

COSMETOLOGY SCHOOL OF ARTS & SCIENCES

Cosmetology School of Arts & Sciences consumer information Packet
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The Cosmetology School of Arts & Sciences offers the following Financial Aid Programs to help you finance your education and training:

- PELL GRANTS
- STAFFORD SUBSIDIZED AND UNSUBSIDIZED LOANS
- PLUS LOANS
- VA BENEFITS

APPLYING FOR AID

PELL GRANTS:

The student must complete the free application for Federal Student Aid (FAFSA).

STAFFORD SUBSIDIZED AND UNSUBSIDIZED LOANS:

The student must complete the FAFSA for Federal Student Aid and fill out the Master Promissory Note (MPN).

PLUS LOANS:

The student's parents must complete the free application for Federal Student Aid (FAFSA) and the Plus Loan Master Promissory Note (MPN).

AWARDING OF AID

PELL GRANTS:

The Pell Grant is a "gift grant" that is the foundation of federal student aid. It does not have to be repaid (unless, for example, you withdraw from school and owe a refund). The Pell Grant is based on need and the cost of education at the school he/she chooses to attend. The most a student can receive in an award year, if eligible, is \$6,345.

STAFFORD SUBSIDIZED LOAN:

The subsidized loan program enables students who demonstrate financial need to borrow money at a low interest rate to meet educational expenses. As an undergraduate student, he/she may borrow up to \$3,500 for the first year and \$4,500 for the second year, if eligible. A student cannot borrow more than the cost of attendance at his/her school less any other financial aid he/she may receive. The student must repay the loan. Interest rates are fixed. Payments will begin six (6) months after graduation.

STAFFORD UNSUBSIDIZED LOAN:

The unsubsidized loan for students is an educational loan that must be repaid. Financial need is not a requirement. Independent undergraduates may borrow up to \$6,000 per academic year and dependent students may borrow up to \$2,000 per academic year. Interest rates are fixed. Students may elect to pay the interest while in school, or student may allow the interest to accrue and be capitalized. Payments will begin six (6) months after graduation.

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PLUS LOANS:

The Plus Loan is an educational loan that must also be repaid by the parents. Parents of dependent students may borrow up to the total cost of education per academic year for a child enrolled at least half-time. The interest rate is fixed. The first payment is due 60 days after the final disbursement. If parents are denied a Plus Loan the student may borrow up to \$6,000 in an unsubsidized loan.

VA BENEFITS:

The student, or at least one of the parents of the student, must be a Veteran of the United States Armed Services.

*Please note that the Cosmetology School of Arts & Sciences does not participate in a Preferred Lender Arrangement and a student may use ANY lender of their choice who will approve a personal or private education loan.

GENERAL ELIGIBILITY

Pell Grants/Stafford Loans:

- You are enrolled in an eligible program:
 - Cosmetology 1,600 Hours
 - Barber 900 Hours
 - Esthetics 600 Hours
 - Advanced Nail Technology 600 Hours
 - Student Instructor 1,000 Hours
 - ** The 400 Hour Basic Nail Technology program and 500 Hour student instructor programs are not qualified for Pell Grants and Stafford Loans.
- You are a U.S. citizen or an eligible non-citizen.
- You demonstrate that you have need. (Need is the difference between the cost of education and expected family contribution). Need is determined by the information that is supplied on the free application for student aid (FAFSA).
 - You maintain satisfactory progress towards completing your course of studies.
 - You are not in default of a NSLDS, Stafford Loan, or a Plus Loan.
 - You have a High School Diploma or General Education Development (GED) certificate.
- You do not owe a refund on a Pell Grant or SEOG at any school.
- You must be enrolled as a regular student working toward a degree or certificate in an eligible program.
 - You have a valid Social Security Number.
 - You sign a statement of updated information.
 - You must be registered with the Selective Service (Male Students).

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TITLE IV PROCESSING

Pell Award – An eligible student could receive one (1) full PELL Grant per award year, if the student has a zero (0) EFC.

Pell Disbursement – Once the school receives the student’s ISIR, all documentation has been received by the Financial Aid Department and the student has started classes, the school will receive half of the student’s Pell Award. After the student has achieved 451 hours in the program (or the half way point), and the student is making satisfactory progress, the school will receive the other half of the student’s Pell Award.

Student Loan Disbursement – Loans are disbursed on two (2) separate occasions. The first half of the loan will be disbursed approximately 30 days after the first day of class and the other half at midpoint of the loan period.

No Pell or Loan disbursements can be made unless the student is making satisfactory progress in his/her attendance and academic studies.

TERMINATION OF STUDENT FINANCIAL AID

A student will lose all financial aid awards for the following reasons:

- Not making satisfactory academic progress in his/her attendance and academic studies.
- Being absent from school for a total of fourteen (14) consecutive scheduled days.
- Not returning from an official leave of absence.

RE-INSTATEMENT OF FINANCIAL AID

A student may be reinstated for aid after:

- Student achieves satisfactory academic progress.
- Re-enters after being dropped or withdrawn from the school.

VERIFICATION

FEDERAL PROCESS TO AFFECT FINANCIAL AID FOR STUDENTS

The federal government, through legislation, has created an application review process called “verification.” This process will be applied to all federal and some state program funds including Stafford Loans and Pell Grants. The following questions and answers are designed to assist you in understanding the process and its possible effect on your Financial Aid for the award year.

WHAT IS VERIFICATION?

The review process called “Verification” is to ensure that all data provided on the federal application upon which you applied for financial aid is correct and complete. Students and their families may be asked to provide additional documentation or to update their data by the school. Documentation will be requested, if necessary, in order to

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complete the verification process. Federal law requires us to complete this procedure before we can process your Stafford Loan Application or disburse/credit your student account with any funds. An outline of the policies and procedures that govern the verification process is provided in this material. Your responsibilities and the deadlines you must meet are also provided. If you do not submit this information, you will not receive your aid. If you have any questions regarding the verification process, please contact the school.

WHY WAS I SELECTED?

The selection of an application for verification review could happen because of one of the following conditions:

- The Pell Grant program, through its own editing process, will randomly select a number of applicants for verification (this does not mean that your information is incorrect).
- • The Pell Grant program, through its own editing process, due to inconsistent data being used by the applicant, will flag that particular application for verification.
- • The school elects to verify the applicant's information on the application.

I WILL BE APPLYING FOR A LOAN, WILL VERIFICATION EFFECT ME?

Yes, a loan is a federally subsidized program. Consequently, not only must your application be verified (if selected), but each student's loan application must first be certified by the school before payment can be requested.

HOW DO I BECOME CERTIFIED FOR A LOAN?

All students applying for a loan must complete an application for Federal Student Aid. You can apply for aid at www.fafsa.ed.gov The data will then be reviewed through an approval process to determine if it will be selected for verification.

If selected for verification:

- You must complete a "Verification Worksheet" which will be given to you by the school. This form collects income and asset information from both the student and/or parents. In addition, students must submit all of his/her own tax forms, as well as those of his/her parents.
- If the information is verified, the school will certify the loan and process for payment.
- If there is conflicting data, the school will contact the student for further clarification before the loan can be certified and processed for payment.

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BORROWER'S RIGHTS

- You have the right to receive a copy of your promissory note either before or at the time your loan is made.
- You are entitled to receive a disclosure statement before your loan repayment begins which includes information about interest rates, fees, loan balance, monthly payment amount, and the number of payments.
- If you qualify, you have the right to request a deferment of your loan payments for a specified period of time.
- If you qualify, you have the right to request a forbearance if you are unable to make payments and don't qualify for a deferment.
- You have the right to a grace period before your loan repayment period begins. However, parents do not receive a grace period for a PLUS Loan. The student grace period begins when you leave school or drop below half-time status.
- You have the right to prepay all or any part of your loan(s) at any time without penalty.
- You must be notified in writing if your loan is sold to another lender or secondary market, or transferred to another financial company for servicing. You must be informed regarding the identity of the new lender or loan holder, the address to which you must make payments and the telephone numbers of both the purchasing and selling lenders and servicers.
- You have a right to receive documentation that your loan(s) is/are paid in full.

BORROWER'S RESPONSIBILITIES

- You must repay your student loan(s) including accrued interest and fees even if you do not complete your education, are not satisfied with your education, or are not able to find employment.
- You must make your payments on time, even if you do not receive any notices from your lender or servicer.
- You must immediately notify the lender or servicer if you are unable to make a scheduled payment.
- If you apply for a deferment or forbearance, you must continue making loan payments until you are notified that your request has been granted.
- You must notify the lender regarding any reasons that might change your eligibility for a deferment.
- You must participate in exit counseling before you leave school.
- You must notify the lender in writing within 10 days if any of the following personal information changes:
 - ♣ Name ♣ Address ♣ Telephone Number ♣ Social Security Number ♣ References ♣ Graduation Date ♣ Less than half-time enrollment ♣ Withdrawal from school ♣ Transfer to another school

GENERAL INFORMATION

The Financial Aid Administrator is available from 9:00 a.m. – 3:00 p.m. Monday-Friday to help students with any questions pertaining to financial aid. You may make an appointment to discuss questions regarding financial aid.

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STUDENT BUDGET

Below is a sample of a 12 month budget to help you determine your financial responsibilities to attend school:

- Tuition \$ 21,000.00
- Fees..... \$ 200.00
- Book/Kits..... \$ 2200.00
- Cost of Living..... \$ 9583.00
- TOTAL..... \$ 32,983.00

WITHDRAWING OR DROPPING FROM SCHOOL

Any student who withdraws from school before the Pell Award has been disbursed will be responsible for all tuition owed. Regardless of the reason why student aid has been terminated, the financial obligation is the responsibility of the student.

REFUNDS

Return of Unearned Title IV Funds

The school will determine the amount of Title IV Aid to be returned in accordance with the Department of Education Guidelines. Eligible Title IV Aid recipients who fail to complete over 60% of a payment period are considered to have not earned all the Federal Aid that may have been previously awarded. A required calculation will be performed to determine the portion of the unearned Federal Student Aid that must be returned to the U.S. Department of Education. In many cases, the Return of Unearned Title IV Funds calculation will result in the student owing tuition and fees to the Institute that would otherwise have been paid with Federal Aid funds. This policy may also result in the student owing a refund to the Department of Education.

Policy regarding Title IV Repayment Back to the Appropriate Agencies

After the school has determined the amount to be returned, the school will return all sums according to the following distribution: Federal Direct Loans, Federal Pell Grants, and Student.

Cosmetology School of Arts & Sciences Refund Policy

For applicants who cancel enrollment or students who withdraw from enrollment a fair and equitable settlement will apply. The following policy will apply to all terminations for any reason, by either party, including student decision, course or program cancellation, or school closure. Any monies due to the applicant or student shall be refunded within 45 days of official cancellation or withdrawal. Official cancellation or withdrawal shall occur on the earlier of the dates that:

- 1.) An applicant is not accepted by the school. The applicant shall be entitled to a refund of all monies paid.
- 2.) A student (or legal guardian) cancels his/her enrollment in writing within three business days of signing the enrollment agreement. In this case all monies

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collected by the school shall be refunded, regardless of whether or not the student has actually started classes.

- 3.) A student cancels his/her enrollment after three business days of signing the contract but prior to starting classes. In this cases he/she shall be entitled to a refund of all monies paid to the school less the application fee in the amount of \$100.00
- 4.) A student notifies the institution of his/her withdrawal in writing.
- 5.) A student on an approved leave of absence notifies the school that he/she will not be returning. The date of withdrawal shall be the earlier of the date expiration of the leave of absence of the date the student notifies the institution that the student will not be returning.
- 6.) A student is expelled by the school. (Unofficial withdrawals will be determined by the institution by monitoring attendance at least every 30 days).
- 7.) In type 2, 3, 4, or 5, official cancellations or withdrawals the cancellation date will be determined by the postmark on the written notification, or the date said notification is delivered to the school administrator or owner in person.
- 8.) For students who enroll and begin classes but withdraw prior to completion (After three business days of signing the contract). The following schedule of tuition earned by the school applies. All refunds are based on actual hours.

Percentage Length Completed To total length of course	Amount of total tuition owed to the school
.01% to 4.9%	20%
5% to 9.9%	30%
10% to 14.9%	40%
15% to 24.9%	45%
25% to 49.9%	70%
50% and over	100%

All refunds will be calculated based on the students last date of attendance. Any monies due a student who withdraws shall be refunded within 45 days of a determination that a student has withdrawn, whether official or unofficially. In the case of disabling illness of injury, death in the student's immediate family or other documented mitigating circumstances, a reasonable and fair refund settlement will be made. If permanently closed or no longer offering instruction after a student has enrolled, the school will provide a pro rata refund of tuition to the student. If the course is canceled subsequent to a student's enrollment, the school will either provide a full refund of all monies paid or completion of the course at a later time. If the course is cancelled after students have enrolled and instruction has begun, the school shall provide a pro rata refund for all students transferring to another school based on the hours accepted by the receiving school OR provide completion of the course OR provide a full refund of all monies paid.

Student's who withdraw or terminate prior to course completion could be charged a cancellation or administrative fee of \$150.00. This refund policy applies to tuition and fees charged in the enrollment agreement. Other miscellaneous charges the student may

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have incurred at the institution (EG. Extra kit material, Books, products, unreturned school property, etc.) Will be calculated separately at the time of withdrawal. All fees are identified in the catalog and in our enrollment agreement.

If a student decides to transfer from the Cosmetology School of Arts & Sciences to another school and money is due to our school at the time of transfer, no credits will be transferred until all debts owed the school are satisfied in full. Also, upon graduation of a student, no credits, hours, or other information will be released to the state or any other school until all financial obligations to/or on behalf of The Cosmetology School of Arts & Sciences has been satisfied.

There will be no refund for the supplies; once the supplies have been purchased, the supplies are the students to keep. However, no portion of the supplies are to be taken out of the school until course is complete or until time of a student withdraws or transfers to another school, this assures us you will have the necessary supplies needed to complete the required services.

If a student receiving a Title IV Pell Grant decides to discontinue his enrollment or transfers to another school and the allotted time frame has not been completed for the appropriate tuition, the student will be held responsible for any additional monies owed to the school depending on the percentage length completed to total length of course/amount of total tuition owed to the school.

* Students are responsible to pay collection fees and reasonable Attorney's fees, should our Enrollment Agreement be referred for collection.

INSTITUTIONALLY APPROVED LEAVE OF ABSENCE

An enrolled student will again be allowed to take an institutionally approved Leave of Absence, within the following parameters:

1. All Leaves of Absence must be submitted in advance in writing with the reason for the leave of absence and a signature of the student requesting the leave.
2. In cases of unforeseen circumstances, where the student is unable to request the Leave of Absence in advance, the student must, upon returning to school, submit a Leave of Absence request with the reason and signature.
3. The school will document the reason for allowing a Leave of Absence not requested in advance.
4. The student should not request a Leave of Absence if they are not planning on returning to school after the Leave of Absence.
5. The total Leave of Absence allowed cannot exceed 180 days in any 12 month period
6. A student that is granted an approved Leave of Absence is not considered to have withdrawn and no refund calculation is required at this time.
7. The student's contract will be extended by the same number of days taken on the Leave of Absence. The contract period will be changed via addendum and will be signed and dated by all parties.

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8. If a student does not return from an approved Leave of Absence (or takes an unapproved Leave of Absence) the withdrawal date for the purpose of calculating a refund is always the student's last day of attendance.

The school reserves the right to make exceptions due to special circumstances, approved by the school.

Credit Balances

Students have a right to request the amount of Title IV funding they wish to accept from their award letters. In the event the student requests an amount of Title IV aid that is beyond the school charges, the remaining credit balance will be distributed to the student in the form of a check no later than 14 calendar days from the date the funds create a credit balance on the student ledger. This credit balance will be issued in check form to the student, or in the case of a minor or requested during the Parent Plus application through studentloans.gov, the check will be written to the parent of a minor child.

A student or parent may voluntarily authorize the institution to hold such credit balance for upcoming payment period charges within the same academic year by completing a Credit Balance Waiver. This Waiver is good per Academic Year and any holding of a credit balance will be issued by end of loan period prior to beginning a new academic year or by the completion date if credit balance waiver is used in the Academic Year 2. If a student still carries a balance owed to the school on their account, the student may voluntarily authorize the institution to use up to \$200 of a credit balance to pay prior academic year charges.