payments. Although the Director of Student Finance has supervisory responsibility for student accounts functions, he/she has the same access in the SIS as Student Aid staff. Electronic controls have been implemented in the SIS to prevent Student Finance staff from changing information that is entered by staff in other offices.

2.3 Student Finance Office Structure and Position Responsibilities

2.3.1 Staffing

The Office of Student Finance is composed of a Director of Student Finance, a staff member with Student Aid responsibilities, and two staff members with Students Accounts responsibilities. Their respective duties are outlined in the job descriptions attached at section 14.2 of this manual. The Student Aid and Student Accounts staff members report to the Director of Student Finance and the Bursar.

2.3.2 Personnel Policies

The Einstein Office of Human Resources establishes policies for hiring, evaluating, promoting, taking disciplinary action with respect to, and terminating staff. These policies are the same for all offices throughout the College. Please see the Human Resources Web site (<http://www.einstein.yu.edu/hr/benefits/>) for additional information. The Einstein Office of Student Finance does not maintain its own policies in these areas.

The Einstein Office of Human Resources provides information and guidance on performance evaluations. Please see the Human Resources Web site (www.einstein.yu.edu/hr/benefits/) for additional information. These processes are the same for all offices throughout the college. The Office of Student Finance does not maintain its own processes regarding performance evaluations.

2.3.3 Training

See Einstein College of Medicine Student Finance Office Schedule of Completed and Upcoming Training attached at Section 14.2 of this Manual.

2.3.4 Code of Conduct

The Code of Conduct applies to officers and trustees of the College of Medicine and to all employees, agents, and contractors at Einstein College of Medicine. All such individuals are referred to in the Code of Conduct as “Einstein employees.” This Code of Conduct prohibits a conflict of interest with an Einstein employee’s responsibilities with respect to education loans,

both federal and private. Einstein College of Medicine annually informs its employees who have responsibilities with respect to education loans of the provisions of this Code of Conduct.

2.3.4.1 Preferred Lenders

As a matter of policy, Einstein College of Medicine does not enter into preferred lender arrangements with lenders of federal or private education loans and does not maintain any preferred lender list.

2.3.4.2 Gifts

Einstein College of Medicine does not, directly or indirectly, solicit, accept or receive any gift from or on behalf of a lender, in exchange for any advantage or consideration provided to such lender related to its educational loan activities. Einstein employees are prohibited from soliciting, accepting, or receiving, directly or indirectly, on their own behalf or on behalf of another, any gift from or on behalf of a lender or servicer of education loans. For purposes of this Code of Conduct, the term “lender” includes (a) any entity that itself or through an affiliate solicits, makes, or extends education loans or that securitizes such loans, (b) any entity or association of entities that guarantees educational loans, or (c) any industry, trade or professional association or other entity that receives money, related to educational loan activities, from any entity described in (a) or (b).

2.3.4.2.1 What is a Gift?

A “gift” is any gratuity, favor, discount, loan, inducement, stock, thing of value, or other item having a monetary value of more than a de minimus or nominal amount. The term “gift” includes but is not limited to any money, service, entertainment, honoraria, hospitality, transportation, lodging, meal, registration fee, travel expense, forbearance or promise, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred. It also includes any computer hardware for which the recipient pays below-market prices and any printing costs or services.

Einstein College of Medicine does not consider the following to be “gifts” under this Code of Conduct:

- (1) Food, refreshments, training, or informational material provided to an Einstein employee as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of federal or private education loans to the institution, if the training session contributes to the professional development of the employee.
- (2) A lender’s own brochure or promotional literature.
- (3) Philanthropic contributions from a lender or servicer that are unrelated to education loans and are not made in exchange for any advantage related to private educational loans.

2.3.4.2.2 Gifts to Family Members

A gift to a family member of an Einstein employee or to any individual based on the individual's relationship with the employee is considered a gift to the employee if (a) the gift was given with the knowledge and acquiescence of the employee, and (b) the employee has reason to believe the gift was given because of the official position of the employee.

2.3.4.2.3 Reports of Gift Offers

An Einstein employee must report to the New York State Department of Education ("NYSED") any instance of a lending institution attempting to give a gift to him or her. Any Einstein employee making such a report shall concurrently provide a copy to the Director of Student Finance and to the General Counsel.

2.3.4.3 Contracting Arrangements

Employees of the Einstein Office of Student Finance and other Einstein employees who have responsibilities with respect to education loans are prohibited from accepting from any lender or affiliate of any lender any fee, payment, or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education loans.

2.3.4.4 Service on Board of Directors

Einstein employees who are not employed in the Einstein Office of Student Finance, do not otherwise have responsibilities with respect to education loans, or do not otherwise have a direct interest in or benefit from the functions of the Einstein Office of Student Finance are permitted to serve on the board of directors of a publicly traded or privately held company with the prior written approval of the Director of Student Finance. An Einstein employee who serves as a board member or trustee of a lender or servicer must recuse him- or herself from any decision by the board regarding education loans at Einstein generally.

2.3.4.5 Service on Advisory Board

Einstein employees may serve on an advisory board of a lender that is unrelated in any manner whatsoever to education loans with the prior written approval of the Director of Student Finance. Einstein employees are prohibited from receiving any remuneration or expense reimbursement for service as a member or participant on an advisory board of a lender.

Einstein College of Medicine employees who are directly involved with or benefit from the functions of the Einstein Student Finance Office must report to NYSED, in a form and manner prescribed by NYSED, all participation or financial interests related to any lender. Any Einstein employee making such a report shall concurrently provide a copy to the Director of Student Finance.

2.3.4.6 Revenue Sharing

As a matter of policy, Einstein College of Medicine does not enter into any revenue-sharing arrangement with any lender.

A “revenue-sharing arrangement” means an arrangement between an institution and a lender under which (a) the lender provides or issues a federal or private education loan to students attending the institution or to the families of such students and (b) the institution recommends the lender or the loan products of the lender and in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution or an employee of the institution. A “revenue-sharing arrangement” also includes any arrangement under which a lender pays an institution or an affiliated entity or organization of such institution a percentage of the principal of each federal or private education loan directed toward the lender from a borrower at the institution.

2.3.4.7 Staffing Assistance

Einstein College of Medicine does not request or accept from any lender (including any employee, representative or agent of a lender) any assistance with call center or Office of Student Finance staffing. In no circumstance may an employee or agent of a lender be identified to borrowers or potential borrowers as an employee, representative, or agent of Einstein College of Medicine.

2.3.4.8 Financial Aid Awards

Einstein College of Medicine does not assign, through award packaging or other methods, a first-time borrower’s loan to a particular lender. Einstein College of Medicine does not refuse to certify, or delay certification of, any loan based on the borrower’s selection of a particular lender.

2.3.4.9 Offers of Funds for Private Loans/High Risk Loans

Einstein College of Medicine does not request or accept from any lender any offer of funds to be used for private education loans, including funds for an opportunity pool loan, to students in exchange for Einstein College of Medicine providing concessions or promises regarding providing the lender with (a) a specified number of education loans; (b) a specified loan volume for such loans; or (c) a preferred lender arrangement for such loans. The term “opportunity pool loan” means a private education loan made by a lender to a student attending the institution or the family member of such a student that involves a payment, directly or indirectly, by the institution of points, premiums, additional interest, or financial support to such lender for the purpose of such lender extending credit to the student or the family.

Einstein College of Medicine does not enter into agreements or otherwise provide any high risk loans in exchange for Einstein College of Medicine providing concessions or promises to a lender that may prejudice other borrowers or potential borrowers. A “high risk loan” is any agreement between a lender and an institution that provides for the lender to offer loans to students with a poor or no credit history, who would otherwise not be eligible for educational loans.

2.3.4.10 Co-branding

Einstein College of Medicine shall not permit any private educational lender to use the name, emblem, mascot, or logo of Einstein College of Medicine, or other words, pictures, or symbols

readily identified with Einstein College of Medicine, in the marketing of private educational loans to students attending Einstein College of Medicine.

2.4 Frequent Contact Information

Other offices at Einstein with which staff members have frequent contact include:

Registrars Offices
Office of Admission
Finance and Business Affairs
Office of Auxiliary and Supporting Services (Housing)
Benefits Office (Student Health Insurance)
Montefiore Information and Technology Services Department (“MITS”)

All of these offices and their phone numbers are listed in the campus directory.

2.5 General Office Administration

2.5.1 Accommodations for Disabilities

Einstein's policy with respect to accommodations for disabilities emanates from the College's Office of Human Resources. Please see the Human Resources Web site (<http://www.einstein.yu.edu/uploadedFiles/HR/DisabilityAccommodationPolicy05102016.pdf>) for additional information.

2.5.2 Appointments with Staff

Students may walk in during business hours to meet with Student Finance staff. If no staff member is available, an appointment will be scheduled at that time. Appointments generally will be scheduled for no later than 3 business days after the request. After hours appointments will be scheduled with the approval of the Director of Student Finance.

2.5.3 Treatment of Correspondence/Forms

Correspondence, applications, and other documents are to be recorded in Banner on the date they are received. The documents are then distributed to the appropriate staff member and/or added to the student's file.

The most common documents received by the Student Finance Office fall into the following categories:

- Institutional Financial Aid Application
- Student Appeal Letters
- Student/Parent Tax forms

Any staff member may receive the document and record that the document has been received on the Banner tracking requirements form (RRAAREQ). The document should be checked for

completeness upon receipt. If received by mail and incomplete, it should be recorded as “incomplete/returned” in Banner and sent back to the student with instructions on how to make it complete (e.g., missing signature, wrong year, etc.). Form letters may be used to return documents. (See form letter attached at Section 14.1 in this Manual.)

Documents may also be received by e-mail. They are treated in the same manner as documents received via regular mail.

All outgoing mail is to be placed in the outgoing mailbox centrally located with the Office of Student Finance.

2.5.4 Confidentiality of Student Records

See Section 2.7 regarding Einstein College of Medicine’s Family Educational Rights and Privacy Act (“FERPA”) policies. The Einstein Office of Student Finance does not release student information over the telephone unless permitted by law and College policy.

2.6 Records Management and Retention

2.6.1 Retention Period

The Einstein Office of Student Finance retains records in accordance with the Albert Einstein College of Medicine Records Retention Policy (attached at Section 14.2 of this Manual).

2.6.2 Safeguarding Records

The Banner system is backed-up and maintained by ITS. There are audited fail-safe policies and procedures in place. The Banner team (within ITS) guarantees the back-up of all electronic data. The same is true of all shared network drives. All network drives are backed-up and safeguarded by ITS.

Banner users are required to change their password every 6 months (automatically triggered by Banner and administered by ITS). The Director of Student Finance reviews twice per year documents that identify access restrictions of any user who has access to Student Aid and/or Student Accounts forms within Banner. The Director of Student Finance modifies as necessary and approves through signature the access restrictions and delivers the documentation to ITS (specifically, to the Banner team leader). The Director of Student Financial also modifies access authorizations on an as-needed basis.

2.7 Information Sharing

2.7.1 Family Educational Rights and Privacy Act

For information on Einstein’s FERPA policies for MD students, see “Einstein Policies and Procedures for Medical Student Records.” For the FERPA policies for graduate students, see “Student Records and Privacy Rights of Students.” Both are attached at Section 14.2 of this Manual.

SECTION 3: FINANCIAL AID PROGRAMS

3.1 Institutional Eligibility Requirements

3.1.1 Administrative Capability

To participate in any Title IV program, an institution must demonstrate to ED that it is capable of adequately administering the program under standards set forth in ED regulations. This section of the Manual addresses select aspects of ED's administrative capability standards.

3.1.1.1 Provisions

It is Einstein College of Medicine policy to administer Title IV programs in accordance with all applicable statutory and regulatory provisions as well as any additional special arrangements, agreements, or limitations to which it is subject.

3.1.1.2 Administration

3.1.1.2.1 Capable Individual

Federal regulations require each Title IV institution to designate a capable individual to be responsible for administering all Title IV programs in which the institution participates and for coordinating those programs with the institution's other federal and non-federal programs of student financial assistance. Einstein has designated its Director of Student Finance as the capable individual responsible for administering Title IV programs and coordinating them with other student financial assistance programs.

3.1.1.2.2 Adequate Number of Qualified Persons

Federal regulations require each Title IV institution to use an adequate number of qualified persons to administer Title IV programs in which the institution participates. The adequacy of the Title IV staff at Einstein College of Medicine will be monitored by the Director of Student Finance. See Section 2 of this Manual for additional staffing information.

3.1.1.2.3 Communicating Eligibility Information

Federal regulations require each Title IV institution to communicate to the individual designated to be responsible for administering Title IV programs all the information received by any institutional office that bears on a student's eligibility for Title IV program assistance.

Information bearing on a student's eligibility is communicated to the Director of Student Finance through the Banner System. Banner is an open system. The various institutional offices that have information bearing on eligibility enter that information into Banner. Einstein's Information Technology Services ("ITS") ensures that the Director of Student Finance has access to that information.

All offices that have information bearing on eligibility are periodically trained in how to use Banner to share that information.

3.1.1.3 Responsibilities of Institutional Offices

Federal regulations require each Title IV institution to have written procedures for or written information indicating the responsibilities of the various institutional offices with respect to the approval, disbursement, and delivery of Title IV program assistance and the preparation and submission of reports to ED. See Sections 2.1 to 2.3 of this Manual for information regarding responsibilities of institutional offices with respect to the approval, disbursement, and delivery of Title IV program assistance.

3.1.1.4 Adequate Checks and Balances

Federal regulations require each Title IV institution to administer Title IV programs with adequate checks and balances in the institution's system of internal controls.

3.1.1.4.1 Separation of Duties

See Section 2.2 of this Manual.

3.1.1.4.2 Trial Balances and Reconciliation

The Director of Student Finance and the Controller are jointly responsible for these functions.

3.1.1.4.3 Electronic Data Processing Controls

See Section 2.6.2 of this Manual.

3.1.1.5 Records

Federal regulations require each Title IV institution to establish and maintain records required under ED's standards for participation in Title IV programs and its individual Title IV program regulations. See Section 2.6 of this Manual regarding record retention.

3.1.1.6 Satisfactory Academic Progress

Federal regulations require each Title IV institution to establish, publish, and apply reasonable standards for measuring whether an otherwise eligible student is maintaining satisfactory progress in his or her educational program. See Section 10 of this Manual for Einstein College of Medicine's satisfactory academic progress standards.

3.1.1.7 Electronic Processes

Einstein College of Medicine participates in the electronic processes and meets the hardware and software requirements that ED most recently identified through notice published in the Federal Register on September 14, 2004. (The September 14, 2004 Federal Register notice is attached in Section 14.2 of this Manual.)

To the extent that ED updates or otherwise amend these requirements through the publication of a subsequent notice in the Federal Register, Einstein shall participate in the electronic processes

and satisfy the hardware and software requirements as most recently identified by ED in the Federal Register.

3.1.1.8 Conflicting Information

Einstein College of Medicine's Office of Student Finance is required to identify and resolve any conflicting information that relates to a student's application for Title IV assistance. Conflicting information means any information that is inconsistent or discrepant. This requirement applies to all students, regardless of whether they have or have not been selected for verification. It covers information received from any source.

Any Einstein office or employee with information that relates to an Einstein College of Medicine student's eligibility for federal student financial aid must communicate that information to the Einstein Director of Student Finance. Those offices and employees are regularly reminded of their responsibility to report eligibility information through meetings and e-mail communications.

In addition to the Office of Student Finance, offices with relevant information may include, for example, the Admissions Office: high school diploma; Grants Office: outside awards; Graduate Aid Office: outside awards; Registrar: changes in enrollment; Student Affairs: disciplinary or character issues; and National Student Loan Data System ("NSLDS"): financial aid history.

3.1.1.8.1 Review of Student Information

Einstein's Student Finance Office obtains and reviews the following information:

- All student aid applications, need analysis documents, Statements of Educational Purpose, registration information, and eligibility notification documents presented by or on behalf of each applicant;
- The student's Student Aid Report ("SAR") / Institutional Student Information Record ("ISIR");
 - Even if the Student Finance Office verified information on an earlier SAR/ISIR, it will review all subsequent SAR/ISIRs and resolve any conflicting information that it identifies. ED has identified the following related steps:
 - (1) Look at whether the Expected Family Contribution ("EFC") or the "C" flag has been modified, or whether there are additional comments or NSLDS information that affects the student's Title IV eligibility.
 - (2) Determine whether there have been any updates or corrections to the student's information.
 - (3) If the EFC, "C" flag, or NSLDS information remains unchanged, as a general rule, no additional steps are required.

(4) If the EFC is different but the new EFC does not change the student's level or type of federal student aid, or the relevant information has been verified, no additional steps are required.

(5) If the EFC is different and the relevant information has not been verified, the Student Finance Office must investigate and resolve the discrepancy.

(6) If the "C" flag is modified or the NSLDS information changes, the Office of Student Finance must investigate and resolve the discrepancy.

- Any documents, including any copies of federal income tax returns, that are normally collected by Einstein College of Medicine to verify information received from the student or other sources (see Section 5.1 of this Manual); and
- Any other information submitted or normally available to Einstein College of Medicine regarding a student's citizenship, previous educational experience, documentation of the student's social security number, or other factors relating to the student's eligibility for federal student aid funds.

By way of guidance, ED has provided a list of possible "sources of conflicting information" that includes:

- Unsolicited tax returns or schedules
- Information provided by the student to the financial aid office
- Supplemental financial aid applications
- Other offices within the school
- Offices at other educational institutions (not just aid offices)
- ED
- Scholarships and information from outside sources
- State agencies such as vocational rehabilitation, Workforce Investment Act, state scholarship agencies, etc.
- Tips from outside sources
- Transcripts from other postsecondary institutions
- SARs or ISIRs
- Verification
- C Flags
- Reject Codes
- Comment Codes

3.1.1.8.2 Tax Information

To enable the identification of certain tax-related discrepancies, financial aid administrators at Einstein College of Medicine shall be equipped to evaluate whether a particular individual is or

is not obligated to file a tax return and to determine a person's proper filing status. In addition, financial aid administrators shall be familiar with the rule that a person cannot be claimed as an exemption by more than one individual. The Director of Student Finance provides annual training on tax matters for student financial aid staff. Internal Revenue Service Publication 17 (Your Federal Income Tax) is included in such training and is posted on the shared drive for financial aid staff.

3.1.1.8.3 Examples of Conflicting Versus Non-Conflicting Information

ED has provided the following examples of the types of information that are conflicting versus non-conflicting:

ED's General Conflicting Information Examples

- Citizenship status
- Accuracy of social security number
- Default or overpayment status
- Changes in student's academic status (including grade level progression)
- COA elements
- Other student financial assistance or resources
- Inconsistent information used in calculating the student's ECF

Additional ED Examples of Conflicting Information

- Student not selected for verification, tax return is on file, and information conflicts with items on the Free Application for Federal Student Aid ("FAFSA")
- IRS 1040 shows parent single head of household and the FAFSA/ISIR shows the same person as married
- Student reports on FAFSA and signed verification worksheet indicating that they will not file an IRS 1040; institution has reason to believe student would have been required to file a U.S. Income Tax Return, as the amount of reported income is greater than or equal to the minimum amount required to file as indicated in the instructions provided on the 1040
- Statements or information that suggest that the copy of the Income Tax Return received is not the return actually filed with the IRS
- Institution receives Profile from CSS; student reports a specific amount in untaxed income; FAFSA reports a different amount (if the institution receives the CSS Profile, it must ensure that information contained there does not conflict with other documents received by the institution)
- Veterans' Affairs (VA) benefits verified by certifying official in the Registrar's Office don't match the FAFSA; to resolve conflict, can rely on certifying official
- Admissions information received impacts student eligibility
- Student Academic Progress or Enrollment Status on file in the financial aid office does not agree with the information from the Registrar's Office

ED's Examples of Non-conflicting Information

- A household size that differs from the number of exemptions on a tax return
- Dependency under IRS rules versus ED definition of dependency
- A roster of candidates for an outside scholarship, as opposed to a list of recipients
- Privacy protected information, such as information from professional counselors, chaplains, doctors, etc.
- Assumptions made by the Central Processing System
- A FAFSA filed using estimated income
- A student who has an expired Immigration and Naturalization Service document, but secondary confirmation match is successful

3.1.1.8.4 Database Matches

ED compares certain student application information to information contained in federal databases.

Citizenship Status. If a student indicates on his or her FAFSA that he or she is a U.S. citizen, ED undertakes to verify that information by matching the student's citizenship status to information maintained by the Social Security Administration. If the data match does not verify the student's citizenship claim, the student is permitted to support his or her claim through the submission of documentation to the Office of Student Finance. The Office of Student Finance will not deny federal student aid to a student on the ground that the student has failed to demonstrate that he or she is a U.S. citizen without first affording the student at least 30 days notice to supply documentation of the student's U.S. citizenship.

Social Security Number. With the exception of residents of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau, ED undertakes to verify the social security number that a student supplies on the FAFSA through a data match with the Social Security Administration. If the data match does not result in verification of the number, or if the Office of Student Finance has reason to believe that the verified social security number is incorrect, the Office of Student Finance will permit the student to provide documentation, such as the student's social security card, demonstrating the accuracy of the student's social security number. The Office of Student Finance will afford the student at least 30 days, or until the end of the award year, whichever is later, to produce that evidence.

The Office of Student Finance shall not deny, reduce, delay, or terminate a student's eligibility for federal student financial assistance due to the fact that verification of the student's social security number is pending. The Student Finance Office will not authorize disbursement of any Title IV funds to a student until it is satisfied that the student's reported social security number is accurate. The Office of Student Finance shall ensure that ED is notified of the student's accurate social security number if the student demonstrates the accuracy of a social security number that is not the number the student included on the FAFSA.

Selective Service. For male students who have filed FAFSAs, ED determines whether the student is registered with the Selective Service through a data match with the Selective Service. If the Selective Service does not confirm through the data match that the student is registered, the Office of Student Finance shall permit the student to demonstrate that he: (i) Is registered; (ii) Is not, or was not required to be, registered; (iii) Has registered since the submission of the FAFSA; or (iv) Demonstrates by submitting clear and unambiguous evidence to the institution that –

(1) He was unable to present himself for registration for reasons beyond his control such as hospitalization, incarceration, or institutionalization; or

(2) He is over 26 and when he was between 18 and 26 and required to register--

(a) He did not knowingly and willfully fail to register with the Selective Service;
or

(b) He served as a member of one of the U.S. Armed Forces on active duty and received a DD Form 214, "Certificate of Release or Discharge from Active Duty," showing military service with other than the reserve forces and National Guard.

The Office of Student Finance will consider that a student did not knowingly and willfully fail to register with the Selective Service only if – (1) The student submits to the Office of Student Finance an advisory opinion from the Selective Service System that does not dispute the student's claim that he did not knowingly and willfully fail to register; and (2) The Office of Student Finance does not have uncontroverted evidence that the student knowingly and willfully failed to register.

The Office of Student Finance shall afford a student at least 30 days, or until the end of the award year, whichever is later, to provide evidence to establish the above.

3.1.1.8.5 Resolving Conflicting Information

The Office of Student Finance requires a complete verification of any information that is conflicting or that it has reason to believe is inaccurate.

The Office of Student Finance will resolve all conflicting information of which it becomes aware, even if the relevant processing year is over, unless: (a) the student is no longer enrolled at Einstein College of Medicine; (b) the student does not plan to re-enroll at Einstein College of Medicine; (c) Einstein College of Medicine has disbursed to the student all federal student aid for the relevant enrollment period; and (d) when the aid was disbursed to the student, the conflicting information did not exist. The Office of Student Finance shall not be required to resolve conflicting information for a student who dies during the award year.

The Office of Student Finance will resolve conflicting information as quickly and efficiently as possible. Once conflicting information is flagged in Banner, a student will be notified through e-mails, by mail, and by the Banner System itself if the student logs on to his or her account.

The Office of Student Finance will document the investigation and resolution of conflicting information in Banner. The documentation shall include a statement that sets forth the Office of Student Finance's findings, reasons for a decision that conflicting information has been resolved, and identification of the information that has been determined to be correct. The basis for the resolution of conflicting information must be reasonable and will depend upon the circumstances of the individual matter. Students are notified that conflicting information has been resolved by e-mail, by mail, or by logging on to their Banner account.

Einstein College of Medicine shall not award or disburse federal student aid funds to a student whose conflicting information has not yet been resolved. If the Office of Student Finance becomes aware of conflicting information after a disbursement of federal student aid funds is made, the Office of Student Finance will proceed to resolve the conflicting information and take appropriate steps in accordance with federal rules and institutional policies and procedures, including those regarding overpayments.

If the Office of Student Finance learns of conflicting information after the student's enrollment at Einstein College of Medicine has ended, and some of the student's federal student financial assistance has yet to be disbursed to him or her, the Office of Student Finance shall resolve the conflicting information before authorizing a late or post-withdrawal disbursement. If such a student receives financial assistance of which the institution was previously unaware following the close of the enrollment period, the Office of Student Finance will consider the aid to be estimated financial assistance for either the enrollment period that has ended or, if the student plans to re-enroll, for the subsequent enrollment period.

For information regarding updates and corrections, see Section 4.5 of this Manual.

3.1.1.9 Suspected Fraud

Federal regulations mandate that each Title IV institution refer suspected fraud to ED's Office of Inspector General ("OIG"). Such referrals are addressed in Section 13 of this Manual.

3.1.1.10 Financial Aid Counseling

As required by federal regulation, Einstein College of Medicine provides financial aid counseling to eligible students who apply for Title IV program assistance. Such counseling includes information regarding:

- (1) The source and amount of each type of aid offered;
- (2) The method by which aid is determined and disbursed, delivered, or applied to a student's account; and
- (3) The rights and responsibilities of the student with respect to enrollment at Einstein College of Medicine and receipt of financial aid. This information includes Einstein College of Medicine's refund policy, the requirements for the treatment of Title IV program funds when a student withdraws, its standards of satisfactory progress, and other conditions that may alter the student's aid package.

For more information on counseling, see Section 3.3.2 below.

3.1.1.11 Reviews and Proceedings

Federal regulations provide that a Title IV institution must show no evidence of problems that affect, as determined by ED, the institution's ability to administer a Title IV program and that are identified in:

- (1) Reviews of the institution conducted by ED, ED's OIG, nationally recognized accrediting agencies, guaranty agencies, the State agency or official by whose authority the institution is legally authorized to provide postsecondary education, or any other law enforcement agency; or
- (2) Any findings made in any criminal, civil, or administrative proceeding.

The documentation related to the latest reviews and proceedings are maintained by the Office of General Counsel.

Federal regulations also provide that a Title IV institution may not be debarred, suspended, or engaged in an activity that is a cause for debarment or suspension, and may not have any principal or affiliate of the institution that is debarred, suspended, or engaged in any activity that is a cause for debarment or suspension.

3.1.2 Reporting

3.1.2.1 National Student Loan Data System ("NSLDS")

All Roster files sent by NSLDS to Einstein College Of Medicine, are received on the institution's behalf by the National Student Clearinghouse ("Clearinghouse"). The Clearinghouse certifies the information in the Roster file and returns the file to NSLDS within 30 days of receiving the file. The Clearinghouse also updates student information on file with NSLDS, including enrollment status, the effective date of the status, and the anticipated completion date, as changes occur. The Clearinghouse reports changes in enrollment to less than half time, graduated, or withdrawn within 30 days of the change, unless a Roster file is expected within 60 days of the change. In the latter case, the Clearinghouse may wait to provide the updated information on the Roster file. Any response files sent to Einstein College of Medicine by NSLDS – which contain records that did not pass the NSLDS Enrollment Reporting edits – are received by the Clearinghouse on Einstein College of Medicine's behalf. The Clearinghouse, in coordination with the Einstein Registrars and Information Technology Services ("ITS"), corrects any errors and resubmits the records to NSLDS within 10 days of receipt.

The Registrar and ITS are responsible for transmitting monthly enrollment files to the Clearinghouse on all enrolled students.

The Clearinghouse also receives similar Roster files from guaranty agencies on Einstein's behalf. The Clearinghouse responds to guaranty agencies using the information it has received from the College.

3.2 General Title IV Student Eligibility Requirements

3.2.1 General Student Eligibility Criteria

The Einstein College of Medicine applies ED's general student eligibility criteria in determining whether a student qualifies for Title IV aid. Under criteria relevant to the Einstein College of Medicine (because they are not otherwise captured by the College of Medicine's admissions policies), the student must:

- (1) Be enrolled as a regular student, or accepted for enrollment, in an eligible program;
- (2) Be a citizen or national of the United States or provide evidence from the U.S. Citizenship and Immigration Services that he or she is a permanent resident of the United States or is in the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident, see Section 3.1.1.7.4 of this Manual regarding citizenship data matches;
- (3) Satisfy one of the following academic criteria:
 - (a) Be enrolled in an eligible institution that participates in a state process approved by ED;
 - (b) Have satisfactorily completed six credit hours or equivalent coursework that are applicable toward a degree or certificate offered by the institution;
 - (c) Maintain satisfactory academic progress;
 - (i) See Section 10 of this Manual.
 - (d) Not be in default, and certify that he or she is not in default, on a Title IV loan;
 - (i) If in default, a student may reestablish eligibility by:
 - (a) Repaying the loan in full; or
 - (b) Making satisfactory repayment arrangements with the loan holder and making at least six consecutive monthly payments under those arrangements (for a student subject to a judgment for failure to repay a Title IV loan, such consecutive payments must be made directly by the borrower and do not include payments obtained by federal offset, garnishment, or income or asset execution).
 - (c) A student may regain eligibility only once under (b).
 - (ii) A student who otherwise is in default on a Title IV loan is not considered to be in default if the student:

- (a) Obtains a judicial determination that the debt has been discharged or is dischargeable in bankruptcy;
- (b) Demonstrates to the satisfaction of the holder of the debt that when the student filed the petition for bankruptcy relief, the loan, or demand for payment of the overpayment, had been outstanding for the period required under 11 U.S.C. 523(a)(8)(A), exclusive of applicable suspensions of the repayment period for either debt of the kind defined in 34 C.F.R. § 682.402(m), and the debt otherwise qualifies for discharge under applicable bankruptcy law;
- (c) Has not obtained loan amounts that exceed annual or aggregate loan limits made under any Title IV loan program (unless the student inadvertently obtained an excess amount, is not in default on a Title IV loan, and repays in full the excess loan amount or makes arrangements satisfactory to the holder of the loan to repay the excess loan amount);
- (d) Does not have property that is subject to a judgment lien for a debt owed to the United States (unless the student pays the debt in full or makes arrangements satisfactory to the United States to pay the debt);
- (e) Is not liable for a Title IV grant or Federal Perkins loan overpayment;
 - (i) A student received a Title IV grant or Federal Perkins loan overpayment if he or she received Title IV grant or Federal Perkins loan payments that exceeded the amount he or she was eligible to receive or, if the student withdrew, that exceeded the amount he or she was entitled to receive for non-institutional charges.
 - (ii) A student may regain eligibility if the student repays the overpayment in full, makes arrangements satisfactory to the holder of the overpayment debt to pay the overpayment, the overpayment is less than \$25 and is neither a remaining balance nor a result of the application of the overaward threshold, or the overpayment is an amount that a student is not required to return under 34 C.F.R. 668.22(h)(3)(ii)(B) (providing that a student is not required to return a grant overpayment of \$50 or less that is not a remaining balance).

(iii) A student who otherwise owes an overpayment on a Title IV Program grant or Federal Perkins Loan is not considered to owe an overpayment if the student:

(a) Obtains a judicial determination that the debt has been discharged or is dischargeable in bankruptcy; or

(b) Demonstrates to the satisfaction of the holder of the debt that when the student filed the petition for bankruptcy relief, the loan, or demand for payment of the overpayment, had been outstanding for the period required under 11 U.S.C. 523(a)(8)(A), exclusive of applicable suspensions of the repayment period for either debt of the kind defined in 34 C.F.R. § 682.402(m), and the debt otherwise qualifies for discharge under applicable bankruptcy law.

(e) File a Statement of Educational Purpose;

(f) Have a correct social security number (except for students who are residents of the Federal States of Micronesia, Republic of the Marshall Islands, or the Republic of Palau);

(i) See Section 3.1.1.7.4 of this Manual regarding social security number database matches.

(g) Satisfy the Selective Service registration requirements, if applicable;

(i) See Section 3.1.1.7.4 of this Manual regarding Selective Service data matches.

(h) Satisfy program specific requirements;

(i) See Section 3.3.1.1 of this Manual.

(i) Not have been convicted of an offense under any federal or state law involving the possession or sale of illegal drugs for conduct that occurred during a period of enrollment for which the student was receiving Title IV funds;

(i) The period of a student's ineligibility depends upon whether the conviction was for sale or possession and whether the student had prior offenses. ED provides the following summary chart:

	Possession of illegal drugs	Sale of illegal drugs
1st offense	1 year from date of conviction	2 years from date of conviction
2nd offense	2 years from date of conviction	Indefinite period
3+ offenses	Indefinite period	

(ii) If a student is convicted of both possessing and selling and the periods of ineligibility are different, the longer period of ineligibility applies.

(iii) A student can regain eligibility by successfully completing a rehabilitation program. The student must certify to Einstein College of Medicine that he or she has successfully completed the program. A qualified drug program includes at least two unannounced drug tests and satisfies one of the following requirements:

- (a) Has received or is qualified to receive funds directly or indirectly under a federal, State, or local government program;
- (b) Is administered or recognized by a federal, state, or local government program;
- (c) Has received or is qualified to receive payment directly or indirectly from a federally- or State-licensed insurance company;
or
- (d) Is administered or recognized by a federally- or state-licensed hospital, health clinic or medical doctor.

(iv) Einstein College of Medicine shall provide to each student who becomes ineligible for Title IV aid due to a drug conviction clear and conspicuous written notice of loss of eligibility and the methods by which the student can become eligible again.

(j) In the case of a student who has been convicted of, or has pled nolo contendere or guilty to, a crime involving fraud in obtaining Title IV program assistance, have completed repayment of such assistance to ED or to the holder, in the case of a Title IV loan.

3.2.2 Procedures for Applying Student Eligibility Criteria

The Einstein Office of Student Finance uses the Banner System to track whether a student satisfies Title IV eligibility criteria. When the student files a FAFSA and lists Einstein College of Medicine as an eligible school, the Banner System tracking process begins. The Einstein Office of Student Finance downloads daily into Banner each ISIR that is associated with a student who listed Einstein College of Medicine on his or her FAFSA.

After the ISIR is in the Banner system, Banner runs a series of programs to examine whether or not the student is admitted, whether or not the student has been selected for verification, and whether or not the student has any C flags associated with the ISIR. The Banner System assigns “requirements” to the student. Banner “requirements” are information and documentation requirements that must be satisfied before a student will advance to the budget and packaging process. Requirements that ED would designate as a C-flag on a FAFSA will stop a student from going further in the process. All students receive e-mails updating them on what documents are required. E-mails are generated through Banner or manually, and they are sent on a weekly basis. Through My Albert, which is password-protected, students can access information regarding documentation they must submit and their award.

3.3 Program-specific Policies and Procedures for Federal Aid Programs

The Einstein College of Medicine currently participates in the Direct Loan Program, and the Direct GRAD PLUS Loan Program. As a result of the Student Financial Aid and Fiscal Responsibility Act (“SAFRA”), no new FFELP loans were disbursed after June 30, 2010, and the College has been participating exclusively in the Direct Loan Program since that time.

3.3.1 Student Eligibility Criteria

3.3.1.1 Direct Loan Program

The Einstein College of Medicine applies program-specific eligibility criteria in determining whether students qualify for Direct Loans and Direct GRAD PLUS Loans. Such criteria include the following:

- (a) The student must be enrolled or accepted for enrollment on at least a half-time basis.
- (b) In the case of a borrower whose prior Title IV loan was discharged after a final determination of total and permanent disability, the student must: (i) obtain certification from a physician that the borrower is able to engage in substantial gainful activity; and (ii) sign a statement acknowledging that the Direct Loan the borrower receives cannot be discharged in the future on the basis of any impairment present when the new loan is made, unless that impairment substantially deteriorates.
- (c) In the case of a borrower whose prior Title IV loan was conditionally discharged based on an initial determination that the borrower was totally and permanently disabled, the borrower must satisfy the requirements in (b) and sign a statement acknowledging that: (i) the loan that has been conditionally discharged prior to a final determination of total and permanent disability cannot be discharged in the future on the basis of any impairment present when the borrower applied for a total and permanent disability discharge or when the new loan is made unless that impairment substantially deteriorates; and (ii) collection activity will resume on any loans in a conditional discharge period, as described in 34 C.F.R. § 685.213(d)(4).
- (d) The student must not be serving in a medical internship or residency program, except for an internship in dentistry.

- (e) For a Direct GRAD PLUS Loan, the student must:
- (i) Have received a determination of his or her annual loan maximum eligibility under the Direct Unsubsidized Loan Programs; and
 - (ii) Not have an adverse credit history or obtain an endorser who has been determined not to have an adverse credit history.

3.3.2 Counseling

3.3.2.1 Initial Counseling

Direct Loan Borrowers

The Einstein College of Medicine provides initial counseling to each Direct Loan borrower prior to release of the first disbursement, unless the student borrower has received a prior Federal Stafford, Federal SLS, or Direct Subsidized or Unsubsidized Loan. The Einstein College of Medicine's initial counseling:

- (i) Provides comprehensive information on the terms and conditions of the loan and the responsibilities of the borrower with respect to the loan through a program that each student must complete online;
- (ii) Explains the use of a Master Promissory Note;
- (iii) Emphasizes to the student borrower the seriousness and importance of the repayment obligation the student borrower is assuming;
- (iv) Describes the likely consequences of default, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation;
- (v) Emphasizes that the student borrower is obligated to repay the full amount of the loan even if the student borrower does not complete the program, does not complete the program within the regular time for program completion, is unable to obtain employment upon completion of the program, or is otherwise dissatisfied with or does not receive the educational or other services that the student borrower purchased from the institution;
- (vi) Informs the student borrower of sample monthly repayment amounts based on a range of student levels of indebtedness or on the average indebtedness of Direct Subsidized Loan borrowers, Direct Unsubsidized Loan borrowers, Direct GRAD PLUS borrowers, Stafford loan borrowers, GRAD PLUS loan borrowers, or student borrowers with some combination of these loans, depending on the types of loans the borrower has obtained, at the same school or in the same program of study at the same school;
- (vii) Explains the effect of accepting the loan to be disbursed on the eligibility of the borrower for other forms of student financial assistance;

- (viii) Provides information on how interest accrues and is capitalized during periods when the interest is not paid by either the borrower or ED;
- (ix) Informs the borrower of the option to pay the interest on a Direct Unsubsidized Loan while the borrower is in school;
- (x) Explains the importance of contacting the appropriate offices at Einstein College of Medicine if the borrower withdraws prior to completing the borrower's program of study so that the school can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation;
- (xi) Provides information on the National Student Loan Data System and how the borrower can access the borrower's records; and
- (xii) Provides the contact information for the Director of Student Finance, whom the borrower may contact if the borrower has questions about his or her rights and responsibilities or the terms and conditions of the loan.

Direct GRAD PLUS Loan Borrowers

Einstein College of Medicine provides counseling to each Direct GRAD PLUS Loan borrower prior to release of the first disbursement, unless the student has received a prior Direct GRAD PLUS loan. The Einstein College of Medicine's initial counseling:

- (i) Provides comprehensive information on the terms and conditions of the loan and the responsibilities of the borrower with respect to the loan through a program that students must complete online;
- (ii) Informs the student borrower of sample monthly repayment amounts based on a range of student levels of indebtedness or on the average indebtedness of graduate or professional level students with Direct GRAD PLUS Loans, Direct Unsubsidized Loans, or graduate or professional student borrowers with some combination of these loans, depending on the types of loans the borrower has obtained, at the same school or in the same program of study at the same school;
- (iii) Informs the borrower of the option to pay interest on a Direct GRAD PLUS Loan while the borrower is in school;
- (iv) (a) For a Direct GRAD PLUS borrower who has received a prior FFEL Stafford, or Direct Subsidized or Unsubsidized Loan, provides:
 - (i) The maximum interest rate for a Direct Subsidized Loan and a Direct Unsubsidized Loan and the maximum interest rate for a Direct GRAD PLUS Loan;

- (ii) Periods when interest accrues on a Direct Subsidized Loan and a Direct Unsubsidized Loan, and periods when interest accrues on a Direct GRAD PLUS Loan; and
 - (iii) The point at which a Direct Subsidized Loan and a Direct Unsubsidized Loan enters repayment, and the point at which a Direct GRAD PLUS Loan enters repayment; and
- (b) For GRAD PLUS borrower who has received a prior Federal Stafford, or Direct Subsidized or Unsubsidized Loan, provides:
- (i) The maximum interest rate for a Stafford loan and the maximum interest rate for a GRAD PLUS loan;
 - (ii) Periods when interest accrues on a Stafford loan and periods when interest accrues on a GRAD PLUS loan; and
 - (iii) The point at which a Stafford loan enters repayment and the point at which a GRAD PLUS loan enters repayment; and
- (v) For a student who has not received a prior Federal Stafford, or Direct Subsidized or Unsubsidized Loan:
- (a) Explains the use of a Master Promissory Note;
 - (b) Emphasizes to the student borrower the seriousness and importance of the repayment obligation the student borrower is assuming;
 - (c) Describes the likely consequences of default, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation;
 - (d) Emphasizes that the student borrower is obligated to repay the full amount of the loan even if the student borrower does not complete the program, does not complete the program within the regular time for program completion, is unable to obtain employment upon completion of the program, or is otherwise dissatisfied with or does not receive the educational or other services that the student borrower purchased from the school;
 - (e) Informs the student borrower of sample monthly repayment amounts based on a range of student levels of indebtedness or on the average indebtedness of Direct Unsubsidized Loan borrowers, Direct GRAD PLUS borrowers, or student borrowers with some combination of these loans, depending on the types of loans the borrower has obtained, at the same school or in the same program of study at the same school;
 - (f) Explains the effect of accepting the loan to be disbursed on the eligibility of the borrower for other forms of student financial assistance;

- (g) Provides information on how interest accrues and is capitalized during periods when the interest is not paid by either the borrower or the Secretary;
- (h) Informs the borrower of the option to pay the interest on a Direct Unsubsidized Loan while the borrower is in school;
- (i) Explains the importance of contacting the appropriate offices at Einstein College of Medicine if the borrower withdraws prior to completing the borrower's program of study so that the school can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation;
- (j) Provides information on the National Student Loan Data System and how the borrower can access the borrower's records; and
- (k) Provides the contact information for the Director of Student Finance whom the borrower may contact if the borrower has questions about his or her rights and responsibilities or the terms and conditions of the loan.

Counseling Format

Einstein College of Medicine uses interactive electronic means, specifically the federal entrance interview found at (www.studentloans.gov), to conduct initial counseling. Initial counseling is a Banner "requirement", which means that a student borrower must complete initial counseling before the Banner System permits disbursement. The studentloans.gov site supplies the Einstein College of Medicine proof that a student borrower has completed successfully initial counseling and such information is automatically uploaded into the Banner system. Einstein College of Medicine informs each student borrower regarding the initial counseling requirement through a number of communications. E-mails are sent to students before classes begin that contain checklist of matters that must be completed and a link to Bannerweb. Student borrowers may access initial counseling through a link embedded in their award email. The Office of Student Finance staff is available during business hours to answer student borrower questions related to counseling.

3.3.2.2 Exit Counseling

At least six weeks prior to graduation, the Einstein College of Medicine begins to provide exit counseling to each Direct Loan, Direct GRAD PLUS Loan, Stafford loan, and GRAD PLUS loan borrower who is scheduled to graduate. All exit counseling is completed before graduation. Such exit counseling:

- (i) Informs the student borrower of the average anticipated monthly repayment amount based on the student borrower's indebtedness or on the average indebtedness of student borrowers who have obtained Direct Subsidized or Unsubsidized Loans, Direct GRAD PLUS Loans, Stafford loans, or GRAD PLUS loans, or students who have obtained some combination of these loans, depending on the types of loans the student borrower has obtained, for attendance at the same school or in the same program of study at the same school;

(ii) Reviews for the student borrower available repayment options, including standard, graduated, extended, income sensitive, and income-based repayment plans, including a description of the different features of each plan and sample information showing the average anticipated monthly payments, and the difference in interest paid and total payments under each plan;

(iii) Explains to the borrower the options to prepay each loan, to pay each loan on a shorter schedule, and to change repayment plans;

(iv) Provides information on the effects of loan consolidation, including:

(a) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

(b) the effects of consolidation on a borrower's underlying loan benefits, including grace periods, loan forgiveness, cancellation, and deferment opportunities;

(c) the options of the borrower to prepay the loan and to change repayment plans; and

(d) the fact that borrower benefit programs may vary among different lenders.

(v) Suggests to the student borrower debt-management strategies that would facilitate repayment;

(vi) Explains the use of a Master Promissory Note;

(vii) Emphasizes the seriousness and importance of the repayment obligation the student is assuming;

(viii) Emphasizes that the student borrower is obligated to repay the full amount of the loan even if the student borrower does not complete the program, does not complete the program within the regular time for program completion, is unable to obtain employment upon completion of the program, or is otherwise dissatisfied with or does not receive the educational or other services that the student borrower purchased from the school;

(ix) Describes the likely consequences of default, including adverse credit reports, delinquent debt procedures under federal law, and litigation;

(x) Provides:

(a) to Direct Loan and Direct GRAD PLUS Loan borrowers, a general description of the terms and conditions under which a borrower may obtain full or partial forgiveness or discharge of principal and interest, defer repayment of principal or interest, or be granted forbearance on a Title IV loan;

(b) to FFELP borrowers, a general description of the terms and conditions under which a borrower may obtain full or partial forgiveness or discharge of principal and interest, defer repayment of principal or interest, or be granted forbearance on Stafford or GRAD

PLUS loans, including forgiveness benefits or discharge benefits available to FFEL borrowers who consolidate their loans into the Direct Loan program; and

(c) a copy of the ED's publication describing student assistance programs, which the Secretary is required to make available under section 485(d) of the Higher Education Act;

(xi) Requires the student borrower to provide current information concerning name, address, social security number, references, and driver's license number and State of issuance, as well as the student borrower's expected permanent address, the address of the student borrower's next of kin, and the name and address of the student borrower's expected employer (if known). The Einstein College of Medicine uses the ED's online exit counseling tool to ensure that this information is provided to the guaranty agency or agencies listed in the student borrower's records within 60 days after the student borrower provides the information;

(xii) Reviews for the student borrower information on the availability of the Student Loan Ombudsman's office;

(xiii) Informs the student borrower of the availability of Title IV loan information in the NSLDS;

(xiv) Provides a general description of the types of tax benefits that may be available to the borrower; and

(xv) For Direct Loan and Direct GRAD PLUS Loan borrowers, only, explains how to contact the party servicing the borrower's loans.

Format of Counseling

Einstein College of Medicine takes a number of steps to ensure that each student borrower completes the requisite exit counseling. All students must complete an online counseling program. Students must also participate in a one-on-one session with the Director of Student Finance. The Office of Student Finance receives a printout verifying completion of their online exit during their mandatory one on one session with the Director. The Office sends any student who has not completed the online counseling a certified package with exit interview materials. The Office keeps each student borrower's signed acceptance of the certified package in the student's file.

Although students may participate in graduation prior to completing exit counseling, students will not receive their diploma until they have completed exit counseling. The Registrar will release the student's diploma to the student only after the Office of Student Finance verifies that the student borrower has completed the counseling.

If a student borrower withdraws from the Einstein College of Medicine without the institution's prior knowledge or otherwise fails to complete an exit counseling session as required, the institution will send via certified mail written counseling materials to the student borrower at the student borrower's last known address. The counseling materials are mailed within 30 days after

the institution learns that the student borrower has withdrawn from the institution or failed to complete the exit counseling as required.

3.3.3 Documentation

Einstein College of Medicine maintains some eligibility documentation on Banner and some eligibility documentation, such as naturalization papers, in physical files. Office of Student Financial staff update Banner to indicate whether certain eligibility documentation has been received. Einstein College of Medicine maintains through Banner documentation substantiating its compliance with counseling requirements for each student borrower.

For additional information on packaging and disbursements, see Sections 7 and 9, respectively, in this Manual.

3.4 Program-specific Policies and Procedures for Institutional Aid Programs

Financial assistance from the institution is limited. Institutional loans and scholarships are to be regarded as supplemental to other resources such as the student's resources, parental contributions, federal, state, and other scholarships and loans. They are distributed in the most equitable manner possible. All institutional aid is based on financial need and is awarded on a first-come-first-served basis. Einstein College of Medicine requires parental information from ALL students applying for institutional funds (scholarships and loans) and considers the family's ability to contribute to the student's educational expenses (rather than the family's willingness to do so). The parental contribution is not considered in calculating the student's eligibility for the Federal Stafford Loan program.

All students applying for aid – including institutional aid – must submit the FAFSA. Students who are interested in consideration for institutional scholarships and loans must also provide parental/spouse tax information if applicable

Students may complete the forms on the web at www.fafsa.ed.gov Applicants should not wait until they are admitted to Einstein College of Medicine to submit the FAFSA nor should students or applicants delay in submitting the FAFSA if income tax forms have not been completed. Applicants for institutional aid must also submit Einstein's Financial Aid Questionnaire, which, among other matters, seeks information on prior financial aid and other possible sources of revenue. Late filers are not guaranteed full award packages since funds may be depleted by the time aid is approved.

3.4.1 Renewal of Financial Aid

Students must reapply for institutional aid annually. A student who is awarded institutional aid for a given academic year can expect that the same level of aid will be renewed in subsequent years, provided the student reapplies for aid each year, continues to demonstrate a similar level of financial need, and maintains satisfactory academic standing in accordance with Einstein's satisfactory academic standing policy for recipients of federal student financial aid. See Section 10 of the Manual for information on Einstein's satisfactory academic progress policy.

Students who apply for institutional aid but do not demonstrate financial need in one year may reapply for institutional financial aid in subsequent years. First priority for institutional financial aid is given to students who have received institutional financial aid in the past and continue to demonstrate financial need. Students who fail to demonstrate need at their first application but succeed in doing so in a subsequent application, as well as students who do not apply for institutional aid upon entrance, will be considered for available institutional funds.

3.4.2 Revisions of Institutional Aid Awards

The Einstein Office of Student Finance will revise institutional aid awards if it learns that the student is receiving additional assistance from a source or sources unknown to the Office of Student Finance at the time the initial award was made or if the amount of any outside award deviates considerably from the estimate that the student provided and that the Office of Student Finance cited in the award letter to the student. The student is required to notify the Office of Student Finance of any additional assistance that the student receives. Such notification must be provided through Einstein's Financial Aid Questionnaire.

If data on the student's FAFSA does not concur with supporting documents, institutional aid awards may be revised based on the revised EFC. The documents that are required to support an application for institution aid are 1040s and W-2s. The Office of Student Financial may request additional documentation based on the type of 1040 filed or otherwise. A Verification Worksheet is required if a student is selected for verification.

All students whose family financial situation changes due to death, disability, or unemployment of a major wage earner should contact the Office of Student Finance to discuss what assistance may be available to them at a time of financial crisis. The Office of Student Finance requires that any request for institutional aid outside the normal application cycle be in writing and include a detailed explanation of the reason(s) for the request.

SECTION 4: APPLICATION AND FORMS

4.1 Application Process

All students applying for federal and state student financial aid must submit the Free Application for Federal Student Assistance (“FAFSA”). In addition, students applying for institution financial aid must submit a completed Einstein Financial Aid Questionnaire. Applicants should not wait until they are accepted to submit the FAFSA nor should students or applicants delay in submitting the FAFSA if income tax forms have not been completed. Late filers are not guaranteed full award packages since institutional funds may be depleted by the time aid is approved. Students must reapply for federal, state, and institutional financial aid annually. Students may obtain information regarding the application processes through the MD and graduate division admissions offices and through the financial aid section of the Einstein Web site, at <http://www.einstein.yu.edu/education/md-program/financial-aid/how-to-apply/>.

4.1.1 Procedures

ED, through the Central Processing System (“CPS”), makes the Institutional Student Information Record (“ISIR”) available electronically to the schools that the student listed on his or her FAFSA (or adds later). The Einstein Office of Student Finance regularly downloads ISIRs for students who identified Einstein College of Medicine on their FAFSAs. The ISIR is loaded into Banner using the Banner data load process. Through Banner, the ISIR is matched and loaded with an existing student record (pidm) or, if no match is made, the ISIR will be placed in the Banner suspense file for ISIRs of students who have not yet applied for admission and do not exist within the Banner System.

The Director of Student Finance is ultimately responsible for Banner processing. The Director serves as the technical liaison for all functions within Banner.

ISIR files are subjected to the following series of Banner processes. At the application stage, the process is referred to as tracking group assignment. Through Banner, Einstein College of Medicine determines whether the ISIR was selected for verification, if there are eligibility flags attached to the ISIR (C flags), if the file is missing critical information (e.g., signatures), or if the ISIR has conflicting information (the most common conflicting information is when the adjusted gross income is identical to taxes paid, excluding \$0). Also at this step, the Banner System assigns “file completion” requirements to students and then monitors students’ fulfillment of those requirements. These requirements are added regardless of whether a student is selected for verification.

See Section 5.2 of the Manual for information on verification.

The Einstein Office of Student Finance uses Banner to generate information on students for whom documentation is required and to identify what that required documentation is. The Office of Student Finance sends e-mails to students to alert them to such requirements. The schedule for distributing e-mails and letters is set by the Einstein Office of Student Finance and varies throughout the year, with a more frequent schedule at the beginning of the filing season

(as much as twice per week) to less frequently as the academic year progresses. Eventually, if requests for additional information go unanswered, the file is coded as “ignored by student” in Banner, and the Office of Student Finance ceases to send e-mails and letters to the student and the student receives no aid.

4.2 Forms

Other than the application forms mentioned in this section (i.e., FAFSA, and Einstein Financial Aid Questionnaire), the school only requires those application forms needed to complete verification or clear C flags.

The Einstein Director of Student Finance is responsible for updating on an as-needed basis, and at least annually, any application forms that are distributed to Einstein students. This responsibility includes updating all internal Einstein forms as well as obtaining current versions of external forms used by the Einstein Office of Student Finance.

4.3 Deadlines

The deadline for the application for federal student financial aid, namely the FAFSA, is set by the federal government.

The deadline for filing applications for institutional aid is set annually, but it is usually March 15. Institutional financial aid is awarded on a first-come first-served basis. Students are encouraged to file as soon as possible to be considered for as much aid as possible.

Incoming students are initially informed of deadlines through either the MD or graduate division admissions office, depending on the student’s program. Once a student is admitted and has made his or her deposit with the Einstein College of Medicine, the Einstein Office of Student Finance begins to communicate with the student directly. E-mail is the primary form of communication when notices are sent. The student can also view his or her outstanding Banner requirements online through the online access to student information (Bannerweb). The Office of Student Finance sends e-mails to students to alert them that they need to re-file financial aid applications for each academic year, but it is the responsibility of the student to file in a timely manner.

4.4 Document Assignment, Collection and Tracking

Procedures pertinent to document assignment, collection, and tracking are described in Sections 4.1 through 4.3.

4.5 Corrections and Updates

Federal statutes and regulations permit changes to federal student financial aid application information only under certain circumstances. This section of the Manual discusses two types of permitted changes: corrections and updates. Einstein College of Medicine and students enrolled at Einstein College of Medicine may only make changes to application data under the following circumstances, or as otherwise permitted by law.

4.5.1 Correcting Errors

(1) Einstein College of Medicine or students enrolled at Einstein College of Medicine shall correct items that were incorrectly reported on the original FAFSA.

(2) Einstein College of Medicine must have correct data before it can disburse funds to the student, which may require Einstein College of Medicine or the student to submit corrections for reprocessing in certain instances.

(3) Einstein College of Medicine may disburse funds to the student without waiting for corrections to be reprocessed if the amount of aid does not change.

(4) Einstein College of Medicine may disburse funds to the student without waiting for corrections to be processed even if the award amount changes, as long as Einstein College of Medicine recalculates the expected family contribution (“EFC”) based on the corrected information and the award made to the student is based on the recalculated EFC. In cases where eligibility decreases, Einstein College of Medicine may not make a payment to the student based on the old EFC.

Alternately, either the student or Einstein College of Medicine may submit a correction and use the new EFC from the CPS.

(5) Einstein College of Medicine must submit corrections to the social security number or other application questions that are subject to data matches, even if the EFC or award amount does not appear to change.

4.5.2 Updating Information

There are two items that must be updated in certain circumstances: household size and number in college.

(1) Household size

(a) Students who are selected for verification must update their household size, so that all data is correct at the time of verification.

(b) Household size may not be updated if the student’s household size changed because the student’s marital status changed.

(2) Number in College

(a) Students who are selected for verification must update the number of family members in college, so that all data is correct at the time of verification.

(b) Number in college may not be updated if the number in college changed because the student’s marital status changed.

4.5.3 Procedures for Corrections and Updates

(1) Einstein College of Medicine may submit changes using Financial Aid Administrator (“FAA”) Access to the CPS. Corrections resulting from verification or the resolution of conflicting information shall be submitted by Einstein College of Medicine (rather than the student). Einstein College of Medicine will advise the student, through written instructions, of the information and/or documentation that the student must supply to Einstein College of Medicine so that the institution may make corrections.

(a) Einstein College of Medicine may submit changes and updates through FAA Access to the CPS even if the original application was submitted electronically. Einstein College of Medicine may need to ask the student to provide the student’s data release number (“DRN”).

(b) To use FAA Access, Einstein College of Medicine must have signed documentation from the student. Sufficient documentation includes the signature on Part 2 of the Student Aid Report (“SAR”), a signed copy of the correction or update, or a signed verification document.

(c) Einstein College of Medicine may submit updated address, e-mail address, or telephone number information on the behalves of students.

(2) Students may submit changes on the Student Aid Report (“SAR”).

(a) Students who received a paper SAR may make corrections or updates on it, and return it to the FAFSA processor at the address given at the end of the SAR.

(b) Students who applied electronically may request a paper SAR if they prefer to make changes on paper. Students can request a paper SAR by calling the Federal Student Aid Information Center (“FSAIC”) at 1-800-433-3243 and providing their name, SSN, and date of birth.

(3) Students may submit changes using the FAFSA on the Web site, available at www.fafsa.ed.gov.

4.6 Pre-award Appeals

Einstein College of Medicine does not have a formal pre-award appeals process. All students complete the Einstein Financial Aid Questionnaire. Students are informed that they may submit additional documents relevant to aid eligibility. The Office of Student Finance considers such additional documents and exercises professional judgment. Please see Section 8 of the Manual regarding professional judgment.

SECTION 5: FILE REVIEW

5.1 General Procedures

The Banner process tracks whether additional information or documentation is required in order for the student to advance to the next stage of the financial aid process, such as where an Institutional Student Information Record (“ISIR”) is selected for verification or where C flags exist. The Banner process assigns such requirements to the requirements tracking form (RRAAREQ). Requirements are documentation and information that is required for the file to be considered complete for purposes of advancing to the next stage in the financial aid process. The Office of Student Finance sends e-mails to students to alert them to such requirements. The schedule for distributing e-mails and letters is set by the Einstein Office of Student Finance and varies throughout the year, with a more frequent schedule at the beginning of the filing season (as often as twice per week) to less frequently as the academic year progresses. Eventually, if requests for additional information go unanswered, the file is coded as “ignored by student” in Banner, and the Office of Student Finance ceases to send e-mails and letters to the student and the student receives no aid.

Documents needed to complete verification or clear C flags include, but are not limited to:

- The complete Federal Tax return (1040, 1040a, 1040ez, etc) with all schedules and attachments for the specified year (for example, the 2009-10 aid year requires the 2008 1040)
- W-2(s) for the specified year
- Citizenship documents (for those who were flagged)
- Eligible non-citizen documents that will be sent to INS for secondary confirmation with INS form G-845S (for those that who were flagged)
- Proof of Selective Service registration (for those that who were flagged)
- Proof of clearance from default on a previous student loan (for those who were flagged)

The Federal Student Aid Handbook, Application and Verification Guide, and IRS Publication 17 for the award year being processed are the references to which the Einstein Office of Student Finance refers to determine what documentation is acceptable.

5.2 Verification

5.2.1 Notice to Students Selected for Verification

Einstein College of Medicine advises applicants, in writing and in a timely manner, that they have been selected for verification and provides such applicants with related instructions through the Banner process described under 5.1 in this section. The written instructions describe the documentation that the student must submit to comply with the verification requirements. Einstein College of Medicine uses ED’s Independent Verification Worksheet (“Verification Worksheet”) as part of the verification process and the written instructions provided to students address and include the Verification Worksheet. The Einstein Office of Student Finance reminds students as part of the written instructions to submit the completed Verification Worksheet and

signed copies of the relevant income tax return(s) or alternative document(s) to Einstein College of Medicine's Office of Student Finance instead of ED.

In addition, the instructions explain the applicant's responsibilities with respect to the verification of application information, including the deadlines by which the applicant must complete any required action, the consequences of the applicant's failure to complete such action, and the procedures for correcting inaccurate application information. The instructions also inform the student about how and when he or she will be notified of any changes in his or her award resulting from the verification process.

5.2.2 Applicable Deadlines and Failure to Provide Required Documentation

An applicant selected for verification must submit the required documentation no later than the deadline established by ED. The deadline is communicated to the applicant in the written instructions that the Einstein Office of Student Finance provides to the student. If the applicant fails to submit the requested documentation by the deadline, Einstein College of Medicine will not:

- Certify the applicant's Federal Stafford Loan applications; or
- Disburse Federal Stafford Loan funds to the applicant.

Einstein College of Medicine will not withhold any Federal Stafford Loan funds from an applicant for more than 45 days. Einstein College of Medicine will return to the lender any Federal Stafford Loan funds that otherwise would be payable to the applicant.

If an applicant selected for verification for a given award year dies before the deadline for submission of requested documentation without completing verification, and the deadline is in the subsequent award year, Einstein College of Medicine will not:

- Make any further disbursements on behalf of the applicant; or
- Certify the applicant's Federal Stafford Loan application or process the applicant's Federal Stafford Loan.

Einstein College of Medicine does not make interim disbursements to applicants who have been selected for verification, regardless of whether the institution has reason to believe that information on an application is inaccurate.

5.2.3 Notice of Verification Results

In accordance with the written instructions provided to the applicant, Einstein College of Medicine will promptly notify the applicant in writing once the verification process is complete. If the verification process has resulted in a change to the applicant's EFC and award or loan, the notification will specify the nature of the change and provide the revised EFC and award or loan

amounts. If the verification process has resulted in no change to the applicant's EFC and award or loan, no notice is provided.

5.2.4 Documentation of Verification Process and Results

After verification information is received from the student, the Office of Student Finance checks the documents for signatures and completeness. The documents are then logged into the RRAAREQ form as "satisfied."

Next, the information in the student verification documents is compared to the information submitted on the FAFSA. If any changes are warranted, they are updated on the needs analysis document verification form (RNAVRXX). These changes are also recorded in Banner and exported to CPS to update the student record with ED. Once all updates and corrections are made, the verification status code on RRAAREQ is updated to "verified," and the student may move to the next step in the awarding process.

5.2.5 Updates and Corrections to Application Information

Please see Section 4.5 of this Manual regarding updates and corrections to federal student aid applications.

5.2.6 Suspected Fraud

For information regarding the referral of suspected fraud or other criminal conduct in connection with a federal student aid application, please see Section 13 of this Manual.

5.3 Database Matches, Reject Codes and C-Codes Clearance

Einstein College of Medicine uses the same codes as ED. For additional information, please see Section 4.1.1 on the College's procedures for uploading ISIRs.

5.4 Review of Subsequent ISIR Transactions – Postscreening

Once the student's ISIR is satisfactory, the ISIR is locked in as the current record on the Banner System. If the Office of Student Finance receives a subsequent ISIR transaction, the transaction is reviewed to ensure that it does not include any conflicting information. Records of all subsequent transactions are maintained by Banner.

SECTION 6: STUDENT BUDGETS

6.1 Various Student Populations

Einstein College of Medicine constructs separate budgets for five different student populations based on the content of the students' academic programs and the length of time that the students engage in educationally related activities during the budget year. The five student populations are: 1st Year MD students, 2nd Year MD students, 3rd Year MD students, 4th Year MD students, and students in the graduate program. The first- and second-year MD students are assigned 10-month budgets. The third- and fourth-year MD students and graduate students are assigned 12-month budgets.

Students are assigned a particular budget through the Banner System. The Registrar indicates, in Banner, the correct student population for each student. Banner then automatically assigns the student a budget based on the student's Registrar-designated population.

6.2 How Budgets Are Derived and Updated

6.2.1 Standard Budget Components

A single student budget at Einstein College of Medicine includes the following basic components:

Einstein charges

- Tuition and student health insurance
- Lab and computer fees (except as to Sue Golding Graduate Division)

Educational expenses

- Books and supplies
- Residency interviews (4th year students only)
- National Board fees (second- and third-year MD students only)

Living expenses

- Room
- Board
- Personal

6.2.2 Method for Constructing and Updating Budget Components

The Office of Student Finance is responsible for constructing and updating the standard budget for each student population. Individual budgets are documented on the applicant budget form (RBAABUD) in Banner.

The costs in the standard budgets reflect the living expenses for the academic year only (1st Year MD, 10 months; 2nd Year MD, 10 months; 3rd Year MD, 12 months; 4th Year MD, 12 months; and graduate program, 12 months).

The standard budget includes individual health coverage and membership in the Falk Recreation Center. Family coverage and family membership in the Recreation Center are not included. Dental coverage is not included for the student or his or her family. Living expenses for non-school periods and for spouses and/or other dependents are also not included. In the case of a married student, therefore, the spouse's living costs are not included in the budget.

The Einstein College of Medicine calculates its standard student budgets according to the principles below.

- The Office of Student Finance investigates the average monthly cost of each component. For example, the Office of Student Finance would contact the University book store to determine the average monthly cost of each student population's books and supplies. The average monthly cost is then multiplied by the number of months in the student's academic year (10 months for 1st and 2nd year MD students; 12 months for 3rd and 4th year MD students and graduate program students).
- Certain components apply only to certain categories of students. For example, the costs for Step 1 and Step 2 of the U.S. Medical Licensing Exam ("USMLE") are only included in the budgets of second-year and third-year MD students because students are expected to take the two Steps during those two academic years.
- Einstein housing rates are assigned based on the rates provided by the Einstein Housing Office. If a student opts to live in housing that exceeds the standard amount budgeted by the Office of Student Finance, the student may submit a request for a budget adjustment based on housing expenditures, with appropriate documentation of the expenditures.
- Budgets are updated annually to reflect current costs and fees. Budgets may also be updated on an individual basis at anytime based on a student's budget increase request and supporting documentation (see Section 6.3 below).

6.3 Additional Costs

Some students have extenuating circumstances that may justify construction of an individual budget that is higher than the standard student budget. Such adjustments are primarily appropriate for the purpose of validating need for non-institutional loan assistance.

Students may seek a budget increase to cover the cost of the items listed below.

- Dependent care costs (if the spouse is in school or working)

- Medical/Dental Co-Pay
- Housing (allowable if actual housing cost is greater than that estimated in the relevant Einstein standard student budget; student must supply copy of lease)
- Car insurance (not car payments; student must supply copy of insurance policy)
- One-time computer purchase

Items that will NOT be considered for budget adjustments include: consumer indebtedness (auto loans, credit card payments); relocation expenses; and utility or telephone bills.

Students seeking a budget increase must submit a request in writing via the Budget Adjustment Request Application, with proper documentation, to the Einstein Office of Student Finance. The request must be made after the student's award package has been created.

Once the necessary documentation has been provided, the Office of Student Finance will update the student's RBAABUD form and enter a note detailing the reasons for the budget increase in the student's applicant comments form (RHACOMM) in Banner. The student is then notified by e-mail or telephone of the new amount available to him or her.

Please see Section 8 (Professional Judgment) in this Manual for additional pertinent information on budget adjustments.

6.4 Budget Appeals

No budget appeal process exists at Einstein College of Medicine. The budget adjustment procedure described in this Section is the process by which budgets may be modified.

SECTION 7: AWARDING AND PACKAGING FINANCIAL AID

7.1 Packaging Philosophies

Albert Einstein College of Medicine believes that everyone who desires training should have the opportunity to attend school regardless of their economic background. While the student and the student's family (when applicable) are expected to make a maximum effort to assist with educational expenses, the College of Medicine promotes financial assistance opportunities to eligible students who might not otherwise be able to afford to attend. Financial assistance is offered in the form of grants, scholarships, and federally funded programs.

The Office of Student Finance awards grant assistance on the basis of demonstrated financial need, and each year a significant number of students receive an Einstein grant. In addition, a number of scholarships not based on financial need are awarded by the Admissions Office and the Office of Diversity Enhancement. The Finance Department determines the relative allotment of grant/scholarship funds among the three offices.

By far the largest form of financial aid for all medical students, however, is educational loans. Most students borrow from a variety of programs in order to finance a part, or all, of their educational expenses. Many students are able to limit their annual borrowing to the Federal Stafford loan program available to eligible U.S. citizens and permanent residents. Many individuals, however, also need to borrow from credit-based educational loan programs in order to meet the student budget. If students are not credit-worthy, Einstein institutional funds will not be available to replace unavailable credit-based loans.

Roughly 83 percent of the student body receives financial aid, in the form of grants and loans, in a given year. Of the financial aid awarded to students, 35 percent comes in the form of grants, and 65 percent comes as loans.

It is the policy of Albert Einstein College of Medicine to award federal financial aid in accordance with federal regulations and guidelines pertaining to the type of assistance requested. The College evaluates students' financial need based on the FAFSA, parental/spouse tax information, and Einstein's Financial Aid Questionnaire (See Section 14.1). Federal financial aid is determined first, using the FAFSA, and taking into account any merit-based institutional awards the student may have received. The College then uses the FAFSA and tax information to assess financial need to direct available need-based institutional aid to the neediest students. The College seeks to maximize student access to federal Stafford loans and institutional aid, prior to directing students to GRAD PLUS loans.

7.2 Available Funds & Number of Eligible Students

The Office of Student Finance receives an annual budget from the Finance Department. The Finance Department determines the division of the budgeted funds between the Admissions Office, the Office of Diversity Enhancement, and the Office of Student Finance. The Director of Student Finance determines the total aid funds to be awarded during an award year. Determinations are made based on prior year history and the percentage increase of tuition and fees for the upcoming school year.

Careful projections are made to enable the financial aid staff to offer fair and equitable packages to students. In addition to the federal funds available, institutional grants are set at \$8,500(max), and institutional loans at \$10,000(max). The Office of Student Finance historically has awarded its full financial aid budget each year.

For additional information on establishment of the budgets on which award of aid is based, see Section 6.

7.3 Packaging Groups

The College of Medicine does not use different packaging groups.

7.4 Determining Institutional Award Amounts

As noted above in Section 7.2, institutional grants are set at \$8,500 (max) and institutional loans at \$10,000 (max). Limits on institutional loans and grants are set by the College of Medicine. Additionally, the Admissions Office and Office of Diversity Enhancement may grant maximum awards of between \$20,000 and full tuition. Depending on the award, such awards may be based on merit, need, and/or disadvantaged status.

7.5 Package Construction

A student's package construction is based on the concept of need: the cost of attendance ("COA") minus the expected family contribution ("EFC") equals a student's financial need. Einstein may reduce a student's need level by 100 percent of any outside estimated financial assistance (scholarships, state aid, etc.) ("EFA") for which a student qualifies. If such EFA is excluded from either EFC or COA, then the amount of that EFA must be excluded from both. A student's need, minus any EFA, equals the student's remaining need on which a package will be based. For more information, see Section 6, on Student Budgets. The Office of Student Finance attempts to assemble a package of awards to meet each student's need based on the availability of funds. The Office of Student Finance administers available funds uniformly and equitably in compliance with the existing regulations and policies.

The financial aid offer is referred to as the financial aid package because it typically consists of scholarships, grants, and loans. Although Einstein is committed to helping as many students as possible, funds for assistance are limited. Of the student aid awarded each year, on average 35 percent is grant aid, and 65 percent is loans. Applicants should be aware that not every student will receive financial assistance equal to his or her demonstrated financial need.

New applicants should also be aware that not every student who demonstrates financial need will be given institutional scholarship assistance. Given the large number of applicants for scholarship assistance and the limited scholarship aid that is available, priorities are established.

Financial aid is not awarded until all applicable requirements, including verification, have been completed in Banner. Financial aid packaging of candidates for admission begins in March.

Notification of financial aid awards begins in the last week of March and continues through the middle of April.

The Director of Student Finance is responsible for overseeing the packaging process for students. Electronic controls in Banner also help ensure that that packaging policies for students are followed. All award processes are automated. A list of codes for Banner is provided in Section 14.2.

7.6 Packaging Other Educational Resources

Students are encouraged to seek assistance from outside resources. This aid is known as estimated financial assistance (“EFA”). Einstein examines all federal, state, institutional, private and other sources of educational assistance in determining eligibility for most Title IV federal student aid. It is thus required that all outside assistance be reported to the Office of Student Finance. Student aid, including outside resources, may not exceed the student’s cost of attendance.

The Office of Student Finance is notified of outside awards either by the student receiving the award, the outside organization granting the award, or the academic department granting the award (for PHD students). Typically, awards to students are made payable to both the student and the institution, or students must bring the check in to Student Accounts to have it applied to their account. Student Accounts copies the check and provides the copy to the Office of Student Finance, which ensures that the check is listed in the student’s record in Banner. If not already listed, the Office of Student Finance adds the award to the student’s record, and Banner automatically reruns the student’s award packaging to incorporate the outside aid.

If other aid will cover a student’s cost of attendance, then the student will not be eligible for most forms of federal student aid. Consistent with federal law, Qualified Education Benefits and Veterans’ educational benefits are not included as EFA in need calculations.

If a student has been awarded aid by the Office of Student Finance and receives an outside award, an adjustment to the student’s original award may be necessary. Outside scholarships must be processed through the Office of Student Finance. Students must direct their donors to send their scholarship check to the Office of Student Finance at 1225 Morris Park Ave, Bronx, NY 10461-1602. Along with the check, students should ask the donor to provide the Office of Student Finance with instructions on rules and regulations required of the recipient in order to receive the scholarship. The Office of Student Finance can track these rules to ensure the donor’s requests are being met. Once the check is received, it will be processed and credited to the student account in a timely manner.

Below is an example of how EFA is handled:

When calculating a Subsidized Stafford Loan Award, the Office of Student Finance must include all aid a student is receiving with the exception of Federal Unsubsidized loans, Federal Graduate PLUS Loans, and AmeriCorps awards.

66,650-

3,000 (Einstein Grant)

7,000 (Einstein Loan)

10,000 (Golding Scholarship)

= 46,650 (student qualifies for the maximum Subsidized Loan)

When calculating federal unsubsidized Stafford loan eligibility, the Office of Student Finance must consider all aid a student is receiving (including, for example, an AmeriCorps Award that would be excluded from the subsidized loan calculation).

81,701-

8,500 (Einstein Grant)

10,000 (Homan Loan)

10,000 (Merit Scholarship)

5,000 (AmeriCorps Award)

= 47,167 (Unsubsidized Loan eligibility)

7.6.1 AmeriCorps Awards

Students may use their AmeriCorps Education Awards to pay their current educational expenses up to their cost of attendance. As the examples above demonstrate, when calculating subsidized loan eligibility, the Office of Student Finance does not consider the AmeriCorps Award, but when calculating the unsubsidized loan eligibility the Office of Student Finance must consider all aid a student is receiving.

For the AmeriCorps Award, the student alerts the Office of Student Finance that he or she has received the award. The student designates, on an online system or on a paper form from AmeriCorps, the amount of the award that the student would like to use in a given term. The Office of Student Finance then receives a payment request form from The National Service Trust, which is completed with the student's enrollment dates and award eligibility. Once that has been processed the College receives payment via check or electronic wire. The student's account is then updated to reflect the payment and is issued a new statement showing the AmeriCorps payment.

AmeriCorps Awards can be treated as a source of repayment for qualified loans.

7.6.2 Chapter 30 Veterans' Educational Benefits

The College is developing a Veterans' Benefits specialist who will serve as a central clearinghouse for educational benefits and notify the relevant institutions on campus. The College of Medicine excludes Veterans' Benefits from EFA consideration when awarding subsidized Direct Loan funds.

7.7 Treatment of Educational Tax Provisions

7.7.1 Qualified Education Tax Benefits

Einstein treats distributions from 529 plans and Coverdell education savings accounts as an asset of the owner, except when the owner is a dependent student, in which case the accounts/plans are an asset of the parent. When the owner is some other person (including a non-custodial parent), distributions from these plans to the student are treated as untaxed income, as “money received.”

As long as distributions from 529 plans and Coverdell accounts do not exceed the qualified education expenses for which they are intended, they are tax-free, so they will not appear in the next year’s adjusted gross income. The College does not treat the distributions as untaxed income (except in the cases mentioned above) or as estimated financial assistance.

7.7.2 Employer-Provided Educational Assistance

The College of Medicine treats employer-provided educational assistance as a taxable benefit.

7.8 Award Package Notification

When a student has completed and submitted the necessary applications (FAFSA) his or her file is ready for review. The Director of Student Finance will then review the file. A student’s eligibility for all programs is determined and, subsequently, they are awarded funds from various sources for which they are eligible. When the student is awarded funds, the student receives an e-mail, with a hyperlink to a secure site, which contains his or her Financial Aid Award Letter and Shopping Sheet listing the aid awarded and loan options. See Section 9.4 for additional information on award notifications. The award letter/shopping sheet includes a student’s cost of attendance, EFC, unmet need, total awarded funds, remaining need, disbursement dates and individual awards (including unsubsidized and subsidized loans) for the award year, listed by semester. The disbursement dates are also listed on the Office of Student Finance’s Web site. The award letter also lists a deadline to return the letter if the student wishes to cancel awards. Students are only required to return a signed copy of the award letter if they wish to reduce or cancel awards. If an award letter is not returned, Einstein assumes all awards are accepted and the awards are processed for the current school year. The award notification includes the Office of Student Finance’s e-mail and standard mail addresses, and phone and fax numbers, so that students with questions can direct them to the Office.

The Office of Student Finance’s Web site discloses student financial aid rights and responsibilities, including appeal, revision, and renewal policies, as well as standards students must meet to continue to receive aid.

In order to follow up on a returned e-mail for award notification to a current student, the Office of Student Finance attempts to contact the student by phone. If the student does not respond, the Office mails the student’s award letter. If the returned e-mail comes from a new applicant, the Office contacts Admissions to determine whether the student has an alternate e-mail for contacting the student. If not, the Office mails the award letter to the student.

7.8.1 Packaging Appeals

The Office of Student Finance requires that any request for a review be in writing, giving details for consideration in the review. Appeals may be based only on budget adjustments. The Director of Student Finance is responsible for appeals. The form for a student's appeal is available on the Office of Student Finance's Web site. See Section 14.1. Students must submit appropriate supporting documentation for a budget adjustment with the form. Students may submit appeals for budget adjustments at any time. The student is notified of the outcome of their appeal by e-mail. Appeals will adjust only student's GRAD PLUS awards. After the Director of Student Finance grants an appeal and adjusts a student's budget, Banner automatically revises and issues a new student aid award.

7.8.2 Award Package Revisions

There may be instances that warrant a change to the original award letter. In such situations, the Director of Student Finance may review a student's circumstances, make an adjustment to an award and revise the award letter.

- Financial aid awards will be revised if additional assistance is received from sources unknown to the Office of Student Finance at the time the initial awards are made or if outside awards vary considerably from estimates in the award letter. The student is required to notify the Office of Student Finance of any additional assistance that is received.
- If the data on the FAFSA does not concur with supporting documents (1040s, W-2s, Verification Worksheet), awards may be revised based on the revised EFC.
- Students whose family financial situation changes due to death, disability, or unemployment of a major wage earner should contact the Office of Student Finance to discuss what assistance may be available to them at a time of financial crisis. As noted above, the Office of Student Finance requires that any request for a review be in writing, giving details for consideration in the review.
- If a student withdraws before the end of the semester, Einstein awards will be prorated in accordance with the tuition charges. Federal funds will be revised according to the formula established by the federal government.

Students are notified of revisions by e-mail.

7.9 Overawards & Overpayments

An overpayment occurs when the student receives more aid than he or she was eligible to receive. One kind of overpayment, traditionally called an overaward, results from changes in the student's aid package. An overaward occurs any time a student's disbursed financial aid (federal, institutional, and outside aid) and other resources exceed the cost of attendance for the award period by more than an allowable tolerance. Overawards and overpayments can occur for a variety of reasons including:

1. Reduction in cost of attendance - the student changes budget categories.
2. Additional resources - the student has resources greater than those used to calculate the award.
3. Administrative error - the Aid Administrator inadvertently makes an error.
4. Fraud - the student intentionally deceives or misrepresents information to obtain funds.

In order to prevent overpayments, Banner's automatic awarding features will not allow an Aid Administrator to accidentally overaward a student.

7.9.1 Resolving an Overaward or Overpayment When Student is Liable

If the Office of Student Finance identifies an overaward, it will investigate to determine whether a student failed to inform the school of an outside award. If the school determines that a student is responsible for the overaward, the school will either: (1) increase the student's budget using allowable expenses; or (2) adjust undisbursed funds.

7.9.2 Resolving an Overaward or Overpayment When School is Liable

If the College disburses Direct Loan funds but the student does not begin attendance, the College must return all Direct Loan funds that were credited to the student's account for the payment period or period of enrollment. In addition, the College must return the amount of any payments made directly by or on behalf of the student to the College for the payment period or period of enrollment, up to the total amount of the loan funds disbursed.

In addition, the College must return any Direct Loan funds that are disbursed directly to a student if the College knew, prior to disbursing the funds directly to the student, that the student would not begin attendance. (For example, if a student had notified the College that he or she would not be attending or if the College expelled the student prior to directly disbursing the funds.) Undisbursed Direct Loan funds must also be returned to the Title IV program if the student never begins attendance in the classes for which the aid was intended.

For any remaining loan funds disbursed directly to a student, the College must notify the lender or ED, as appropriate, of the loan funds that are outstanding, so that the lender or ED can issue a 30-day demand letter to the student. An overaward or overpayment for which the school is liable cannot be considered a student overpayment or reported to NSLDS, nor is the overpayment amount considered EFA or financial aid when packaging.

SECTION 8: PROFESSIONAL JUDGMENT

8.1 PJ Authority and Individuals Who May Exercise It

The Higher Education Act provides the authority, known as professional judgment (“PJ”), for an aid administrator to exercise discretion in a number of areas when a student has special or unusual circumstances. It allows the aid administrator to treat a student individually when conditions exist that differentiate that student from a class of students. At the College of Medicine, this authority is vested solely in the Director of Student Finance. Under the College’s policies, the Director exercises professional judgment only with respect to budget adjustments made after awarding aid. See Section 7 for more detail on budget adjustments and related procedures. The Director of Student Finance’s decisions regarding issues of professional judgment are final, and cannot be appealed to ED.

8.2 Circumstances for Which PJ Adjustments are Allowed and Resulting Actions Taken

When a student submits the budget adjustment request form to the Office of Student Finance, the Office of Financial Aid notifies the Director of the requested adjustment. Examples of grounds for such budget adjustments include unusually high medical expenses or dental expenses not covered by insurance or unusually high child care expenses. If the Director grants a budget adjustment, the Director will adjust the student’s budget in Banner, and Banner will recalculate the student’s award. Budget adjustments increase students’ eligibility for GRAD PLUS loans.

Although the Director retains complete discretion with respect to the exercise of professional judgment on budget adjustments, no budget adjustments will be granted for: residency relocation; consumer debt; purchase of a car; or previous educational balances.

8.3 Request for PJ Consideration

Because the only exercise of professional judgment at the College is with respect to budget adjustments, there is no deadline for exercise of professional judgment. Additional details on budget adjustments can be found in Section 6 and Section 7.

If requests are submitted without adequate supporting documentation, the Director will request additional information by e-mail or phone. Once a budget adjustment has been granted, and the student’s award adjusted, the Office of Student Finance e-mails the student with an award link to the secure Web site, where the student may view his or her new award letter.

8.4 PJ Documentation

The appropriate supporting documentation for a request for a budget adjustment will depend on the nature of the request. Some examples of possible documentation are listed below.

- For unusually high medical expenses: documentation of insurance coverage, copays, and other expenses, along with an explanation of expenses

- For unusually high child care expenses: documentation of statement of costs for the day care, wages for child care, or cancelled checks covering either, as well as an explanation of why it is necessary to incur day care expenses that are higher than normal for the community
- For unusually high housing expenses: documentation of lease and payment of rent as well as an explanation of why it is necessary to incur housing expenses that are higher than normal for the community

Students with questions regarding appropriate documentation for their budget adjustment request will be able to contact the Office of Student Finance for assistance. For additional information on budgets, see Section 6.

SECTION 9: DISBURSEMENT OF FINANCIAL AID

9.1 Definition of Disbursements and Disbursement Methods

Federal regulations require that the authorization of payments and disbursement of payments be carried out by two organizationally independent individuals. No one office may be responsible for both functions as to any one particular student. Student Financial Aid staff in the Einstein Office of Student Finance may only authorize and award aid. The Student Accounts Staff may only disburse and deliver Title IV funds to students.

Student financial aid staff may only authorize or award aid at the direction of their immediate supervisor, the Director of Student Finance. All disbursements of student financial aid awards are initiated by the Bursar. For additional information on the separation of duties, see Section 2.2 in this Manual.

The Bursar disburses Title IV funds by crediting students' institutional accounts.

The Einstein College of Medicine will not penalize Title IV recipients for nonpayment of fees if the nonpayment is attributable to financial aid regulations or due to the College's disbursement delays. In order to prevent improper penalization of students, Einstein assesses penalties through Banner. Two months after a semester begins, Banner automatically assesses a 1.5 percent fee on student accounts with a balance due in excess of \$500. The two-month waiting period ensures that sufficient time has passed to resolve Title IV and verification issues.

Once Banner has automatically assessed penalties, the Office of Student Finance reviews a list generated by Banner of all the penalties assessed. The Office of Student Finance reviews the list in order to confirm that none of the penalties were assessed due to the College's disbursement delays or delays attributable to Title IV regulations. If any penalties were assessed as a result of the College's disbursement delays or delays attributable to Title IV regulations, the Office of Student Finance reverses the penalties.

9.2 Disbursement Dates and Schedules

Institutional financial aid awards are offered for the entire academic year and are credited to a student's institutional account in one lump sum. However, federal Stafford loans and GRAD PLUS loans are required to be disbursed in 2 equal disbursements regardless of the length of the academic period of the loan. The 2nd disbursement of both institutional and federal aid is made when it is determined the student has successfully completed half the coursework for the academic year or half the number of weeks in that academic year whichever is later.

New disbursement dates are established by February of each year for the academic year beginning the following fall. The Office of Student Finance establishes the disbursement schedule. The disbursement dates are typically within ten business days of the start of each term, but vary depending on whether a student is a 10-month or a 12-month student. The Bursar's Office provides the disbursement schedule to the Financial Aid Office. Students are informed of the disbursement schedule in their award notification, via the Office of Student Finance's Web site.

A student must satisfy all requirements for receipt of financial aid before the aid will be disbursed to that student's account. These requirements, which are also described in the student's award letter, are listed below.

The student must:

- (1) complete a loan entrance interview (first-time Federal Stafford and Einstein loan borrowers only);
- (2) complete his or her Master Promissory note for Federal Stafford loan approval;

Before the Bursar disburses aid to a student's account, the Einstein College of Medicine must confirm that the student remains eligible to receive those funds. Thus, among other eligibility requirements, if the disbursement is made on or after the first day of classes, the College will confirm that the student has, in fact, begun attending classes.

The Einstein College of Medicine does not make late disbursements. The College does not participate in certain programs (such as Pell Grants, ACG/SMART Grants, FSEOG, TEACH grants, and the Perkins Loan program) that allow late disbursements. In addition, because students enrolled at the College must maintain full-time enrollment status, students do not become ineligible for Direct Loans due to their failure to maintain half-time status, which is the situation that most frequently creates the need for late disbursements.

9.3 Student and Parent Authorizations

9.3.1 Authorizations for Disbursements

Federal statutes and regulations require Einstein College of Medicine to receive authorization from student borrowers regarding the aspects of Title IV disbursement described below.

- (1) Disbursement of Title IV funds to pay certain institutional charges. Einstein students may elect to have federal student aid funds disbursed to their institutional account to pay current institutional charges for educationally-related activities other than tuition, fees, contracted room and board, and minor prior-year charges. If a student so elects, the Office of Student Finance provides the student with a form entitled "Federal Title IV, State, and Other Authorization Form." (See Section 14.1.) Students complete the form on an annual basis. On the form, students may indicate that they authorize the Office of Student Finance to apply any credit balance from federal financial aid to future charges on their account and to pay charges that arise from the next semester's fees. The form also indicates that the student may make a written request at any time to revoke the authorization.
- (2) Holding excess Title IV funds. Einstein students may also elect to have Title IV credit balances held in their institutional account. The Office of Student Finance obtains authorization from the student on the "Federal Title IV, State, and Other Authorization Form" using the same procedures as described above. If authorized, the College will hold excess funds in a student's account for no longer than the current loan period.

9.3.2 Credit Balances

A credit balance occurs when the Einstein College of Medicine credits funds to a student's account, and the total amount of those funds exceeds the student's allowable charges. Credit balances are handled in accordance with federal laws and institutional policies.

Generally, the Einstein College of Medicine issues refunds of credit balances automatically according to the following policies and procedures:

- (1) Credit balances of Direct Loan funds will be returned to the student via direct deposit or check
- (2) After a credit balance appears on a student's account, a payment will be issued within a 14-day window. When a student's refund is ready, the Office of Student Accounts e-mails the student notifying her or him that there will be a direct deposit made to their bank account within the next 7 business days.
- (3) Payments of credit balances are issued at least once weekly but may be issued more frequently during major holidays and other official school breaks.
- (4) Payments of credit balances generally will not be issued based on a projected credit balance. An actual credit must be on the student's account before a payment of the excess funds is issued. Notwithstanding the foregoing, Albert Einstein College of Medicine will pay by the seventh day of the payment period the lesser of the projected credit balance for the payment period or the amount needed by the student, as determined by Albert Einstein College of Medicine, to pay for books and supplies applicable to the payment period, but only if Albert Einstein College of Medicine could have disbursed Title IV funds to the student ten days before the beginning of the payment period, and the disbursement of those funds would have created a credit balance.
- (5) Prior to spending his or her payment, a student should confirm the accuracy of, as well as the omission of, charges on his or her student account.
- (6) A student's payment of a credit balance cannot exceed the cost of attendance minus the student's charges for tuition, fees, room, and board.
- (7) Students must be officially enrolled for a given term in order to receive a payment of a credit balance from the College.
- (8) Payments of credit balances are issued in a lump sum to a single individual.

However, Einstein will hold credit balances if it obtains voluntary authorization from the student borrower as described in Section 9.3.1 above. Funds are held in a subsidiary ledger account designated for that purpose. The CFO and Controller are responsible for ensuring that the College maintains, at all times, cash in its bank account at least equal to the amount that it holds for students.

Notwithstanding any authorizations, the Einstein College of Medicine will pay to the student:

- any remaining balance on federal student aid loan funds by the end of the loan period, and
- any other remaining federal student aid program funds by the end of the last payment period in the award year for which the funds were awarded.

9.4 Student Notifications

Federal statutes and regulations require Einstein College of Medicine to notify student borrowers regarding certain aspects of Title IV disbursement. The College's notification policies and procedures are described below.

- (1) Einstein College of Medicine notifies student borrowers of the amounts that they can expect to receive from the Direct Loan Program, and GRAD PLUS program. This notification is sent prior to disbursement. The College also explains which funds will be subsidized and unsubsidized, and provides the expected date of disbursement.
- (2) When Direct, or GRAD PLUS loan funds are credited to a student's account (except in cases of post-withdrawal disbursement), students are notified in writing about: the anticipated date and amount of the disbursement; the student's right to cancel all or part of the loan disbursement; and the procedures and time by which the student must notify the school that he or she wishes to cancel the loan or disbursement. This notification is included on the paper disclosure statement that each student receives from ED. The notification is sent to the student no earlier than 30 days before, and no later than seven days after, the student's account is credited. The notification informs the student that he or she has 30 days from receipt of this notification to cancel all or a portion of a loan.
- (3) If a student who withdraws from the College is eligible for a post-withdrawal disbursement, the Office of Student Finance will send a notice to the student borrower to obtain permission to credit loan funds to a student's account to cover unpaid institutional charges and to obtain permission to make a post-withdrawal disbursement of loan funds directly to the student. The Office of Student Finance will send the notification as soon as possible, but no later than 30 calendar days after the date that the College determines the student withdrew. See Section 11.2(7) for additional information on post-withdrawal disbursements.

9.5 Undeliverable Title IV Funds

The Einstein College of Medicine will return to ED any federal student aid funds that the College is unable to disburse directly to the student borrower.

If a check is returned to the College, the College will, not later than 45 days after the funds were returned, make additional attempts to disburse the funds. In all cases, the College will cease attempts to disburse the funds and return the funds to ED within 240 days of the date the check was first issued, or the electronic transfer was made.

Federal regulations require that the Einstein College of Medicine have a process in place to ensure that undeliverable funds never escheat to the state, the institution, or any third party. Under New York law, no category of property escheats in less than one year. The College's compliance with the federal regulations will ensure that the undeliverable funds will not escheat to the state, institution, or any third party.

9.6 Recovery of Title IV Disbursements When Student Does Not Begin Attendance

As discussed in Section 9.2 above, before the Bursar disburses aid to a student's account, the Registrar must confirm that the student has, in fact, begun attending classes. When a student enrolls for the semester, the Registrar updates the student's status in Banner to confirm enrollment. If a student never enrolls, the Registrar notifies the Office of Student Finance, via e-mail, indicating that the student should be removed from the class list.

If Direct Loan funds are disbursed, but the student does not begin attendance, the Office of Student Finance will return all funds that were credited to the student's account for the payment period. The College will also return all payments made directly by or on behalf of the student to the College for the payment period, up to the total amount of the loan funds disbursed.

In the case of Direct Loans that Einstein College of Medicine disbursed directly to a student who did not begin attendance:

- If the College knew prior to disbursing the funds that the student would not begin attendance, the College will return the funds to ED.
- If the College did not know that the student would not begin attendance, the College will notify ED that the funds are outstanding.

In all cases, the Einstein College of Medicine will return the funds no later than 30 days after discovering that the student did not begin attendance. The College returns funds by electronic funds transfer.

9.7 Excess Cash

The Einstein College of Medicine will request only those federal student aid funds that the College needs immediately to make aid disbursements to students. The following policies and procedures implement this general requirement for Direct Loans.

9.7.1 Direct Loans

- (1) Three-day Rule: The Office of Student Finance will return to ED any Direct Loan funds that the Office of Student Finance does not disburse to a student for a payment period within three business days following the date on which the Einstein College of Medicine received the funds.
- (2) Additional Seven-day Rule: Under federal regulations, if circumstances beyond the Einstein College of Medicine's control arise, and the Office of Student Finance cannot disburse Direct Loan funds in the required three days, the College may maintain some excess cash for up to seven additional days. However, because of the structure of the College's process for

drawing Direct Loan funds, the College will not use this provision. The College's Direct Loan processes are structured so that the College never has excess Direct Loan funds on hand. The College will only draw Direct Loan funds from G5 when all steps have been completed to allow the College to make an immediate disbursement to a student.

9.8 Trial Balances and Reconciliation

9.8.1 Fiscal Records

The Controller is required to account for the receipt and expenditure of federal student aid funds in accordance with generally accepted accounting principles. The Controller shall establish and maintain on a current basis: (a) financial records that reflect each federal student aid program transaction; and (b) general ledger control accounts and subsidiary accounts that identify each federal student aid program transaction and separate those transactions from all other institutional financial activity.

9.8.2 Trial Balances

The Controller is responsible for taking trial balances of federal financial aid accounts at least once per month. Each trial balance will examine whether the sum of accounts receivable, program expenditures, and the cash balance is the same as the amount of federal student financial assistance that the Office of Student Finance has authorized.

9.8.3 Reconciling Cash

The Director of Student Finance and Controller are also required, on at least a monthly basis, to reconcile the cash balance reflected in College's accounting records with the balance that appears on its bank statements.

9.8.4 Reconciling Federal Student Aid Funds

In addition, The Director of Student Finance and the Controller must perform, on a monthly basis, reconciliation of federal student aid program funds by comparing the amount of federal student aid funds received from the ED to the amount of federal student aid funds disbursed by the University to students or returned to ED.

9.8.5 Review of Subsidiary Account Detail and Fiscal and Program Records

In support of the control processes described above, the Controller will reconcile each month the College's general federal student aid accounts with subsidiary record detail. In addition, the Controller will review on a monthly basis the College's underlying fiscal and program records for consistency with each other and with the College's accounting records.

9.8.6 Resolving Discrepancies

The Director of Student Finance and the Controller are responsible for resolving discrepancies that are identified through federal student aid trial balances and the reconciliation process. In

doing so, the Director of Student Finance, and the Controller will review the College's accounting records on a student-by-student basis. The explanation for and resolution of any discrepancy shall be documented in writing.

SECTION 10: SATISFACTORY ACADEMIC PROGRESS

As required by federal regulations, students will be eligible for federal student financial aid only if they maintain satisfactory academic progress (“SAP”) in accordance with this Policy.

10.1 SAP Review

The Office of Student Finance reviews students’ academic progress at the end of each academic year. It determines whether a student has made satisfactory academic progress by examining student performance on the following two components:

- (1) a qualitative component that establishes a minimum cumulative average requirement; and
- (2) a quantitative component that requires students to complete a certain amount of their attempted coursework each year and to complete their program of study within a prescribed period of time.

Coursework from all semesters, including those semesters for which a student did not receive federal student financial aid, are included in the Office of Student Finance’s evaluation of a student’s academic progress under this Policy.

If a student’s academic progress has put him or her at risk of dismissal, the Office of Student Affairs notifies the Office of Student Finance by providing a spreadsheet of all students in this category. Because student progress is assessed at various points during the school year, the Office of Student Affairs provides the spreadsheet on an as-needed basis throughout the school year.

The Office of Student Finance will document in Banner its determination as to whether a student has or has not made SAP (including the reasons for that determination). The Office of Student Finance provides a record of its determination to the Office of Student Affairs, and the Office of Student Affairs shares the information with the correct Registrar’s office.

10.2 Qualitative Component

Doctor of Medicine

In the MD Program, academic performance is measured in terms of Pass/Fail during Year I and Year II of the program; in Years III and IV, academic performance is measured in terms of Honors, High Pass, Pass, Low Pass, and Fail. For purposes of measuring satisfactory academic progress, the following equivalencies will be used: A for Honors; B for High Pass; C for Pass; D for Low Pass; and F for Fail.

For the first two years of the MD Program, a student must complete the required Pre-clerkship Curriculum with the equivalent of a “C” average.

During the final two years of the MD Program, a student must earn a “C” or better in all required clinical clerkships and all required elective coursework.

Doctor of Philosophy

In the PHD Program, academic performance in graduate courses is measured in terms of Honors, Pass, and Fail; academic performance in laboratory research or thesis research is measured in terms of Satisfactory, Needs Improvement, and Unsatisfactory. For purposes of measuring satisfactory academic progress, the following equivalencies will be used: A for Honors; B for High Pass/Satisfactory; C for Pass/Needs Improvement; D for Low Pass; and F for Fail/Needs Improvement.

PHD students must maintain the equivalent of a cumulative “C” average.

Doctor of Medicine and Doctor of Philosophy Dual Degree Program

MD/PHD students are subject to the qualitative standard that applies to the program (MD or PHD) in which they are currently enrolled.

10.3 Quantitative Component

10.3.1 Maximum Timeframe

The maximum time periods within which a full-time student must complete the requirements of his or her program are as follows:

Doctor of Medicine

- Standard length of program: 4 years
- Maximum timeframe to qualify for Title IV aid: 6 years

Doctor of Philosophy

- Standard length of program: 5 years
- Maximum timeframe to qualify for Title IV aid: 7.5 years

Doctor of Medicine and Doctor of Philosophy Dual Degree Program

- Standard length of program: 7 years
- Maximum timeframe to qualify for Title IV aid: 10.5 years

Students will not be eligible for federal student financial aid once they reach the above specified maximum time limits.

A student may be granted a leave of absence for a variety of reasons. The time period during which the student is on an approved leave of absence is excluded from the maximum timeframe.

The time period during which a student is registered to pursue a full-time research fellowship is also excluded from the maximum timeframe.

10.3.2 Pace Component

To ensure completion of a student's program within the applicable maximum timeframe set forth above, this Policy requires students to meet the following standards at the end of each academic year:

Doctor of Medicine

MD students are generally expected to successfully complete all coursework for a given academic year before they may progress to the next year. Thus, a student should:

- complete the coursework for Year I (Pre-clerkship Curriculum) during the first academic year;
- complete the coursework for Year II (Pre-clerkship Curriculum) during the second academic year;
- complete the coursework for Year III (Clerkship Curriculum) during the third academic year; and
- complete the coursework for Year IV (Senior Curriculum) during the fourth academic year.

Due to academic or personal difficulties, a student may require additional time to complete the Pre-clerkship Curriculum. In such situations, the Einstein College of Medicine may arrange a modified curricular program. The Associate Dean for Students, in consultation with the Chair of the Committee on Student Promotions and Professional Standards, will monitor the progress of such a student to ensure that he or she is on track to complete the Pre-clerkship Curriculum in a maximum of four years from the date of the student's matriculation. In all cases, students must complete the coursework for the Pre-clerkship Curriculum before they may progress to Year III's Clerkship Curriculum.

A student may also require additional time to complete the Clerkship and Senior Curricula, which are generally completed in the third and fourth academic years, respectively. In such situations, the Einstein College of Medicine may arrange a modified curricular program. The Associate Dean for Students, in consultation with the Chair of the Committee on Student Promotions and Professional Standards, will monitor the progress of the student to ensure that he or she is on track to complete the entire MD curriculum within the seven-year maximum. However, in all cases, students must complete the coursework for Year III (Clerkship Curriculum) before they may progress to Year IV (Senior Curriculum).

Students must also pass the following steps of the United States Medical Licensing Exam ("USMLE") in order to be allowed to progress through the curriculum according to the timeline for Years I through IV described above and to be considered on track to graduate within the maximum timeframe:

- Students must pass Step 1 of the USMLE within three years of matriculation (and before beginning Year III (Clerkship Curriculum)). Students may attempt to pass Step 1 a maximum of three times.
- Students must pass Step 2 – Clinical Knowledge and Step 2 – Clinical Skills before graduating. Students may attempt each of these exams a maximum of three times.

Doctor of Philosophy

To remain eligible for Title IV aid, graduate students must receive a passing grade in at least 67 percent of the graduate courses or laboratory/thesis research attempted during each academic year. For graduate courses, a grade of Honors or Pass counts as passing. For thesis or laboratory research, a grade of Satisfactory or Needs Improvement counts as passing.

Doctor of Medicine and Doctor of Philosophy Dual Degree Program

MD/PHD students are subject to the quantitative standard that applies to the program (MD or PHD) in which they are currently enrolled.

Students currently enrolled in the MD program are generally expected to complete all course work for their given academic year. However, students that require additional time may be given a modified curriculum and monitored by the Associate Dean for Students, in consultation with the Chair of the Committee on Student Promotions, to ensure that they are on track to complete the entire MD/PHD curriculum within the 10.5 year maximum. MD/PHD students currently enrolled in the PHD program must receive a passing grade in 67 percent of the graduate courses or laboratory/thesis research attempted.

MD/PHD students must also pass the various steps of the USMLE according to the following timeline:

- MD/PHD students must pass Step 1 of the USMLE within three years of matriculation and before beginning the Clerkship Curriculum of the MD program. Students may attempt to pass Step 1 a maximum of three times.
- MD/PHD students must Pass Step 2 – Clinical Knowledge and Step 2 – Clinical Skills within three years of beginning the Clerkship Curriculum and before graduating from the MD program. Students may attempt each of these exams a maximum of three times.

10.4 Treatment of Withdrawals, Incompletes, Pass/Fail Courses, Repeated Courses, Transfer Credits, and Audited Courses

Doctor of Medicine

Withdrawals. Students are not permitted to drop/add or withdraw from individual courses.

Incompletes. For courses taken during the pre-clerkship period of a student's medical education (Years I and II), after receiving an incomplete in a course, a student must complete the course no later than four years after his or her matriculation. For courses taken during the clerkship period of a student's medical education (Years III and IV), after receiving an incomplete in a course, a student has a maximum of 22 weeks in which to complete the course for credit. There is no maximum number of allowable incomplete courses.

Pass/Fail Courses. A student's performance in a pass/fail course counts toward the qualitative and quantitative components. Pass/fail courses are included in the qualitative component according to the equivalencies described in Section 10.2 above.

Repeated Courses. If a student repeats a course, the grade earned on repetition replaces the original grade earned in the course for purposes of calculating the qualitative SAP component. Both the original and repeat course will be counted as attempted courses for purposes of the quantitative component. The student may only earn credit for successfully completing a course once. Therefore, repeating courses may negatively affect students' ability to satisfy the quantitative component.

Transfer Credits. The College of Medicine does not permit students to transfer credit into the MD Program. For purposes of transitioning students from Yeshiva University to Albert Einstein College of Medicine, transfer credits from Yeshiva University will be accepted and counted and earned credits in the MD and PhD programs.

Audited courses. The College of Medicine does not permit students to audit classes in the MD Program.

Doctor of Philosophy

Withdrawals. Classes from which a student withdraws during the drop/add period do not count toward the qualitative or quantitative SAP components. Classes from which a student withdraws after the drop/add period count as attempted but not earned hours. Therefore, withdrawing from classes after the drop/add period will negatively affect a student's ability to stay on pace to complete his or her degree requirements within the maximum timeframe. Students who withdraw from a course after the add/drop period receive an F in the course, which impacts their qualitative SAP component.

Incompletes. There is no limit on the number of incomplete courses a student may have for his or her PHD program. There is also no institutionally-established timeframe within which a student must complete an incomplete course in order to receive credit.

Pass/Fail Courses. A student's performance in a pass/fail course counts toward the qualitative and quantitative components. Pass/fail courses are included in the qualitative component according to the equivalencies described in Section 10.2 above.

Repeated Courses. If a student repeats a course, the grade earned on repetition replaces the original grade earned in the course for the purposes of calculating the qualitative SAP

component. However, both the original and repeat course will be counted as attempted credits for the purposes of the quantitative component. Einstein does not limit the number of times a student can repeat a course, nor the number of courses that may be repeated, but the student may only earn hours for successfully completing a course once. As a result, multiple repeated courses may affect a student's ability to stay on pace to complete his or her degree requirements within the maximum timeframe.

Transfer Credits. If authorized for transfer in accordance with the Graduate Division Policy on Transfer Credit and Exemption, credits for courses completed at another institution will count as both attempted and earned hours for purposes of the quantitative SAP component. Grades earned in such courses will not be included in the qualitative SAP calculation.

Audited Courses. Audited courses count as attempted but not earned hours for purposes of the quantitative component. Therefore, auditing classes will negatively affect a student's ability to stay on pace to complete his or her degree requirements within the maximum timeframe. Audited courses do not count toward the qualitative component of SAP.

10.5 Consequences of Failure to Maintain SAP

If the Office of Student Finance determines at the end of a payment period that a student has failed to maintain satisfactory academic progress according to the qualitative and quantitative standards described above, it will notify the student in writing (by certified mail) that the student has been placed on federal financial aid probation for the subsequent payment period. The Office of Student Finance will also place an MD student on federal financial aid probation after that student fails six of his or her exams. The notification will enclose, for the student's signature, an agreement setting forth the terms of the student's financial aid probation. The student will be asked to sign and return the agreement to the Office of Student Finance.

A student on financial aid probation may be given a modified curricular program by the Associate Dean for Students, in consultation with the Chair of the Committee on Student Promotions and Professional Standards or the Graduate Division Office of the Registrar. If, during the payment period of financial aid probation, the student achieves a passing grade in all courses in which he or she is enrolled, the student can continue to receive federal financial aid during that probationary payment period. A student may be placed on financial aid probation twice.

If the student does not achieve a passing grade in all courses during the payment period of financial aid probation, the Office of Student Finance will advise the student in writing that he or she no longer remains eligible for federal student financial aid. The student should consult the Student Handbook, as well as the Student Affairs Office (for MD students) and the Registrar (for MD/PHD or PHD students), to determine how, if at all, the student's academic performance affects his or her enrollment status at the institution.

10.6 Appeals

A student who is found ineligible to receive federal financial aid due to his or her failure to maintain SAP may file an appeal with the Office of Student Finance. The appeal must be

submitted in writing within 14 days of the date the student receives written notice that he or she is no longer eligible for federal financial aid. The appeal must include a letter describing in detail the reasons for the appeal, provide appropriate supporting documentation regarding the mitigating circumstances identified in the student's appeal, and must also explain what has changed that will allow the student to demonstrate satisfactory academic progress at the next evaluation.

An appeal by a student who failed to make satisfactory academic progress will be approved if the SAP Committee (for MD students: the Associate Dean for Student Affairs, Registrar, the Director of Student Finance; for Ph.D. students: the Registrar and Director of Student Finance) determines that mitigating circumstances justify such a result. Examples of mitigating circumstances that might warrant approval of an appeal include the death of a relative of the student, an injury or illness of the student, family or personal problems, and other special circumstances. Depending upon the reasons identified in the appeal, appropriate supporting documentation might include a published obituary or death certificate; a letter from a professional, such as a physician or psychologist; a letter from a close family friend, confidant, or clergy member; or a letter from an academic advisor or instructor.

The SAP Committee will review the student's appeal and supporting documentation. The committee will permit a student to speak to the Committee if there is information the Committee feels it cannot garner from the written documentation. The Committee reviews appeals within three weeks of receipt of the appeal letter. The Committee will notify the student in writing whether the appeal has been granted or denied. The Committee's decision is final. A student may appeal no more than two decisions regarding satisfactory academic progress.

10.7 Regaining Eligibility

A student may re-establish his or her eligibility for federal financial assistance by both submitting an appeal and bringing himself or herself back into compliance with both the qualitative and quantitative components of the SAP evaluation. For a student who has failed to meet the qualitative standard, regaining eligibility would mean raising his or her average to the equivalent of a "C" or, if the student has been given a modified curricular program, achieving passing grades in all courses in that modified program. For a student who has fallen behind in completed coursework, re-establishing eligibility would mean successfully completing enough coursework to correct any deficiency. Students seeking to regain eligibility must complete a Satisfactory Academic Progress Academic Plan. (See Section 14.1.) It is the student's responsibility to present evidence to the Office of Student Finance at the time he/she has met minimum requirements for reinstatement.

A student does not become re-eligible for federal student aid merely because he or she paid for his or her classes (without federal assistance) or withdrew from his or her program for a period of time. Neither of these options, by itself or in combination, affects the status of a student who has failed to make satisfactory academic progress.

10.8 Questions?

Questions regarding Einstein College of Medicine's satisfactory academic progress policy should be directed to the Office of Student Finance at (718) 862-1810.

SECTION 11: RETURN OF TITLE IV FUNDS

The Einstein College of Medicine is required by the Higher Education Act of 1965, as amended, (“HEA”) to recalculate federal financial aid eligibility for students who withdraw, drop out, are dismissed, or take a leave of absence prior to completing 60 percent of a payment period. The amount of federal student financial aid funds awarded under Title IV of the HEA (“Title IV”) to the student must be recalculated in these situations. Only students who cease attending all classes are subject to the Return of Title IV Funds Policy.

In order to recalculate the student’s eligibility for Title IV funds, the relevant Einstein College of Medicine Registrar’s Office (i.e., MD program or graduate program) must first determine whether the student has withdrawn from school. Second, the Einstein College of Medicine Office of Student Finance must determine the percentage of federal financial aid the student earned during the student’s payment period. The Einstein College of Medicine Office of Student Finance shall be responsible for returning unearned Stafford loans, and Graduate and Professional Student PLUS Loans to the appropriate Title IV program.

The requirements for Title IV program funds when students withdraw are separate from our institutional refund policy. Therefore, students may still have unpaid institutional charges. The Albert Einstein College of Medicine will charge the student for any Title IV program funds that Einstein was required to return.

11.1 Withdrawal

(1) The relevant Einstein College of Medicine Registrar’s Office must determine the student’s Withdrawal Date.

- (a) An official withdrawal happens when a student advises the Registrar of his/her intent to withdraw either orally or in writing, then the student’s Withdrawal Date is the date, as determined by the institution, that the student initiates this action.
- (b) If the student does not officially withdraw and ceases attendance without providing notice to the relevant Registrar’s Office, the student’s Withdrawal Date is the mid-point of the payment period.
- (c) If the student does not officially withdraw but leaves school due to illness, accident, grievous personal loss, or other such circumstances beyond the student’s control, the student’s Withdrawal Date is the date the institution determines is related to such circumstance.
- (d) If the student does not officially withdraw but fails to return from a leave of absence approved in accordance with the leave of absence policy and procedures, the student’s Withdrawal Date is the date the student began the leave of absence.
- (e) If a student takes an unapproved leave of absence, the student’s Withdrawal Date is the date the student began the leave of absence.

(f) If a student receives all failing grades, the student will be considered to have withdrawn for the payment period. The student's Withdrawal Date is the mid-point of the payment period.

(2) The Einstein College of Medicine may allow a student to rescind his or her official notification to withdraw under paragraph 11.1(1)(a) or 11.1(1)(b) of this policy by filing a written statement that he or she is continuing to participate in academically related activities and intends to complete the payment period. If the student subsequently ceases to attend the Einstein College of Medicine prior to the end of the payment period, the student's rescission is negated and the student's Withdrawal Date is the date the student originally gave notice, unless a later date is determined under paragraph 11.1(3) of this policy. If a student both begins the withdrawal process prescribed by the Einstein College of Medicine and otherwise provides official notification of his or her intent to withdraw in accordance with paragraphs 11.1(1)(a) and 11.1(1)(b) of this section, respectively, the student's withdrawal date is the earlier date unless a later date is determined under paragraph 11.1(3) of this policy.

(3) Notwithstanding paragraphs 11.1(1) and 11.1(2) of this policy, the Einstein College of Medicine may use as the student's Withdrawal Date a student's last date of attendance at an academically related activity provided that the institution can document the student's attendance at such activity. An "academically related activity" includes, but is not limited to, 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 Einstein College of Medicine.

(4) The relevant Einstein College of Medicine Registrar's Office shall document a student's withdrawal date determined in accordance with paragraphs 11.1(1), (2), and (3) of this policy and maintain the documentation as of the date of the Einstein College of Medicine's determination that the student withdrew. The "date of the Einstein College of Medicine's determination that the student withdrew" is:

(a) for a student who provides notification to the Einstein College of Medicine of his or her withdrawal, the student's withdrawal date as determined under paragraph 11.1(1) of this policy or the date of notification of withdrawal, whichever is later;

(b) for a student who did not provide notification of his or her withdrawal to the Einstein College of Medicine, the date that the Einstein College of Medicine becomes aware that the student ceased attendance;

(c) for a student who does not return from an approved leave of absence, the earlier of the end date of the leave of absence or the date the student notifies the Einstein College of Medicine that he or she will not be returning to the Einstein College of Medicine;

(d) for a student whose rescission is negated under paragraph 11.1(2) of this policy, the date the Einstein College of Medicine becomes aware that the student did not, or will not, complete the payment period; or

(e) for a student who takes a leave of absence that is not approved in accordance with paragraph 11.1(5) of this policy, the date that the student begins the leave of absence.

(5) Leaves of absence:

(a) The Einstein College of Medicine has adopted a formal policy regarding leaves of absence.

(b) The Einstein College of Medicine allows for students to request a leave of absence. The relevant Einstein College of Medicine Registrar's Office will process the leave of absence form.

(c) For purposes of this policy, the Einstein College of Medicine does not treat a leave of absence as a withdrawal if it is an approved leave of absence. A leave of absence is an approved leave of absence if:

(i) the student followed the procedures outlined in the relevant catalog or handbook in requesting the leave of absence, including:

(1) a written, signed, and dated request, that includes the reason for the request for a leave of absence prior to the leave of absence; or

(2) if unforeseen circumstances prevent a student from providing a prior written request, the Einstein College of Medicine grants the student's request for a leave of absence, documents its decision, and collects the written request at a later date;

(ii) the Einstein College of Medicine determines that there is a reasonable expectation that the student will return to the school;

(iii) the Einstein College of Medicine approved the student's request in accordance with the procedures in the relevant catalog or handbook;

(iv) the leave of absence does not involve additional charges by the Einstein College of Medicine, the student's need may not increase, and, therefore, the student is not eligible for any additional federal student aid;

(v) together with prior leaves of absence, the leave of absence does not exceed 180 days in any 12-month period;

(vi) upon the student's return from the leave of absence, the student is permitted to complete the coursework he or she began prior to the leave of absence, resuming training at the same point in the academic program that he or she began the leave of absence;

(vii) if the student is a Title IV, HEA program loan recipient, the Einstein College of Medicine explains to the student, prior to granting the leave of absence, the effects that the student's failure to return from a leave of absence may have on the student's loan repayment terms, including the exhaustion of some or all of the student's grace period.

(c) Consistent with federal regulations and policy, the Einstein College of Medicine does not disburse Direct Loan funds to a student on a leave of absence. 34 C.F.R. 682.604(c)(4). Einstein will, however, pay to a student any funds that are part of a Title IV credit balance (and therefore are funds that have already been disbursed) to a student on a leave of absence.

(d) For purposes of this policy, the number of days in a leave of absence are counted beginning with the first day of the student's initial leave of absence in a 12-month period. A "12-month" period begins on the first day of the student's leave of absence.

If a student does not resume attendance at the Einstein College of Medicine on or before the end of the leave of absence that meets the requirements of this policy, the Einstein College of Medicine shall treat the student as a withdrawal in accordance with the requirements of this policy.

11.2 Return of Title IV Funds

In order to calculate the amount of Title IV funds that must be returned, the Einstein College of Medicine must use the following procedures:

(1) Determine the percentage of the payment period completed by the student.

To determine percentage of the payment period completed by the student, the Einstein College of Medicine Office of Student Finance must divide the total number of calendar days in the payment period into the total number of calendar days completed as of the student's Withdrawal Date. The percentage of the payment period completed is equal to the percentage of Title IV aid earned for the payment period.

(2) Calculate the Percentage of Title IV Funds the Student May Keep

If a student has completed more than 60 percent of the payment period, the student has earned 100 percent of the Title IV funds awarded for that payment period. The student may keep 100 percent of the Title IV funds awarded to the student for that payment period.

If a student has completed 60 percent or less of the payment period, the Einstein College of Medicine Office of Student Finance must calculate the percentage of Title IV funds the student may keep by multiplying the percentage of Title IV funds earned by the total amount of Title IV funds awarded to the student for the payment period.

All unearned Title IV funds must be returned to the appropriate Title IV financial aid program by either the Einstein College of Medicine or the student.

(3) Calculate the Amount of Title IV Funds That Must Be Returned.

The total amount of Title IV aid to be returned equals the amount of Title IV aid disbursed as of the student's Withdrawal Date (as determined by the Einstein College of Medicine) minus the amount of Title IV aid earned by the student, as calculated in paragraph 11.2(1) of this policy.

(4) Determine the amount to be repaid to the Title IV federal financial aid programs.

(a) The Einstein College of Medicine is required to return the lesser of (i) the total amount of Title IV funds the student cannot keep; or (ii) an amount equal to the institutional charges incurred by the student during the payment period multiplied by the amount of Title IV financial aid that has not been earned.

(b) "Institutional charges" are defined as tuition, fees, and other educationally related expenses.

(c) The student is required to return any unearned aid that the Einstein College of Medicine is not required to return. The student must return Title IV loan program funds in accordance with the terms of the loan.

(5) Title IV funds must be returned to the appropriate federal financial aid program in the following order:

(a) Unsubsidized Federal Direct Stafford Loans (other than PLUS loans);

(b) Federal Direct PLUS Loans.

(6) The required timelines for returning Title IV funds are:

(a) The Einstein College of Medicine must return the amount of Title IV funds for which it is responsible as soon as possible but no later than 45 days after the student's Withdrawal Date.

(b) Within 30 days of the student's Withdrawal Date, the Einstein College of Medicine Office of Student Finance will notify the student of his or her repayment obligation.

(7) Treatment of Post-Withdrawal Disbursements:

(a) If the total amount of Title IV loan assistance that the student earned is greater than the total amount of Title IV loan assistance that was disbursed as of the student's Withdrawal Date, the difference is treated as a post-withdrawal disbursement.

(b) The Einstein College of Medicine Office of Student Finance will credit a student's account with a post-withdrawal disbursement for current charges for tuition and fees up to the amount of outstanding charges. If Direct Loan funds are used to credit the

student's account, the Einstein College of Medicine Office of Student Finance must obtain confirmation that the student still wishes to have the loan funds disbursed.

(c) If a balance is due to the student, the Einstein College of Medicine Office of Student Finance will offer the additional funds to the student within 30 days after the student's Withdrawal Date by providing written notification to the student. The written notification shall:

- (1) Request confirmation of any post-withdrawal disbursement of loan funds that the institution wishes to credit to the student's account, identifying the type and amount of those loan funds and explaining that the student may accept or reject some or all of the post-withdrawal disbursement;
- (2) Include information about the advantages of keeping loan debt to a minimum;
- (3) Request confirmation of any post-withdrawal disbursement of loan funds that the student wishes to receive as a direct disbursement, identifying the type and amount of Title IV funds that make up the post-withdrawal disbursement and explaining that the student may accept or decline some or all of the post-withdrawal disbursement;
- (4) Explain that a student who does not confirm that a post-withdrawal disbursement of loan funds may be credited to the student's account may not receive any of those loan funds as a direct disbursement unless the institution concurs;
- (5) Explain that the student has an obligation to repay any loan funds disbursed as a post-withdrawal disbursement; and
- (6) Advise that no post-withdrawal disbursement will be made to the student if the student does not respond within 14 days of the date that the Einstein College of Medicine Office of Student Finance sent the notification.

(d) If the student timely requests the funds, the Einstein College of Medicine Office of Student Finance will disburse the funds in the manner specified by the student within 180 days after the student's Withdrawal Date.

If a student submits a late response to the Einstein College of Medicine, the Office of Student Finance will inform the student in writing concerning the outcome of the post-withdrawal disbursement request.

(e) The Einstein College of Medicine Office of Student Finance will document in the student's file any notification made regarding the student's right to cancel all or part of any loan funds or the student's right to accept or decline loan funds, and the final determination made concerning any disbursement.

SECTION 12: INSTITUTIONAL REFUNDS

12.1 Process Overview and Applicability

In order to receive any refund of tuition and fees paid, students must receive written permission to withdraw from the Dean and the Office of the Registrar. If students have such approval, students who withdraw from the College by the end of the first week of classes are entitled to a 100 percent refund of tuition and all fees paid, except those for housing, which are governed by rental contracts with the Housing Office, and insurance, which is handled through the Benefits Office. Students with approval who withdraw during the second week of the semester (Monday through Sunday) receive a 75 percent tuition refund. Students with approval who withdraw during the third week of the semester receive a 50 percent tuition refund. Students with approval who withdraw during the fourth week of the semester receive a 25 percent refund. No refund is given to a student who withdraws after the fourth week, regardless of whether the student has received approval to withdraw.

Federal government guidelines require the prorated return of Title IV funds through the first 60 percent period of the semester. All federal and state financial aid will be returned in accordance with federal and state guidelines. Students should always meet with the Office of Student Finance before withdrawing.

12.1.1 Leave of Absence

Students who wish to leave the university temporarily should contact the Office of the Registrar for leave of absence information. See Section 11.1(5) of this Manual for additional information on Einstein's leave of absence policy.

12.2 Institutional Refund Components

All charges that appear on a student's account are institutional charges. The Office of Student Finance determines which of those charges are refundable.

The College of Medicine's refund policy applies equally to all students. Refund determinations are based solely on the date of withdrawal and whether the student has received approval to withdraw from the Dean and Office of the Registrar. A student's withdrawal date is determined by the Office of the Registrar. The College of Medicine uses the same withdrawal date as is applied to a return of a student's Title IV funds. For information on the determination of a student's withdrawal date, see Section 11.1 of this Manual. Once the Office of Student Finance receives notification of the withdrawal and withdrawal date provided by the Registrar, using the College's policy, the Director of the Office of Student Finance calculates a student's refund. Student Accounts then notifies the student that the student will receive a refund. Funds are refunded, by check, within two weeks. Once the refund is on its way to the student, Student Accounts alerts the student, by e-mail and/or phone call, that the refund is on its way to the student.

The Office of Student Finance is responsible for developing, updating, and distributing the College's refund policy. The Office of Student Finance makes the institutional refund policy available on its Web site.

SECTION 13: TITLE IV FRAUD

13.1 Applicant Fraud

If any Einstein College of Medicine employee who is involved in the administration of federal student financial aid has credible information or knowledge suggesting that an applicant for federal student financial aid may have engaged in fraud or other criminal misconduct in connection with Title IV programs, whether gained through Einstein College of Medicine's file review procedure for identification and resolution of conflicts in application-related information (see Section 3 of this Manual), through verification of applicants (see Section 5 of this Manual), or through any other means of acquiring such information, the employee must immediately report such information to the Director of Student Finance. The Director of Student Finance shall report such information to the Associate Dean for Students or the Office of the General Counsel. As appropriate, the Office of the General Counsel shall notify the Office of Internal Audit.

Fraud may occur with respect to any information that is relevant to the eligibility of the applicant for Title IV program assistance, or the amount of assistance, including, but not limited to: false claims of citizenship; use of false identities; forgery of signatures or certifications; and false statements of income. The applicant must have acted with the intent to deceive; mere mistakes need not be reported.

If the Director of Student Finance, as applicable, believes there is credible information indicating that an applicant may have engaged in fraud or other criminal misconduct in connection with Title IV programs, the Director of Student Finance will contact office of the General Counsel and, upon recommendation of counsel, will refer the matter to ED's Office of Inspector General ("OIG") at 1-800-MIS-USED, through the OIG Web site at <http://www.ed.gov/about/offices/list/oig/hotline.html>, or through other appropriate means. As appropriate, prior to referring the matter to OIG, the University may conduct a reasonable investigation regarding suspected fraudulent activity. Any such investigation shall involve the Office of the General Counsel, the Office of Internal Audit, and appropriate representatives of the Office of Student Finance. The Office of Internal Audit, under the direction of the Office of the General Counsel, shall coordinate the investigation and related internal communications.

Einstein College of Medicine shall resolve and document any conflicting information before the student receives any, or any additional, Title IV funds (see Section 3 of this Manual). In cases when the Office of Student Finance has no firm documentation of fraud and the application has been otherwise verified, and all eligibility criteria have seemingly been met by the documentation presented, Einstein College of Medicine shall continue to disburse aid until Einstein College of Medicine receives a ruling of fraud from ED or unless the OIG has instructed the College to proceed differently.

13.2 Institutional and Third-Party Fraud

If any Einstein College of Medicine employee who is involved in the administration of federal student financial aid has credible information or knowledge suggesting that any employee, third-party servicer, or other agent of Einstein College of Medicine that acts in a capacity that involves

the administration of the Title IV programs, or the receipt of funds under those programs, may have engaged in fraud, misrepresentation, conversion or breach of fiduciary responsibility, or other illegal conduct involving Title IV programs, obtained through any means, the employee must immediately report such information to the Director of Student Finance. The Director of Student Finance shall report such information to the Assoc. Dean for Students or the Office of the General Counsel. As appropriate, the Office of the General Counsel shall notify the Office of Internal Audit.

Any information that is relevant to the eligibility and funding of Einstein College of Medicine or its students may constitute fraud or illicit activity under this policy. Examples of such conduct include, but are not limited to, an employee knowingly authorizing the release of Title IV funds to an ineligible student, or a third-party servicer signing a student's promissory note.

If the Director of Student Finance, as applicable, believes there is credible information indicating that such employee, third-party servicer, or other agent of Einstein College of Medicine may have engaged in such fraud or illicit conduct, the Director of Student Finance will contact Office of General Counsel and, upon recommendation of counsel, will refer the matter to the OIG at 1-800-MIS-USED, through the OIG Web site at <http://www.ed.gov/about/offices/list/oig/hotline.html>, or through other appropriate means. As appropriate, prior to referring the matter to OIG, the University may conduct a reasonable investigation regarding suspected fraudulent activity. Any such investigation shall involve the Office of the General Counsel, the Office of Internal Audit, and appropriate representatives of the Office of Student Finance. The Office of Internal Audit, under the direction of the Office of the General Counsel, shall coordinate the investigation and related internal communications.

13.3 Training

The College of Medicine shall implement training programs to educate all employees involved with the administration of federal student financial aid on how to recognize applicant, employee, third-party servicer, or other agent fraud or other illicit behavior. In addition, all College employees, regardless of their position at the institution, are informed of their responsibility to recognize and report violations of policy, improper conduct, or other compliance concerns through the College of Medicine's Compliance Hotline, available online at www.montefiore.alertline.com or by telephone at (800)662-8595

13.4 OIG Contact Information

Office of Inspector General
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202-1510
1-800-MIS-USED

E-mail: oig.hotline@ed.gov

Web site: <http://www.ed.gov/about/offices/list/oig/hotline.html>

Regional Office (New York): (646) 428-3861

13.5 Red Flags Policy

Albert Einstein College of Medicine has adopted a policy to implement the Federal Trade Commission's Red Flags Rule, which was developed pursuant to the Fair and Accurate Credit Transactions (FACT) Act of 2003. The University's Red Flags Rule policy is attached at Section 14.2 of the Manual.

SECTION 14: APPENDICES

14.1 Forms & Correspondence

Section 2

Form letter used to return incomplete documents (attached)

Section 7

Budget Adjustment Request Application (attached)

Einstein Financial Aid Questionnaire (attached)

Section 9

Federal Title IV, State, and Other Authorization Form (available at

Section 10

Satisfactory Academic Progress Academic Plan (attached)

14.2 Resource and Reference Documents

Section 1

Federal Student Aid Handbook (available at

<https://ifap.ed.gov/fsahandbook/1617FSAHbkActiveIndexMaster.html>

Federal Verification Guide (available at

<https://ifap.ed.gov/fsahandbook/1617FSAHandbookAVG.html>

Information for Financial Aid Professionals Web site (available at

<http://www.ifap.ed.gov/ifap/>)

American Association of Medical Colleges (“AAMC”) Listserv (available through the AAMC

Web site at <http://www.aamc.org/>)

Section 2

(attached)

Chart (attached)

Albert Einstein College of Medicine Office of Human Resources Web site (available at

<http://www.einstein.yu.edu/hr/>

Einstein [Record Retention Policy, OGC-POL-2018-005](#)

Einstein Policies and Procedures for Medical Student Records (available at Section X at

http://www.einstein.yu.edu/ooe/students/by_laws.htm)

Student Records and Privacy Rights of Students (available at Appendix III at http://www.einstein.yu.edu/uploadedFiles/PHD/graduate_policies.pdf)
Job Description for the Einstein Director of Student Finance (attached)
Einstein Office of Student Finance Training Schedule (attached)

Section 3

Section 7

List of Codes for Banner System (attached)

Section 11

Leave of Absence Policy (attached)
Leave of Absence Form (attached)
Withdrawal Policy (attached)
Withdrawal Form (attached)

SECTION 15: EFFECTIVE DATE

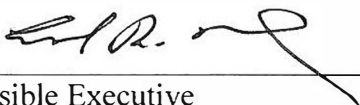
Effective Date: 29 May 2017

SECTION 16: POLICY MANAGEMENT AND RESPONSIBILITIES

Einstein's Office of Student Finance is the Responsible Office under this Policy. Einstein's Chief Financial Officer is the Responsible Executive, and Einstein's Assistant Dean for Student Finance is the Responsible Officer for the management of this policy.

SECTION 17: AUTHORIZED SIGNATURE

Approved (or Revised)



Responsible Executive

10/16/2018

Date