




School of Cosmetology and Nail Technology 

## **FINANCIAL AID POLICY**

Debutantes School of Cosmetology and Nail Technology, LLC (Federal school code 042299) is an approved institution in disbursement of Title IV funds for our cosmetology program. A financial aid advisor is available to assist students in applying for financial aid to meet the costs of their training program. To be eligible for student aid, a student must meet certain requirements, he/she must:

- Be a US citizen or eligible non-citizen.
- Be registered with Selective Service (if required).
- Attend a college that participates in the following program: Federal Pell Grants, Federal Subsidized and Unsubsidized Stafford Loans.
- Be working towards a degree or certificate.
- Have completed high school or its equivalent.
- Be making satisfactory academic progress.
- Not owe a refund on a federal grant or be in default on a federal educational loan.
- Have "financial need" as determined by the US Department of Education.

It is very important that all students understand the policies and procedures of financial aid at Debutantes School. The administration of financial aid is extremely complex because of all the federal, state, and local agencies that provide and regulate these resources. As a consumer of educational services and programs, you should fully understand the financial assistance to which you are entitled as a student of Debutantes School. The forms you are asked to complete are absolutely necessary. All forms should be completed accurately and honestly. Information given is held in strict confidence. If you have questions or need any information not found in this publication, please call or visit the Financial Aid Office at Debutantes School, (815)758-4045.

### **Eligibility of Financial Aid**

During the academic year in which you receive aid, your eligibility is governed by whether you are part-time or full-time. If you are not a full-time student, you will not be eligible for the maximum awards for financial aid. You must be enrolled "at least half-time" in order to be considered for any financial aid.

### **Types of Financial Aid**

Debutantes School offers two basic categories of financial aid: grants and loans.

- Grants are awards based on financial need and do not require repayment.
- Loans are monetary awards that must be repaid after the student ceases to be enrolled at Debutantes School. There are three different loans offered: Direct Subsidized, Direct Unsubsidized, and Parent PLUS loans.

## **Student Rights and Responsibilities**

### **You have a right to know:**

- What financial aid programs are available at Debutantes School.
- You have the right to privacy; all records and information submitted with your application for financial aid are confidential.
- The deadlines for submitting applications for the programs available.
- How your financial need was determined. This includes costs for tuition, housing, transportation, books & supplies, & misc. expenses.
- How Debutantes School's refund and repayment policies work.
- How the Financial Aid Office determines whether you are making satisfactory academic progress and what happens if you are not in compliance.

### **Student Responsibilities**

- Complete all applications accurately and submit them on time to Debutantes School.
- Provide correct information. Reporting incorrect information on financial aid application forms is a violation of the law and may be considered a criminal offense, which could result in indictment under the US Criminal Code.
- Return all documentation, verification, and/or corrections requested by Debutantes School within the given time frame
- Be responsible for reading and understanding all forms that you sign and for record keeping of all financial aid correspondence.
- Make satisfactory academic progress in your program.
- Notify the Financial Aid & Business Offices of any change in name, address, or phone number.

## **Financial Aid Procedures Summary**

1. File a FAFSA (Free Application for Federal Student Aid), each school year to determine eligibility.
2. Review the Student Aid Report and report any corrections to provide accurate information to the federal government.
3. Provide documentation as requested by the Financial Aid Officer. Without all required paperwork, NO awards will be processed.
4. Return a signed award letter accepting the financial aid awards.
5. Complete Entrance Counseling and a Master Promissory Note on [www.StudentLoans.gov](http://www.StudentLoans.gov) website.
6. Maintain satisfactory academic progress (at least a 75% GPA as defined by their program and 67% attendance).

After all the required paperwork is in the student file and satisfactory academic progress (SAP) is documented by the program coordinator, Pell and Loan disbursements will be ordered by the Financial Aid Officer. Once the Pell and Loan funds are deposited into the financial aid account it may take the bookkeeper 2-3 business days to update the students financial payment plan. All financial aid, regardless of source, is applied to the student's account balance. The school's disburser has 14 days to complete a Title IV refund check if one is awarded. **A student's current academic charges must be paid in full before any money is refunded to the student.**

## **HOW TO APPLY FOR FINANCIAL AID**

The Free Application for Federal Student Aid (FAFSA) must be completed to receive financial aid. Complete the FAFSA utilizing the previous year's Income Tax Form for yourself, and/or your parents if you are a dependent student. After submitting a FAFSA, you will receive the Student Aid Report (SAR) and the school you chose on your FAFSA will receive an Institutional Student Information Record (ISIR) that will include your estimated family contribution (EFC). The EFC will determine the amount of Pell Grant award you will receive.



<http://www.studentloans.gov>

<http://www.fafsa.ed.gov>

### **PELL GRANT**

The Pell grant is funded through the U.S. Department of Education and being a grant, does not need to be repaid. Eligibility is based on the family's financial situation. The Pell Grant maximum award amount is \$5,885 for a full-time student in the 2015-2016 award year.

### **Selective Service Registration**

Any male student who should be registered with Selective Service and fails to register is ineligible for student assistance provided through programs established under Title IV of the Higher Education Act.

### **Dependent or Independent**

The Reauthorization of the Higher Education Act requires implementation of a new definition of independent student. For 2015-2016, you are automatically considered an independent student if you:

- Are at least 24 years of age by 10/31 of the award year, or
- Working towards a master's or doctorate degree, or
- Are married, or separated but not divorced, or
- Have children that receive more than half their support from you, or
- Have dependents (other than children or a spouse) who receive more than half their support from you, or
- Are a veteran of the U.S. Armed Forces, or
- Are active military (not training only), or
- Are an orphan or ward of the court, or
- Are an emancipated minor, or
- Are homeless or at risk of it.

## Cost of Attendance

The cost of attendance (COA) is calculated by the amount of tuition, books & supplies, room & board, and miscellaneous expenses. The miscellaneous expenses include transportation, and personal costs that are determined by the financial aid office.

<b>Debutantes School of Cosmetology and Nail Technology</b>		<b>Cost of Attendance - <i>Independent Student</i></b>		
<b><u>CLOCK HOUR COSMETOLOGY PROGRAM</u></b>	Year 1	Year 2	Program length	
	900 hours	600 hours	1500 hours	
	<b>Component</b>			
Tuition	10800	7200	\$ 18,000.00	
Registration Fee	100	n/a	\$ 100.00	
Cosmetology Kit	1200	n/a	\$ 1,200.00	
Room and Board allowance (w/o parents)	550/mo	550/mo	\$ 7,150.00	
Personal Misc Expense/Transportation allowance	200/mo	200/mo	\$ 2,600.00	
Other Expenses allowance	25/mo	25/mo	\$ 325.00	
<b>Total COST OF ATTENDANCE</b>	<b>18300</b>	<b>11075</b>	<b>\$ 29,375.00</b>	

Above is the Cost of Attendance chart, determined by the school, for students applying for financial aid that currently live without their parents.

<b>Debutantes School of Cosmetology and Nail Technology</b>		<b>Cost of Attendance - <i>Dependent Student</i></b>		
<b><u>CLOCK HOUR COSMETOLOGY PROGRAM</u></b>	Year 1	Year 2	Program length	
	900 hours	600 hours	1500 hours	
	<b>Component</b>			
Tuition	10800	7200	\$ 18,000.00	
Registration Fee	100	n/a	\$ 100.00	
Cosmetology Kit	1200	n/a	\$ 1,200.00	
Room and Board allowance (w/ parents)	250/mo	250/mo	\$ 3,250.00	
Personal Misc Expense/Transportation allowance	200/mo	200/mo	\$ 2,600.00	
Other Expenses allowance	25/mo	25/mo	\$ 325.00	
<b>Total COST OF ATTENDANCE</b>	<b>15900</b>	<b>9575</b>	<b>\$ 25,475.00</b>	

Above is the Cost of Attendance chart, determined by the school, for students applying for financial aid that currently live with their parents.

## Expected Family Contributions

The Expected Family Contribution (EFC) is a number that determines students' eligibility for federal student aid. The EFC formulas use the financial information students provide on their Free Application

for Federal Student Aid (FAFSA®) to calculate the EFC. Financial aid administrators (FAAs) subtract the EFC from students' cost of attendance (COA) to determine their need for the following federal student financial assistance offered by the U.S. Department of Education (the Department):

- Federal Pell Grants,
- Subsidized Stafford Loans through the William D. Ford Federal Direct Loan Program,
- Federal Supplemental Educational Opportunity Grants (FSEOG),
- Federal Perkins Loans, and
- Federal Work-Study (FWS).

The Financial Aid Advisor will provide an award letter, including all financial aid a student is eligible for and will send this to the student to be signed, dated, and returned to the financial aid office. No financial aid award will be disbursed before the award letter is signed and returned to the Financial Aid Office.

### **Verification**

In order to receive financial aid administered through Debutantes School, a student may be required to furnish documentation for verification of information provided on the financial aid application as required by the U.S. Department of Education. Any student unable to provide this information will not receive financial aid.

Students may be required to furnish items such as copies of non-taxable income, interest income, proof of assets, and veteran's benefits. These items may be needed to substantiate information reported on the FAFSA. Students must provide the Financial Aid Office with documentation for the verification request prior to completion of any financial aid award letter and the disbursement of any Title IV monies.

In some instances the verification procedure discloses information that will change the award to be received by the applicant. At that time, the discrepancy will be discussed and the proper steps will be taken to correct the error(s). If applicable, the financial aid office may need to resubmit the FAFSA for corrections. The students must take the responsibility to insure the financial aid has all the appropriate information.

### **Required Verification Items**

- Household size (number of persons in the household).
- Number enrolled in post-secondary education (number of household members attending a post-secondary institution at least half-time [12 clock hours per week]).
- Adjusted gross income for the base year, or income earned from work if AGI has not been calculated.
- Certain untaxed income and benefits for the base year such as:
  - Social Security benefits, if certain conditions apply
  - Child Support, if certain conditions apply
  - Untaxed payments to IRA and/or Keogh plans
  - Foreign income exclusion
  - Interest on tax-free bonds

The Financial Aid Officer will determine what documentation is necessary for each of the required verification items. All items need to be submitted to the Financial Aid office by the end of the award year applied for (June 30<sup>th</sup>).

### **Diploma Mills**

Debutantes School of Cosmetology and Nail Technology's offices may require an official copy of a student's high school diploma for proof of receipt and validity. If there is any question about whether the school is considered to be a diploma mill school, the diploma in question will be reviewed and then be determined whether the diploma meets requirements or not. The school will use a list of accredited state agencies in order to determine validity. If a diploma is deemed to be received from a diploma mill, it will not meet the requirements for financial assistance and the student will be required to complete and provide a copy of the GED prior to any financial assistance eligibility being awarded.

The Higher Education Opportunity Act defines a diploma mill as follows:

(A) Offers, for a fee, degrees, diplomas, or certificates, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certificate has completed a program of postsecondary education or training; and requires such individual to complete little or no education or coursework to obtain such degree, diploma, or certificate; and

(B) Lacks accreditation by an accrediting agency or association that is recognized as an accrediting agency or association of institutions of higher education by a Federal agency, State government, or other organization or association that recognizes accrediting agencies or associations.

### **Loan Requirements**

**Entrance Counseling** - Students receiving financial aid while enrolled as a student on either a full or part-time basis must participate in an entrance counseling session and complete and sign all necessary documents before receiving disbursement(s). If a student decides to receive Direct Loans, they must complete Entrance Counseling. The Financial Aid Advisor of Debutantes School will be available to complete the counseling session with the student if desired. The website for the session is <http://www.studentloans.gov>, which can be logged into using your PIN.

**Master Promissory Note** – A MPN is the legal document used to link a borrower to one or more Direct Loans. By signing a MPN the borrower is agreeing to repay all loans made under that MPN. Debutantes School requests eMPN's (electronic MPN) be completed through the student loans website <http://www.studentloans.gov> by selecting Debutantes School to be notified. The Financial Aid Advisor of Debutantes School will be available to complete the MPN with the student if desired.

**Exit Counseling** – All students receiving Direct Loans through Title IV must complete Exit Counseling prior to their completion of their course of study at Debutantes School with the Financial Aid Advisor. This will be completed through the student loans website of <http://www.studentloans.gov> with Debutantes School being selected. If the student withdraws from Debutantes School without notice prior to completion of Exit Counseling, the Exit Counseling session will be printed out and sent to the last known address.

## **Types of Loans**

**Direct Subsidized Student Loan** - Must be repaid. Loan limits vary according to enrollment status. The interest will not accrue during in-school period or during a 6 month grace period.

- Maximum - \$3,500 if enrolled full time or \$1,750 if enrolled part time for the academic year

**\*\*\*\*Amounts may vary and are subject to change**

**Direct Unsubsidized Student Loan** - Must be repaid. Loan limits vary according to enrollment status. Interest will accrue during in-school period.

- Maximum - \$9,500 if enrolled full time or \$3,000 if enrolled part time for the academic year

**\*\*\*\*Amounts may vary and are subject to change**

Both the Direct subsidized and unsubsidized loan begins repayment 6 months after graduation or withdrawal from a program. Interest rates currently have a fixed 4.29% rate. There is a simple Repayment Estimator Calculator on the Federal Student Aid website at <https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>

**Parent Loans for Dependent Students (PLUS)** - Parents of dependent undergraduate students may obtain guaranteed loans. The maximum amount of PLUS loan a student's parent may request is the total COA minus all of student's received financial assistance. Interest rates for a new borrower are variable with a 6.84% rate. Interested applicants should contact the Financial Aid Office for more details.

## **Satisfactory Academic Progress**

Satisfactory academic progress is made up of both grades and attendance. When grades fall below a 75% GPA as defined by their program and attendance is less than 67%, the student will be placed on financial aid warning leading to probation. If the student does not show improvement of grades or attendance before the next evaluation period, the student will be placed on financial aid suspension and will be denied financial aid. Failure to achieve or maintain minimum academic standards will also result in the notification of the lender and/or Federal Aid Program. Students who are denied financial aid must immediately set up an appointment with the bookkeeper to arrange payment of tuition and/or fees.

## **Reinstatement of Financial Aid Eligibility**

If a student who has been denied payment of financial aid during a payment period brings his/her grades and/or attendance up to an acceptable level, financial aid will be reinstated. See the Financial Aid Officer for more information.

## **Professional Judgment Statute**

On the basis of adequate documentation, the Financial Aid Office has the right to make adjustments on a case-by-case basis to the cost of attendance or the values of the data items required to calculate the expected student or parent contribution (or both) to allow for treatment of an individual eligible

applicant with special circumstances. However, exercising a professional judgment is at the discretion of the school and Debutantes School does not exercise the practice of making a professional judgment.

### **Over awards**

An over award occurs when the Title IV aid the student has been awarded exceeds either need or COA. In the case where award amount is in excess, the amount of Unsubsidized Title IV aid the student has been awarded can be used to replace the EFC and thereby eliminate the over award.

### **Return to Title IV**

The basic concept underlying the Return of Title IV Funds (R2T4) regulations is that FSA funds paid to a student, or to his or her account at the school, are either “earned” or “unearned” based on the percentage of a student’s completion of a scheduled payment period or period of enrollment.

When a student withdraws or stops attending during a payment period, Debutantes School of Cosmetology and Nail Technology, LLC will determine if any FSA funds disbursed during the payment period were unearned. Unearned FSA funds will be repaid based on the result of R2T4 calculations that Debutantes School of Cosmetology and Nail Technology, LLC makes. A student is considered to have withdrawn from a payment period or period of enrollment if the student does not complete all of the clock hours and weeks of instructional time in the payment period or period of enrollment that the student was scheduled to complete.

The date of withdrawal is used in a return of funds calculation of a student's federal financial aid. Students may officially drop classes by contacting the Managing Director or Office Manager. The student’s last day of recorded attendance will be the student’s withdrawal date. The unexplained absence of a student from school for more than 14 consecutive calendar days will constitute constructive notice of cancellation to the school and will be determined to have unofficially withdrawn from Debutantes School, The student’s last day of recorded attendance will be the student’s withdrawal date. The calculation will be completed using the student’s hours scheduled to be completed between first day of pay period and the last day of attendance, not including excused leave of absence.

These requirements do not apply to a student who does not actually cease attendance at Debutantes School. The Return of Title IV Funds Policy does not dictate Debutantes School’s Student Refund Policy. Debutantes School is required to determine the earned and unearned portions of Title IV aid as of the date the student ceased attendance based on the amount of time the student was scheduled to be in attendance. Up through the 60% point in each payment period or period of enrollment, a prorata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the payment period or period of enrollment, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period. For a student who withdraws after the 60% point-in-time, there are no unearned funds. However, Debutantes School will still determine whether the student is eligible for a Post-withdrawal disbursement. Debutantes School’s Student Refund Policy will not affect the amount of Title IV Aid the student has earned under the Return calculation. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds will be returned. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she is eligible to receive a Post-withdrawal disbursement of the earned aid that was not received. If a student withdraws, school



charges that were previously paid by FSA funds might become a debit that the student will be responsible for paying.

If a student never actually begins attendance for the payment period or period of enrollment, this policy does not apply. If a student begins attendance, but was not and could not have been disbursed Title IV grant or loan funds prior to withdrawal, the student is not considered to have been a Title IV recipient and this policy does not apply.

Once a student has been determined to be a withdrawal Debutantes School will, within 30 days, (1) Perform a R2T4 calculation (2) Notify student of grant overpayment (3) Notify student of eligibility for a post-withdrawal disbursement. Debutantes School will return Title IV funds within 45 days. In accordance with federal regulations, unearned aid will be returned to the federal programs in the following order: (1) Federal Direct Loans: Unsubsidized, then Subsidized, (2) Federal Direct Parent Loans, (3) Federal Pell Grant.

The R2T4 calculations may result in the student's and parent's being responsible for directly returning additional loan amounts to the US Department of Education. Your loan grace period begins on the student's withdrawal date from the school. If the student does not re-enroll within 6 months of their withdrawal date the loans will enter repayment. The student should contact the loan servicer or the US Department of Education to make repayment arrangements. The Master Promissory Note signed by the borrower outlines repayment obligations. The student should contact the servicer or the US Department of Education with any questions. Students who owe the US Department of Education for an overpayment of Title IV funds are not eligible for any additional federal financial aid until the overpayment is paid in full or payment arrangements are made with the US Department of Education.

### **Code of Conduct for Debutantes School Financial Aid Professionals**

A financial aid professional at the Debutantes School is expected to always maintain exemplary standards of professional conduct in all aspects of carrying out his or her responsibilities, specifically including all dealings with any entities involved in any manner in student financial aid, regardless of whether such entities are involved in a government sponsored, subsidized, or regulated activity. In doing so, a financial aid professional should:

- Refrain from taking any action for his or her personal benefit.
- Refrain from taking any action he or she believes is contrary to law, regulation, or the best interests of the students and parents he or she serves. Ensure that the information he or she provides is accurate, unbiased, and does not reflect any preference arising from actual or potential personal gain.
- Be objective in making decisions and advising his or her institution regarding relationships with any entity involved in any aspect of student financial aid.
- Refrain from soliciting or accepting anything of other than nominal value from any entity (other than an institution of higher education or a governmental entity such as the U.S. Department of Education) involved in the making, holding, consolidating or processing of any student loans, including anything of value (including reimbursement of expenses) for serving on an advisory body or as part of a training activity of or sponsored by any such entity.
- Disclose to his or her institution, in such manner as his or her institution may prescribe, any involvement with or interest in any entity involved in any aspect of student financial aid.