



# **Inner State Beauty School**

## **FINANCIAL AID HANDBOOK**

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## **PRACTICES OF FINANCIAL AID ADMINISTRATION**

### **ADMISSIONS POLICY**

Students **must** have a High School Diploma or a recognized equivalency certificate (GED), and **are required to furnish proof by providing the school** with the diploma or GED certificate. A copy of the document will be placed in the student's academic file and maintained by the Registrar.

### **Requirements and Procedures**

Applying for admission early is the best way to assure the specific classes you wish to take will be available. To apply, students must complete the Student Questionnaire or Application For Admission while visiting the school.

All applicants are required to complete a personal interview with an admissions representative. Parents, spouses, family and/or significant others are encouraged to attend. This gives the applicants and their families an opportunity to ask important questions relating to the school's curriculum and career objectives. Personal interviews also enable school administrators to determine whether an applicant is acceptable for enrollment into the program.

Once an applicant has completed and submitted the Enrollment Agreement, Student Questionnaire, and an on-site interview, the school reviews the information and informs the applicant of its decision. If an applicant is **not** accepted, all fees paid to the school will be immediately refunded.

The following items **must be completed** at the time of application:

- Administrative evaluation of the application.
- Enrollment Agreement (if applicant is under 18 years of age, it must be signed by parent or legal guardian).
- Financial agreement forms (bank loan paperwork, if necessary).
- Payment of a deposit of \$100.00 for all certificate programs.
- The school reserves the right to reject students if the items listed above are not successfully completed.

### **STATEMENT OF PHILOSOPHY**

The philosophy of student financial aid at Inner State Beauty School supports career preparation education of the student. Our objective is to help the student acquire general employability skills and the occupational specific skills necessary for initial job entry and continuing successful employment skills that will aid the student in achieving economic independence as a productive and contributing member of society.

### **The following are the guiding principles of the student aid programs at Inner State Beauty School:**

A. The primary purpose of student financial aid is to provide assistance to qualified students who would be unable to attend this school without such aid. Students and their parents and/or spouse are expected to take primary responsibility for the financing of the student's education. Therefore, any aid the student may receive from our institution should be regarded as supplemental to that which can be provided by the student and his/her parents and/or spouse.

B. This school also believes in the principles of student self-investment. Students are expected to save and provide a portion of their earnings for their educational expenses.

C. In awarding financial aid recipients, the school places emphasis upon need, achievement and promise.

D. The Office of Student Financial Aid provides counseling for students and their parents and/or spouse who desire assistance in financial planning to meet educational expenses.

E. Inner State provides equal opportunities in education programs and school related activities. The school does not discriminate on the basis of race, color, natural origin, ancestry, creed, gender, age, religion, presence of a disability or handicap, marital status, pregnancy, sexual orientation or veteran status in the administration of its educational policies, admission policies, scholarship and loan programs and other school administered programs.

F. This institution has a Drug Abuse prevention program accessible to all students and employees.

### **STATEMENT OF PRINCIPLES**

1. The primary purpose of the Financial Aid programs shall be to provide financial assistance to accepted students who without such aid, would be unable to attend our school.

2. We recognize our obligation to assist in realizing the national goal of equality of educational opportunity. We, therefore, work with schools, community groups, and other educational institutions in support of this goal.

3. We shall publish budgets that state total student expenses realistically, including, where applicable, maintenance at home, commuting expenses, personal expenses, and necessary travel.

4. Parents are expected to contribute according to their means, taking into account their income, assets, number of dependents, and other relevant information. Students themselves are expected to contribute from their own assets and earnings, including appropriate borrowing against future earnings.

5. Financial aid will be offered only after determining that the resources of the family are insufficient to meet the student's educational expenses. The amount of aid offered will not exceed the amount "needed" to offset the difference between the student's educational expenses and the family's resources.

6. The amount of any type of self-help expected from students will be related to the circumstances of the individual. In the assignment of funds to those students designated to receive financial aid, the largest amounts of total grant assistance will be awarded to students with the least ability to pay.

7. We shall review our financial assistance awards annually and adjust them, if necessary, to reflect changes in the financial needs of students and expenses of attending the school. We have an obligation to inform students and parents of the financial aid renewal policies for enrolled students at the time of the initial offer of financial assistance.

8. Because the amount of financial assistance awarded reflects the economic circumstances of the student and his/her family, we will refrain from any public announcements of the amount of aid awarded and will encourage the student and others to respect the confidentiality of this information.
9. All documents, correspondence and conversations between and among the aid applicant, his/her family and financial aid officers is confidential and entitled to the protection ordinarily arising from a counseling relationship.
10. The school certifies that it has a drug abuse prevention program in operation. It is accessible to any officer, employee, or student at the institution.

### **Financial Aid Office Personnel Code of Conduct**

1. Student financial aid office duties will be conducted in an ethical and professional manner and in keeping with organizational policies and procedures as well as relevant federal, state and accreditation requirements.
2. Student financial aid officer will provide counseling for students and parents and/or spouse who desire assistance in financial planning to meet educational expenses.
3. Neither the school nor the financial aid office will enter into any revenue sharing arrangements with any lender.
4. The financial aid office will not steer borrowers to particular lenders or delay loan certifications.
5. The financial aid office not offer funds for private loans to students in exchange for providing concessions or promises to the lender for a specific number of FSA loans, a specific loan volume or a preferred lender arrangement.
6. The financial aid office staff will not accept gifts from a lender, guaranty agency or loan servicer other than gifts distributed from vendors to conference or workshop attendees.
7. The financial aid office staff will not accept compensation for any type of consulting arrangement or contract to provide services to or on behalf of a lender relating to education loans.
8. The financial aid office staff is prohibited from accepting compensation to serve on an advisory board, commission, or group established by a lender or guarantor except for reimbursement for reasonable expenses.
9. Student financial aid officer will only provide truthful and accurate statements, descriptions, and explanations regarding the school student services division.
10. Student financial aid office personnel will work to ensure that students are fully informed and able to make appropriate enrollment decisions without undue pressure.

11. Student financial aid office personnel will only assist prospective students in the areas that fall within the purview of their position and will not assist prospective students in admissions testing or alter or falsify any enrollment documents or required test scores.
12. Student financial aid office personnel will not make explicit or implicit promises of employment or exaggerated statements regarding employment or salary prospects to prospective students.
13. Student financial aid office personnel will participate in relevant training provided by the school, state federal and/or professional associations to enhance their skills as financial aid advisors.
14. Student financial aid office personnel will not assist prospective students in providing false or misleading information on any application.
15. Student financial aid office personnel will not discredit other schools or influence any student to leave another school by: falsely imputing to another school dishonorable conduct, inability to perform contracts, or questionable credit standing; making other false representations; falsely disparaging the character, nature, quality, value, or scope of another school's program of instruction or services; or demeaning another school's students.

#### **PROFESSIONAL ASSOCIATION APPROVALS/MEMBERSHIPS**

The school and/or financial aid officer currently belong to the following professional associations:

- Approved and Licensed by the Ohio State Board of Cosmetology
- Approved and Accredited by the National Accrediting Commission of Career Arts and Sciences, Inc. (NACCAS)
- Approved for Veterans Training

#### **POLICIES & PROCEDURES UNDER FERPA**

##### **RELEASE OF STUDENT RECORDS**

Under authority of the Family Education Right to Privacy Act, the school has established a policy for the Release of student and/or graduate information:

All students attending Inner State Beauty School, parents of minor students, and parents of tax dependent students will have the right to inspect, review and challenge their academic records including grades, attendance, advising, and any additional information contained in their education records or that of their minor or tax dependent child. The right to student file information is not conveyed to any spouse or family member by the right of relationship. A spouse does not have access. As a postsecondary educational institution, parental access to students' records will be allowed prior consent of the students if the students are dependents.

Education records are defined as files, materials, or documents that contain information directly related to students and maintained by the institution. The School Director supervises records and access is afforded by school officials for the purpose of recording grades, attendance, and advising, as well as determining financial assistance eligibility.

Each student and the parent or guardians of a dependent student have the right to review their academic and financial assistance records. The review will be allowed during regular school hours under appropriate supervision. The student and/or parent must notify the school one day in advance. During and after inspection of the files, no original document may be removed by the examining party. The school will provide one copy of each document free of charge and will do so within (5) working days of the student's or their parent's request.

Written consent is required before education records may be disclosed to third parties with the exception of the accrediting commissions and government agencies so authorized by law. Anytime access is granted to a student file, for purposed of review by other than appropriate management, state, or federal authorities, an access log will be kept of the date, place, and time during which access occurred. The name of the person(s) who accessed the file and the reason for the review will be recorded in the log.

Under no circumstances will the school disclose to any agency or person any statistic or report in the student files that relate to Campus Crime Information reporting requirement. This does not preclude disclosure under order of the court or to agencies entitles to access by right of legislation.

#### **REQUEST FOR AMENDMENT AND FURTHER APPEAL**

Persons seeking to resolve problems or complaints should first contact their instructor. Students who feel that the complaint has not been adequately addressed, and/or remains unresolved, should contact the School Director. Written responses will be given to the student within seven (7) working days.

Schools accredited by the National Accrediting Commission of Career Arts and Sciences Inc., must have a procedure and operational plan for handling student complaints. If the student does not feel the school has adequately addressed a complaint or concern, the student may consider contacting the Accrediting Commission. All complaints considered by the Commission must be in written form, with permission from the complainant for the Commission to forward a copy of the complaint to the school for a response. The complainant will be kept informed as to the status of the complaint as well as final resolution by the Commission.

Please direct all inquiries to:

**NACCAS  
4401 Ford Avenue, Suite 1300  
Alexander, VA 22302  
703-600-7600**

A copy of the Commissions' Complaint Form is available at the school and may be obtained by contacting Judson DiVincenzo, School Director.

If a student feels that the school has not adequately addressed a complaint or concern, the student may consider contacting the Ohio State Board of Cosmetology. All complaints considered by the Ohio State Board of Cosmetology must be in written form, with permission from complainant for the Ohio State Board of Cosmetology to forward a copy of the complaint to the school for a response. The complainant will be kept informed as to the status of the complaint as well as the final resolution by the Ohio State Board of Cosmetology. A copy of the Ohio State Board of

Cosmetology complaint form may be obtained at the school from the School Director or by contacting the Ohio State Board of Cosmetology at:

**Executive Director  
Ohio State Board of Cosmetology  
1929 Gateway Circle  
Grove City, OH 43123  
614-466-3834  
866-642-6723**

### **SATISFACTORY ACADEMIC PROGRESS POLICY**

The Satisfactory Academic Progress Policy applied to all students enrolled at the school. It is printed in the catalog to ensure that all students receive a copy prior to enrollment. The policy complies with the guidelines established by the National Accrediting Commission of Career Arts and Sciences (NACCAS) and the federal regulations established by the United States Department of Education.

### **EVALUATION PERIODS**

Students are evaluated for Satisfactory Academic Progress, based on actual hours, as follows:

Cosmetology courses	450 hours, 900 hours, 1350 hours and at the end of the course.
Esthetics courses	375 hours and at the end of the course.
Manicuring courses	100 hours and at the end of the course.

\*Transfer Students- Midpoint of the contracted hours or the established evaluation periods, whichever comes first. Evaluations will determine if the student has met the minimum requirements for satisfactory academic progress. The frequency of evaluations ensures that students have had at least one evaluation by midpoint in the course.

### **ATTENDANCE PROGRESS EVALUATIONS**

Students are required to attend a minimum of 67% of the hours possible based on the applicable attendance schedule in order to be considered maintaining satisfactory attendance progress. Evaluations are conducted at the end of each evaluation period to determine if the student has met the minimum requirements. The attendance percentage is determined by dividing the total hours accrued by the total number of hours scheduled. At the end of each evaluation period, the school will determine if the student has maintained at least 67% cumulative attendance since the beginning of the course which indicates that, given the same attendance rate, the student will graduate within the maximum time frame allowed.

### **MAXIMUM TIME FRAME**

The maximum time (which does not exceed 150% of the course length) allowed for students to complete each course at satisfactory academic progress is stated below:

<b>COURSE (150% Maximum Time)</b>	<b>150% Max scheduled hours</b>	<b>150% Max weeks</b>
1500 hour Cosmetology (full- 32.5 hrs/wk)	2250 hours	69 Weeks
1500 hour Cosmetology (part- 20 hrs/wk)	2250 hours	112 Weeks
1800 hour Cosmetology Manager (full- 32.5 hrs/wk)	2700 hours	83 Weeks



1800 hour Cosmetology Manager (part- 20 hrs/wk)	2700 hours	135 Weeks
750 hour Esthetic Manager (full- 32.5 hrs/wk)	1125 hours	35 Weeks
200 hour Manicuring (full- 37.5 hrs/wk)– 200 Hrs	300 hours	8 Weeks
200 hour Manicuring (part- 20 hrs/wk)– 200 Hours	300 hours	15 Weeks
300 hour Manicuring Management (full- 37.5 hrs/wk)	450 hours	12 Weeks
300 hour Manicuring Management (part- 20 hrs/wk)	450 hours	22.5 Weeks

The maximum time allowed for transfer students who need less than the full course requirements will be determined based on 67% of the scheduled contracted hours.

**ACADEMIC PROGRESS EVALUATIONS**

Students will take written tests based on the theory bookwork assigned during school and for homework. In addition, students will be required to complete labs tests that cover practical work completed. At the end of each evaluation period, a student must have achieved a cumulative grade average of at least 75% based on the score of their theory work (test grades, homework, etc.) and practical/ clinical work. Students will be judged on the following numerical scale:

- 93% - 100% EXCELLENT
- 85% - 92.99% VERY GOOD
- 75% - 84.99% SATISFACTORY
- 0% - 74.99% UNSATISFACTORY

**DETERMINATION OF PROGRESS STATUS**

Students meeting the minimum requirements for academics and attendance at the evaluation point are considered to be making satisfactory academic progress until the next scheduled evaluation. Students will receive a hard-copy of their Satisfactory Academic Progress Determination at the time of each of the evaluations. Students deemed not maintaining Satisfactory Academic Progress may have their Title IV Funding interrupted, unless the student is on warning or has prevailed upon appeal resulting in a status of probation.

**WARNING**

Students who fail to meet minimum requirements for attendance or academic progress are placed on warning and considered to be making satisfactory academic progress while during the warning period. The student will be advised in writing on the actions required to attain satisfactory academic progress by the next evaluation. If at the end of the warning period, the student has still not met both the attendance and academic requirements, he/she may be placed on probation and, if applicable, students may be deemed ineligible to receive Title IV funds.

**PROBATION (probation is not automatic and an appeal must be submitted in writing)**

Students who fail to meet minimum requirements for attendance or academic progress after the warning period may, in certain circumstances, appeal the decision. Reasons for which students may appeal a negative progress determination include death of a relative, an injury or illness of the student, or any other allowable unforeseen special or mitigating circumstance. If they prevail on appeal they will be considered to be making satisfactory academic progress while during the probationary period. Additionally, only students who have the ability to meet the Satisfactory Academic Progress Policy standards by the end of the evaluation period may be placed on probation. These students are placed on an academic plan and must be able to meet requirements set forth in the academic plan by the end of the next evaluation period. An academic plan is a plan

that outlines how the student would be able to regain satisfactory progress by the next evaluation. The student will be advised in writing of the actions required to attain satisfactory academic progress by the next evaluation. Students who are progressing according to their specific academic plan will be considered making Satisfactory Academic Progress. If at the end of the probationary period, the student has still not met both the attendance and academic requirements required for satisfactory academic progress, he/she will be determined as NOT making satisfactory academic progress and, if applicable, students will not be deemed eligible to receive Title IV funds.

### **RE-ESTABLISHMENT OF SATISFACTORY ACADEMIC PROGRESS**

Students may re-establish satisfactory academic progress and Title IV aid, as applicable, by meeting minimum attendance and academic requirements by the end of the warning or probationary period.

### **INTERRUPTIONS, COURSE INCOMPLETES, WITHDRAWALS**

If enrollment is temporarily interrupted for a Leave of Absence, the student will return to school in the same progress status as prior to the leave of absence. Hours elapsed during a leave of absence will extend the student's contract period and maximum time frame by the same number of days taken in the leave of absence and will not be included in the student's cumulative attendance percentage calculation. Students who withdraw prior to completion of the course and wish to re-enroll will return in the same satisfactory academic progress status as at the time of withdrawal.

### **APPEAL PROCESS**

If a student is determined to not be making satisfactory academic progress, the student may appeal the determination within ten calendar days. Reasons for which students may appeal a negative progress determination include death of a relative, an injury or illness of the student, or any other allowable special or mitigating circumstance. The student must submit a written appeal to the school describing why they failed to meet satisfactory academic progress standards, along with supporting documentation of the reasons why the determination should be reversed. This information should include what has changed about the student's situation that will allow them to achieve Satisfactory Academic Progress by the next evaluation point. Appeal documents will be reviewed and a decision will be made and reported to the student within 30 calendar days. The appeal and decision documents will be retained in the student file. If the student prevails upon appeal, the satisfactory academic progress determination will be reversed and federal financial aid will be reinstated, if applicable.

### **NONCREDIT, REMEDIAL COURSES, REPETITIONS, TRANSFER HOURS**

Course incompletes, repetitions and non-credit remedial courses do not have an effect on satisfactory progress at this school. Transfer hours will be counted as both attempted and earned hours for the purpose of determining when the allowable maximum time frame has been exhausted.

### **IMPORTANT**

1. Evaluations for attendance and grades are done on a **CUMULATIVE** basis. They are taken into account on your entire enrollment, not just the current month.
2. If expelled for lack of academic progress you will be ineligible for federal aid until you are in good standing. You will be placed on a payment plan to make up the difference in funding.
3. Please note, you may complete the course hours, you cannot take your licensing exam until the money you owe the school is paid in full.

## **LEAVE OF ABSENCE POLICY**

Inner State Beauty School may grant the student a leave of absence of 90 days during their cumulative enrollment. Cosmetology students are allowed two leaves, esthetician and manicuring students are allowed one leave of absence. During the leave the student is not considered to be withdrawn. Student must apply in writing and should provide proof of hardship. The Director of Education or Registrar must approve the leave. A copy will be sent to the Financial Aid Office at which time financial aid funds will be put on hold. No additional institutional charges will be generated during the leave. If the student fails to return from an approved leave of absence they will be considered officially withdrawn, and all refund and return of Title IV funds calculations will be based on that date. If the student has a Federal loan, the grace period begins retroactively to the student's last date of attendance.

\*One additional approved leave (not to exceed 30 days) may be allowed for unforeseen circumstances, such as jury duty, military reasons or circumstances covered under the Family Medical Leave Act (FMLA) of 1993.

## **WITHDRAWAL POLICY**

Students planning to withdraw should meet with the School Director to officially withdraw. Students who are unable to physically meet with the School Director must contact the school by telephone, fax, or email. In the case of an exit without notice, the last date of attendance is determined to be the last date of an academically related activity in which the student participated. Non-attendance does not constitute an official withdrawal.

If a student stops attending school or officially withdraws from his or her program of training for any reason, the Title IV Aid will be recalculated based on the total number of clock hours / percentage of time the student was scheduled to attend school. If after recalculation, the school finds that the student did not attend the required number of clock hours needed to cover the aid amount already disbursed to the student, the student is liable for the amount of money and the student must pay it back to the school. The school will then refund the money back to the aid Program. The student will also be invoiced for any tuition and school related expenses not covered by the aid.

For students who withdraw without notifying the school, the school will use fourteen (14) calendar days of absences to determine that the student has unofficially withdrawn. The last day that the student ceased attending will then be used as the withdrawal date for calculating any return of Federal funds to the U.S. Department of Education. Federal returns will be made within 45 days of the determination date.

## **FINANCIAL ASSISTANCE PROGRAMS**

### **STUDENT ELIGIBILITY CRITERIA**

**For all Title IV Programs a student must:**

- Have financial need, except for some loan programs.
- Be enrolled in a course that is at least 600 clock hours, 24 quarter credit hours, or 16 semester credit hours in length and a minimum of 15 weeks of instruction.
- Be attending at least half time for Pell Grant.

- Make Satisfactory Academic Progress ( see student consumer handbook)
- Be a U.S. citizen or eligible non citizen (refer to student consumer handbook)
- Register with the Selective Service if you are a male between the ages of 18 and 25.
- Not be incarcerated in a federal or state penal institution.
- Have a high school diploma, GED or pass approved ability to benefit test.
- Have a valid Social Security number.
- Sign a statement on the Free Application for Federal Student Aid (FAFSA) certifying that you will use federal student aid only for educational purposes.
- Sign as statement on the FAFSA certifying that you are not in default on a federal student loan and that you do not owe money back on a federal student grant.
- Not have been convicted under federal or state law of the sale of, or possession of drugs.
- Must provide information in order for school to obtain financial aid history.
- May not have property that is subject to a judgment lien for a debt owed to the United States government.

### **FEDERAL PELL GRANT PROGRAM**

Grants are given with no repayment expected. This program is designed to provide a “floor” upon which other financial aid programs are built. Any student wishing to receive a Federal Pell Grant at this institution must meet the eligibility requirements established by the U.S. Department of Education.

### **APPLICATION PROCESSING**

To receive a Federal Pell Grant a student must apply as follows:

- Fill out the Free Application for Federal Student Aid (FAFSA). Students may also use FAFSA on the Web at [www.fafsa.ed.gov](http://www.fafsa.ed.gov)
- The FAFSA is transmitted electronically to the U.S. Department of Education by the school’s third party servicer Educational Management Services, if a hard copy FAFSA is submitted to the school.
- Upon receipt of the eligibility notice (ISIR), a financial aid award letter is given to the student indicating the amount and date of each disbursement.

Full awards are made only if the student is attending a program of at least 900 clock hours. A student entering a program of less than 900 clock hours will receive a proportionately reduced award.

### **DEPENDENCY STATUS**

Some students have supported themselves for several years and their parents are not expected to contribute toward their school expenses. Such students are called "independent students" and for them, the financial aid process works differently because parental income is not considered. However, if an independent student is married, his or her spouse's income is considered, whether or not they were married when they filed taxes. When we speak of your parents below, we mean natural or adoptive mother or father or a legal guardian required by the court to use his/her funds for your support.

You are considered a self-supporting student if you meet any one of the following criteria:

- Student was born before January 1, 1991.
- Student is married or separated (but not divorced) as of the date of the application.
- At the beginning of the school year, the student will be enrolled in a master's or doctoral degree Program (such as MA, MBA, MD, JD, PhD, Ed D, or graduate certificate, etc.).
- Student is currently serving on active duty in the U.S. Armed Forces, or is a National Guard or Reserves enlistee called into federal active duty for other than training purposes.
- Student is a veteran of the U.S. Armed Forces (see the definition in the box on page 4).
- Student has one or more children who receive more than half of their support from him or her between July 1, 2014 and June 30, 2015.
- Student has dependent(s) (other than children or spouse) who live with him or her and who receive more than half of their support from the student, now and through June 30, 2014
- At any time when the student was age 13 or older, both of the student's parents were deceased, the student was in foster care, or the student was a dependent/ward of the court.
- The student is now or was upon reaching the age of majority, an emancipated minor (released from control by his or her parent or guardian) as determined by a court in his/her state of legal residence.
- The student is now or was upon reaching the age of majority, in legal guardianship as determined by a court in his or her state of legal residence.
- Student was determined to be an unaccompanied youth who was homeless by a high school or school district homeless liaison on or after July 1, 2012
- Student was determined to be an unaccompanied youth who was homeless by the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development on or after July 1, 2012
- Student was determined to be an unaccompanied youth who was homeless or was self-supporting and at risk of being homeless by a director of a runaway or homeless youth basic center or transitional living program on or after July 1, 2012
- Student is determined by the college financial aid administrator to be an unaccompanied youth who is homeless or is self-supporting and at risk of being homeless.

Even if you cannot meet the above requirement as an independent student, you may still apply to have your parent's income and expenses waived because of unusual circumstances. The student may be asked for items such as rent receipts, canceled checks, copies of utility bills, third party letters, or any other forms of documentation the financial aid officer feels is appropriate. Only the Financial Aid Office can determine if particular circumstances warrant an adjustment to your dependency status.

### **PROFESSIONAL JUDGEMENT POLICY**

The following policy will be used in making professional judgment decisions for a student's unusual circumstance.

## **Basic Guidelines**

The financial aid officer must resolve any conflicting or inconsistent information on the SAR/ ISIR before allowing a professional judgment. For example, if the student is flagged for verification, verification must be completed first. The student's SAR/ISIR may need to be corrected before applying any professional judgment adjustments.

Professional judgment adjustments must be decided on an individual student basis only and circumstances must be **unusual**—in other words, they must fall outside the normal type of information required by the U.S. Dept. of Education (income, assets, dependency status, etc.)

## **Unusual Circumstances Allowed**

1. **Higher than normal medical and/or dental expenses:** The income protection allowance in the EFC formula allows 11% of total income for medical/dental expenses. Any medical/dental expenses that exceed 11% of income will be allowed. FAO should reduce the income reported on the SAR/ ISIR by the amount of expenses that exceed 11% of the student's income.

### **Required Documentation:**

Copies of medical or dental bills

Cancelled checks

Request for Special Consideration Form completed by student and signed by the financial aid officer.

Reprocessed SAR/ISIR

2. **Lower income in current year than last year:** Students who experience a loss or reduction in income between the base year (on the FAFSA) and the current year should be allowed to substitute current annual income. The FAO must determine the **total annual** income for the student from Jan. 1 thru Dec. 31 and reprocess the SAR/ISIR with projected income for the year.

### **Required Documentation:**

Copy of monthly unemployment benefits statement

Copy of recent pay stub

Other documents used to calculate the projected annual income

Request for Special Consideration Form completed by student and signed by the financial aid officer

3. **Recent Unemployment:** Student recently lost his/her job. Same requirements as lower income in current year than last year.

4. **Loss of Unemployment Compensation:** Student's unemployment benefits have run out. Aid Officer must calculate the total amount of income for the year including the unemployment benefits received and any projected additional income from Jan. 1<sup>st</sup> to December 31<sup>st</sup>.

### **Required Documentation**

Copy of unemployment benefit statement

Copy of letter indicating benefits have been exhausted.

- 5) **Loss of Untaxed Income or Benefits:** Student's untaxed income or other untaxed benefits has ceased. Same requirements as loss of unemployment benefits.
- 6) **Separation or Divorce:** The dependent student has already completed the FAFSA, but his/her parent have become separated or divorced. Or a married independent student has become separated or divorced after completing the FAFSA. The financial aid officer will correct the income and asset application information on the SAR/ISIR by including only the income for the parent which the student lived with the longest. For the independent student, the aid office allows the student to update the application information with only the student's income and assets.

**Required Documentation**

Official divorce or separation documents

Signed statement by parent and/or independent student

Note: If the dependent student's parents are separated or divorced at the time of completing the FAFSA, the student should use only the income of the parent whom he/she lived with longer during the twelve months prior to the date the application is completed—regardless of who claimed the student as an exemption.

If an independent student is separated or divorced at the time of completing the FAFSA, the student should only report his/her income and asset information.

- 7) **Death of Parent or Spouse:** One of the student's parents has died or the last surviving parent has died or the independent student's spouse has died after the student has completed the FAFSA. If the student's last surviving parent has died after the student applied, the student must update his/her dependency status and report income and assets as an independent student. If the independent student's spouse has died, the student will be allowed to remove the spouse's income and asset information.

**NOTE:** If both parents are deceased at the time the student completes the FAFSA, the student answers "Yes" to the question concerning deceased parents in Step 3 of the FAFSA application. If the independent student's spouse died prior to the student completing the application, the student should not include income and asset information for the deceased spouse.

**Required Documentation**

Official death notice

Obituary

Signed Statement

- 8) **Number of Parents in College At least Half Time:** Students may not include their parents that are attending college on the FAFSA. However, the financial aid officer may allow the student to update the number in college to include the parents if the student's parent provides proof that they are attending college at least half time.

### **Required Documentation**

Copy of parents acceptance letter or registration receipt

Copy of parent's schedule and copy of parent's official college transcript

9) **Dependency Override:** The financial aid office may make a dependent student independent based upon the following circumstances:

- a) The student's voluntary or involuntary removal from the parent's home
- b) Incapacity of the parents such as incarceration or disability or mental or physical illness.
- c) Inability of student to locate parents after making reasonable attempts
- d) Other extenuating circumstances such as student has not lived with or their parents or received parental support for the past two consecutive years.

### **Required Documentation**

Letters from doctors, lawyers, or employers (a, b, c)

Copies of utility bills, lease agreement, cancelled checks (d)

Copy of student's tax return (d) Other appropriate documentation

NOTE: The aid officer may rely on a dependency override performed by another institution.

## **GENERAL ADMINISTRATION OF FINANCIAL AID OFFICE**

### **FINANCIAL AID OFFICER**

#### **Duties – General:**

1. Conduct financial aid interviews with prospective students.
2. Counsel applicants regarding their eligibility to receive financial aid funds including explaining their rights and responsibilities.
3. Review financial applications submitted by applicants for accuracy and completeness of data.
4. Assure that applicants have supplied all required documentation relative to verification, professional judgment, ISIR comments, and application discrepancies.
5. If appropriate, check NSLDS records for any mid year transfer students from other post secondary institutions. Make appropriate adjustments to financial aid awards, if necessary.
6. Review any requests for financial aid and Professional Judgment appeals.
7. Make a preliminary estimate of what students may receive from the financial aid programs and design an estimated payment plan.



8. Notify students of financial aid program awards, amounts and disbursement dates.
9. Develop and update student expense budgets for the Federal Pell Grant program.
10. Maintain all financial aid files in compliance with U.S. Department of Education regulations and in a state of consistent readiness for audit and/or program review.

### **Other Responsibilities**

1. Establish dates and authorize payments to students for disbursement by business office.
2. Coordinate financial aid recipient information with other offices of the school as mandated by Federal regulations (i.e. other resources, satisfactory academic progress, attendance, etc.)
3. Assist the business office in the reconciliation of Pell Grant program expenditures.
4. Keep abreast of pertinent information concerning financial aid by attending workshops, conferences and professional association meeting.
5. Responsible for collection of IPEDS survey information and entering it into the system.
6. Responsible for maintaining and updating the schools Financial Aid Handbook.
7. Responsible for ordering all supplies relevant to financial aid such as FAFSA forms, Student Guide and Loan Applications.

## **FINANCIAL AID INTERVIEWING PROCEDURE**

### **Financial Aid Appointment**

On the day of the financial aid appointment the following occurs:

- If needed, copy of the student's tax return, high school diploma and government issued picture ID is collected.
- If the FAFSA form is sent to the school, it is reviewed for any incorrect or missing information. If a SAR or ISIR has already been received it is reviewed and any necessary corrections are made.
- The financial aid officer explains all of the aid programs available at Inner State Beauty School.
- The student is informed that they will receive an official award letter from the school as soon as the ISIR comes back.
- If the student will owe a balance, a worksheet is given to show the balance due at each term.
- The student completes all other forms, including a Verification Work Sheet. The student is given a copy of all paperwork.

- If the student needs to provide any additional documentation they are given a detailed list along with a return envelope.

### **SAR & ISIR Processing – School & EMS, Inc.**

- School will make a copy of completed and signed FAFSA.
- School will file all paperwork in student file (include FAFSA checklist.)
- School will send completed and signed FAFSA to EMS (Log date in database)
- EMS will transmit FAFSA via Ed express Software
- EMS will receive, review and notify Inner State Beauty School of any problems with ISIR.
- EMS will forward ISIR to school.
- School will review ISIR ( if not clean, will make corrections and resubmit to EMS).
- EMS will send a Financial Aid award letter to school.
- EMS will send an expected disbursement report to school.
- School will fill out the expected disbursement report and return to EMS.
- EMS will send an actual disbursement report to school.
- School will log award amounts into the student database.

**If student needs to file for Special Circumstances, the following paperwork may be needed. Additional information may be requested as necessary.**

- Completed Special Consideration form
- Pay check stubs
- Paperwork showing extraordinary or unusual debt owed, ex. medicals bills
- Separation notice, proof of last day worked or proof of unemployment
- Any other documentation pertinent to the individuals situation

### **RENEWAL APPLICATIONS**

- 1) Early in the year students are reminded if they need to do a renewal application for Pell. They are instructed that they can complete their own renewal form or they can schedule an appointment with the financial Aid Officer to come to the office for assistance.
- 2) When the ISIR is received and any discrepancies have been resolved, the student is issued an award notification for the new award year, if appropriate.

### **DEVELOPING COST OF ATTENDANCE BUDGETS**

The cost of attendance is an estimate of a student's education expenses for a period of enrollment. The total aid the student receives cannot exceed the student's cost. Budget components include:

**Tuition and Fees:** The tuition and fees necessary for the student's course of study.

**Books and Supplies:** This includes costs for rental or purchase of equipment, material or supplies required of all students in the same course of study.

**Room and Board:** An allowance is made based upon the student's number of weeks in school, driving distance and IRS mileage allowance.

**Miscellaneous Personal Expenses:** A reasonable allowance for personal items and can include the documented purchased or rental of a computer.

**Dependent Care:** An allowance for dependent care expenses incurred during periods that include class time, study time, fieldwork, internships and commuting time. The allowance is based upon the number and age of dependents.

Cost of attendance budgets is based upon the number of months in the student's training program. Professional judgment may be used by the financial aid office to adjust a student's cost of attendance budget for transportation and/or other unusual educational cost.

Information used to develop student budgets is derived from institutional sources, Federal regulations, and Bureau of Labor Statistic figures.

## **CALCULATING AWARDS**

### **Pell Grant Program**

Schools define the length of its academic year as the number of hours a student must complete to receive a Pell Grant Scheduled Award. An academic year must be a minimum of 900 clock hours. The "payment period" is defined as one half the clock hours in the program. To calculate a disbursement for a payment period, the following formula is used:

Full time scheduled award X  $\frac{\text{number of hours in payment period}}{\text{Number of hours in award year}}$

= Expected disbursement

Example:  $\$5550 \times \frac{500}{1000} = \$2,775$  1<sup>st</sup> payment

$\$5500 \times \frac{500}{1000} = \$2,775$  2<sup>nd</sup> payment

## **VERIFICATION POLICIES AND PROCEDURES**

The school is responsible for verifying the accuracy of the financial data used to calculate the student's effective family contribution (EFC). If there is an asterisk (\*) next to the EFC number on the SAR, ISIR or other Need analysis document, it means that the student has been selected for verification by the U.S. Department of Education to verify the information on the student's Federal Application.

### **Verification items for 2014–2015**

- Adjusted gross income (AGI)
- U.S. income tax paid
- Education credits
- Untaxed IRA distributions
- Untaxed pensions
- IRA deductions and payments
- Tax-exempt interest
- Other untaxed income
- Income earned from work
- Household size
- Number in college
- Supplemental Nutrition Assistance Program (SNAP, formerly food stamps)
- Child support paid
- High school completion status  
Identity/statement of educational purpose

**NOTE:** The above items are required to be verified based on a verification code provided by the U.S. Dept. of Education. However the financial aid office is obligated to address any other discrepancies and/or conflicting information and request documentation to resolve them.

### **High School Evaluation Information**

If the U.S. Department of Education or School of Diagnostic Imaging questions the validity of the enrolling student's high school credential, School of Diagnostic Imaging will verify the validity of the high school credential. School of Diagnostic Imaging will ask for a transcript from the high school showing classes completed and passed. If School of Diagnostic Imaging is still not satisfied as to the validity of the credential, we may contact the states' Department of Education in which the school is located to ascertain if the high school is approved by the state. If the student graduated from a high school located out of the country, School of Diagnostic Imaging will determine whether the education is the equivalent of a high school education in the United States.

### **Fraud**

Students, parents, or other individuals who purposely give false or misleading information to fraudulently obtain federal funds may be fined, be sentenced to jail, or both. If misreported information or altered documentation is suspected, the submitting parties will be asked to resubmit accurate, unaltered documentation for verification. Individuals suspected of misreporting information or altering documentation will be reported to the Office of Inspector General U.S. Department of Education and any evidence will be provided.

**ACCEPTABLE DOCUMENTATION**

	<b><u>IRS Data Retrieval</u></b>	<b><u>Verification Worksheet</u></b>	<b><u>Other Documentation in lieu of Worksheet or Data Retrieval</u></b>
House Hold Size		√	Signed Statement
Number in College certification		√	Signed statement or institutional
AGI and Taxes Paid	√		Tax return transcript, copy of tax return, Form W-2, Form 4868, or a signed statement
Untaxed Income And Benefits	√		Tax return transcript, copy of tax return, Form W-2, Form 4868, or a signed statement
SNAP Benefits		√	Signed statement or agency documentation
Child Support Paid		√	Signed statement
Income Earned from Work for Non-tax filers		√	Signed statement and Form W-2

**VERIFICATION POLICY**

It is the schools’ policy to collect verification data at time of application. The student is required to bring tax account information or other acceptable documents when they meet with financial aid officer to complete their application. Any documents not provided on that day must be turned in as soon as possible. If verification has not been completed prior to the first day of class, the student will be required to pay first term fees. If the student fails to submit the required documentation by the end of the award year, he/she will forfeit all aid which would have been awarded for that time period.

**CORRECTION PROCEDURE**

- As stated above the student generally meets with the financial aid office to complete FAFSA and all information is verified at that time.
- Some students complete the FAFSA and send it directly to the Department of Education. In this case the student will meet with the financial aid officer after the SAR or ISIR is received to determine if any corrections are needed.
- Any necessary corrections will be made and student/parent signatures obtained. The SAR or ISIR may then need to be re-submitted to the Department of Education.

**NOTIFICATION**

If a student’s award changes as a result of verification, a revised award notification will be sent within two (2) weeks of the completed verification process

## **REFERRAL OF OVERPAYMENTS AND FRAUD CASES**

If the school discovers during the verification process that a student received an overpayment of federal funds, the school will attempt to adjust subsequent financial aid disbursement. If this is not possible, the student will be required to repay the overpayment amount. Any applicant failing to repay the overpayment will be referred to the U.S. Department of Education for collection. Such applicants will be ineligible for future Federal Aid funds.

If an applicant misreports information or alters documents for the purpose of increasing his/her aid eligibility or for fraudulently obtaining Federal funds, the applicant will be reported to the Office of Inspector General, U.S. Department of Education. Any person who intentionally makes false statements or misrepresentations on a federal aid application is violating the law and is subject to fine, imprisonment or both.

## **CONFIRMATION OF CITIZENSHIP**

All students applying for Federal Financial Aid must be able to confirm their citizenship status with the Social Security Administration. The confirmation process is normally done when the student submits the Free Application for Federal Aid to the federal processor. The federal processor performs a match with the SSA to confirm the student's citizenship status, a comment will appear on the student's Institutional Student Information Record (ISIR).

The following policy applies to any student who applies for federal student aid, but fails to confirm his/her citizenship status:

- Applicants whose ISIR contains a "C" code (comment) that the federal processor could not confirm the applicant's citizenship, must submit documentation to the Financial aid office substantiating his or her claim to be a citizen or eligible non-citizen. A student claiming to be an eligible non-citizen must submit and ISIR with an A number for eligible non-citizens assigned by Immigration and Naturalization Service.
- Applicants whose citizenship status cannot be confirmed will not receive federal financial aid funds until such time as proper documentation is submitted. If documentation is not received prior to the first day of class, the student will be required to pay first term fees.
- If a student fails to submit citizenship documentation prior to the end of the first payment period, the student will forfeit all aid which would have been awarded that time period.
- In any event, the institution will not make a determination that a student is not an eligible non-citizen until the student has had an opportunity to submit documentation that confirms his or her citizenship.

## **WITHDRAWALS AND RETURNING STUDENTS**

- The student must contact the School Director or designee to advise they are planning to return to school.
- The student must meet with the Financial aid officer to re-calculate their aid.
- The student is informed that any re-take fees or previous unpaid balances must be paid on or before the date they re-enter.
- If the student has already been paid PELL for the portion being retaken then they can not be paid for it again.

- If a Title IV refund has been made and the student returns within 180 days, the student is considered in the same payment period they were in when they withdrew. Refunded Pell grant funds will be requested. The student may reapply for any portion of a loan that was refunded.

### **ENROLLMENT REPORTING (SSCR)**

The Enrollment Reporting process is used by the U.S. Department of Education to track the enrollment status of students who have received various Federal student loans. This information is tracked via the National Student Loan Data System.

The school's third party servicer sends the roster to the school every other month to collect the enrollment status for students contained in the report. The report is given to the school's Registrar for completing the enrollment status and returning to EMS for transmission to the U.S. Department of Education.

Copies of the report are maintained in the financial aid office at the school.

### **TRANSFER MONITORING PROCESS**

Before disbursing financial aid funds, a financial aid history must be obtained for students who have received aid at another institution and NSLDS must be informed about the transfer student so updates can be received via the Transfer Monitoring Process. The financial aid history is used to identify students who are ineligible for any financial aid due to default or overpayment on a grant or loan, or for aid from a particular program because they've reached that program's annual or aggregate limit.

The school informs its third party servicer, Educational Management Services of all transfer students. EMS enters the information into the NSLDS database and receives and forwards to the school any alerts it receives from NSLDS concerning the student's financial aid history.

## **FISCAL MANAGEMENT**

Accounting records are maintained for all receipts and disbursements of Federal Title IV funds. The school's third party servicer, EMS, uses appropriate ledgers to record Pell Grant program authorizations and all cash requests made for the school.

### **FINANCIAL AID DISBURSEMENT PROCESS (Pell)**

1. EMS originates the student's Pell record (must receive and A accepted record)
2. EMS originates student's disbursement record (must receive and A accepted record)
3. An expected disbursement report is sent to the school for review prior to requesting fund.
4. EMS checks Gaps Web Site to check funds available (Pell authorization level)
5. EMS requests funds and notifies school of the date and amount
6. Fiscal officers transfers funds from Federal account to school's bank account
7. Students tuition accounts are credited for the amount of the Pell Grant payment
8. Students may be issued checks for indirect educational costs

### **Fiscal Office Processing**

- The fiscal officer is given a disbursement list indicating the amount of the student's financial aid award so that funds may be requested.
- EMS then requests a draw down and sends notification to fiscal officer.
- Fiscal officer credits student accounts for the amount received and gives student copy of account card for a receipt.

### **RECONCILING PELL GRANT EXPENDITURES**

The Fiscal officer works directly with the third party servicer (EMS) to reconcile all Pell draw downs and expenditures on a monthly basis. Adjustments to individual student payment records for withdrawals and/or refunds are reported to EMS monthly. Bank statements are also forwarded to EMS to confirm cash requests and disbursement of Pell grant funds so posting to appropriate accounting ledgers can be done monthly.

### **INSTITUTIONAL REFUND POLICY**

Student's will be entitled to a partial or complete refund of money paid if:

1. Student's application is not accepted.
2. Student cancels enrollment and requests a refund in writing, mailed or delivered to school before starting classes.
3. The school location is closed for a course is cancelled.
4. Student withdraws after starting classes.
  - A. If the student starts class and officially withdraws or is discontinued during the first week of the term, the student shall be obligated for twenty-five (25)% of the tuition for that term.
  - B. If the student officially withdraws or is discontinued during the second week of the term, the student shall be obligated for fifty (50)% of the tuition for that term.
  - C. If the student officially withdraws or is discontinued during the third week of term, the student shall be obligated for seventy-five (75)% of the tuition for that term.
  - D. A student who officially withdraws or is discontinued during the fourth week of term or weeks thereafter, will be obligated for one hundred (100)% of the tuition for that term.
  - E. A student is not required to pay tuition for a term in which they attend no class sessions. The termination date will be the last date of attendance for refund calculation purposes.
5. Books and supplies are and will remain the property of the student.

All monies paid in excess of above charges will be refunded. All refunds will be made within thirty (30) days of the date that the school receives notification of cancellation and/or withdrawal. Monies paid in excess of charges may remain on the student's account in the case of a leave of absence if the request is made in writing. Refunding, if any, will be determined after the leave of absence is terminated.

Any student who has terminated his/her training without notifying the school and has an outstanding tuition amount due will be sent a letter explaining the outstanding tuition charges owed



and the amount credited to their account from the financial aid program they were entitled to receive. Only the amount owed to the school will be disbursed and applied to their outstanding balance.

### **FEDERAL POLICY FOR RETURNING TITLE IV (PELL GRANT) FUNDS**

Federal law now specifies how a school must determine the amount of federal financial aid (Pell, FFEL, Sub/Unsub, Plus) that a student earns if they \*withdraw prior to completing 60% of a payment period. A payment period is defined as one-half the hours and weeks in the academic year and/or the student's program. The return calculation will be completed based upon a student's official or unofficial withdrawal from their training program (see school's Withdrawal Policy)

The amount of federal financial aid assistance that the student earns is determined on a percentage basis. Once the student has completed more than 60% of the hours scheduled in the payment period, all financial assistance is considered earned.

**Percent earned** = number of scheduled hours completed up to the withdrawal date\* divided by the hours in the payment period.

**Percent unearned** = 100% minus percent earned.

When a student receives federal financial aid in excess of aid earned:

**The school returns the lesser of:** Institutional charges multiplied by the unearned percentage or Title IV federal financial aid disbursed multiplied by the unearned percentage.

**The student returns:** Any remaining unearned aid not covered by the school. Any loan funds are repaid in accordance with the terms of the promissory note. (Scheduled payments to the holder of the loan over a period of time.) Any grant amount the student has to return is a considered a Federal Title IV grant overpayment and arrangements must be made with the school or the U. S. Department of Education to return the funds.

If it is determined that the student has not received all of the "earned" federal aid for which the student is entitled, the student will receive a post-withdrawal disbursement of financial aid funds. Grant funds will be applied to their tuition account to settle any tuition still owed the school as a result of the student's withdrawal. If the funds are due from the federal loan program, the student will be notified within 30 days of the date the school determined that the student had withdrew. The student, or parent in the case of a PLUS loan, will need to request the funds in writing before the loan disbursement will be made.

The school will return Title IV funds to the programs from which the student received aid during the payment period or period of enrollment, as applicable, in the following order up to the net amount disbursed from each source:

- Unsubsidized Federal Stafford Loans
- Subsidized Federal Stafford Loans
- Federal Pell Grants for the payment period for which a return of funds is required
- Other assistance under this Title for which a return of funds is required.

**All returns due to the Federal Financial Aid programs will be processed within forty-five (45) days.**