

## Financial Aid Overview

Investing in higher education is a big decision, and we want to make sure you have all the resources and information you need to properly prepare for your future.\* Many financial aid resources are available to those who qualify and can help you cover the costs of your education.

We know the importance of funding your education, and the information below can help you get started. Remember, it's never too early to start the financial aid process.

\* Financial aid is available for those who qualify.

## Student Financial Services

### Types of Aids Available

A **Federal Pell Grant (need-based)**, unlike a loan, does not have to be repaid. Generally, Pell Grants are awarded only to undergraduate students who have not earned a bachelor's or professional degree. How much you get will depend not only on your EFC but also on your cost of attendance, whether you're a full-time or part-time student, and whether you attend school for a full academic year or less. You may receive only one Pell Grant in an award year, and you may not receive Pell Grant funds from more than one school at a time. A student must complete a federal aid application for the award year in which a payment is to be made. This is why students whose attendance crosses over June 30 of any year must fill out a new application. *Click on the link FAFSA "Free Application for Federal Student Aid".*

**Supplemental Educational Opportunity Grants (SEOG need-based)** payments are additional grant funds disbursed according to the student need. Eligibility is determined by: lowest expected family contribution; expected Pell disbursement for the award year; satisfactory progress.

**Direct Subsidized Loans (need-based)** are available to undergraduate students with financial need. The school determines the amount you can borrow, and the amount may not exceed your financial need. For a subsidized loan, the U.S. Department of Education pays the interest while you're in school at least half-time, and during a period of *deferment* (a postponement of loan payments). If you receive a Direct Subsidized Loan you will be responsible for paying any interest that accrues during your grace period. If you choose not to pay the interest that accrues during your grace period, the interest will be added to your *principal* balance. The interest rate of subsidized loans have a fixed interest rate. There is a loan fee and will be proportionately deducted from each loan disbursement. Payments are fixed and made for up to 10 years.

**Direct Unsubsidized Loans (non-need-based)** are available to undergraduate students; there is no requirement to demonstrate financial need. The school determines the amount you can borrow by considering the cost of attendance and other financial aid you receive. For an unsubsidized loan, you are responsible for paying the interest during all periods. If you choose not to pay the interest while you are in school and during grace periods and deferment or *forbearance* periods, your interest will accrue (accumulate) and be capitalized (that is, your interest will be added to the principal amount of your loan). The interest rates of unsubsidized loans have a fixed interest rate. There is a loan fee and will be proportionately deducted from each loan disbursement. Payments are fixed and made for up to 10 years.

For a **Direct PLUS Loans (non-need-based)**, the U.S. Department of Education is the *lender*. These are federal loans that graduate or professional degree students and parents of dependent undergraduate students can use to help pay education expenses that are not covered by other aid. The borrower must not have an *adverse credit history*. Loans have a fixed *interest rate*. The maximum loan amount is the student's cost of attendance (determined by the school) minus any other financial aid received. There is a loan fee and will be proportionately deducted from each loan disbursement. Payments are fixed and made for up to 10 years.

To apply for a federal student loan, please go to [www.studentloans.gov](http://www.studentloans.gov). You must complete and submit a Free Application for Federal Student Aid (FAFSA). Before you receive your loan funds, you will be required to complete [entrance counseling](#), a tool to ensure you understand your obligation to repay the loan; and sign a [Master Promissory Note \(MPN\)](#), agreeing to the terms of the loan.

The student is required to complete [Exit Counseling](#) before they graduate, or if they decide to withdraw from the program, a tool to ensure the student understands their rights and responsibilities as a student loan borrower and provides useful tips and information to help manage their loans by visiting the website: [www.studentloans.gov](http://www.studentloans.gov)

Federal student loan records of students and parents will be submitted to the National Student Loan Data System (NSLDS), and will be accessible by guaranty agencies, lenders, and institutions determined to be authorized users of the Data system. Students and parents may view their loan record history by visiting [www.nslsds.ed.gov](http://www.nslsds.ed.gov).

REMEMBER: You must repay a student loan even if your financial circumstances become difficult. Loans can't be canceled because you didn't get the education or job you expected, and they can't be canceled because you didn't complete your education (unless you couldn't complete your education because your school closed).

If you don't make your student loan payment or make your payment late, your loan may eventually go into default. If you default on your student loan, that status will be reported to credit bureaus, and your credit rating and future borrowing ability will be damaged. In addition, legal action can be taken to require payment through garnishment of wages and withholding of tax refunds.

### **Maximum Eligibility Period to Receive Direct Subsidized Loans**

There is a limit on the maximum period of time (measured in academic years) that you can receive Direct Subsidized Loans. In general, you may not receive Direct Subsidized Loans for more than 150% of the published length of your program. This is called your "maximum eligibility period" (see Satisfactory Academic Progress).

*For example, if you are enrolled in our Cosmetology program, which is 1.66 program length. Student is not eligible to receive subsidized loans in excess of 2 and ½ academic years (150% Limit). Student received subsidized loans for one full academic year in a previous enrollment. Student has 1½ academic year remaining of subsidized loan eligibility (\$1,750).*

Your maximum eligibility period is based on the published length of your current program. This means that your maximum eligibility period can change if you change programs. Also, if you receive Direct Subsidized Loans for one program and then change to another program, the Direct Subsidized Loans you received for the earlier program will generally count against your new maximum eligibility period. For additional information, please go to [www.studentloans.gov](http://www.studentloans.gov) and complete the entrance counseling.

Students are reminded that financial aid is awarded only to those who qualify. The monetary amount and disbursement dates may vary according to changes in federal regulations and funding levels for the programs, as well as changes in student's status.

A **Monthly Payment Plan** is available at the Institution. This option allows you to divide your payment into monthly installments. You do not incur interest while paying off your fees, and there is no credit approval necessary. If tuition payment has not been received by the student's due date, a late fee of \$10.00 will be charged for each month the student does not make a payment. You should be aware that there is a one-time-only enrollment fee and that the payment plan begins the following month from your start date. This option may be combined with other forms of payment. The institution reserves the right to revoke this payment option to any student if delinquency becomes an issue.

### **Satisfactory Academic Progress (Sap) Policy**

Students are required to maintain satisfactory academic progress throughout their training to be in compliance with the School's policy and to remain eligible for HEA, Title IV federal student financial assistance. The attendance and academic requirements apply to every student enrolled in the school, whether they receive financial aid or not. It is the school's policy to apply it consistently to all students enrolled in the Cosmetology program and Teacher Training program, whether a student is full-time or part-time. Satisfactory academic progress is measured in both quantitative terms (attendance), as well as qualitative terms (academics/grades). Student must meet the school's attendance standard and the academic standard on a cumulative basis (start date to evaluation date) to maintain Satisfactory Progress, and also, for eligibility for federal student financial assistance funds unless the student is on "Warning" or "Probation" status as defined in this policy **(Students can find a detailed description of the Satisfactory Academic Progress Policy in the School Catalog).**

#### Attendance Standard for Cosmetology and Teacher Training

Students must attend at least 66.67% of the hours (at least 75% is required by the state for all Veterans' Trainees) they are scheduled to attend based on the student's enrollment agreement. A student's attendance pace is determined by the following formula:

At the point when the student successfully completes the scheduled clock hours for that period

Cumulative clock hours of scheduled attendance as of the evaluation date

Cosmetology Students and Teacher Trainees must maintain an academic average of at least 75% or higher on a cumulative basis as of the evaluation date to meet the academic standards of this policy and be considered as making satisfactory academic progress.

For all students who qualify for federal funds, whether full-time or part-time, they are evaluated at the end of each period (450-900-1200).

Students who fail to meet either of the two progress standards as of an evaluation date will be placed on Warning status, and the student will remain eligible for federal student aid funds for the subsequent payment period. Any student who fails to meet the published standards at the end of his/her "Warning" period is considered as not making satisfactory academic progress and is ineligible for further federal aid unless the student submits a written appeal in accordance with this policy as is granted "Probation" by the School. In the event the student submits a successful appeal and is granted probation, federal student aid eligibility will be reinstated for the subsequent evaluation period only.