

FINANCIAL AID POLICIES AND PROCEDURES

THE PURPOSE OF THIS DOCUMENT IS TO COMPLY WITH THE FEDERAL DEPARTMENT OF EDUCATION'S REQUIREMENT FOR A FINANCIAL AID POLICY.

GOAL

The Academy of Cosmetology's primary goal is to assist students in achieving their educational career goals by providing information to them about financial assistance available to them.

PHILOSOPHY

It is the primary responsibility of the student and his/her family to meet the costs of education. Academy of Cosmetology recognizes that economic circumstances may require the student to seek additional assistance from other sources.

APPLICATION PROCESS

The Financial Aid Office will:

- Instruct the student to fill out a FAFSA application by visiting www.fafsa.ed.gov. If the student does not have access to a computer or the internet, Academy of Cosmetology will provide access. Academy of Cosmetology's School code for FAFSA is **016785**. Financial Aid is not automatically renewed. Continuing students must reapply for aid each year. The Financial Aid Office will inform students of the recommended timelines.
- After the Financial Aid Office receives the Institutional Student Information Record an award package will be assembled for them. The financial aid package is determined by the need of the student based on school costs and the availability of funds. This package consists of loans and/or grants depending upon the amount of need and the types of aid for which the student is eligible. If the amount of award is not sufficient to cover total costs, the student must prepare to pay the remainder at registration or through a monthly payment plan.
- Academy of Cosmetology will attempt to meet the need of every eligible aid applicant. However, all awards are contingent upon the availability of funds and the satisfactory progress regulations.
- Communicate with our students clearly and frequently.
- Coordinate the administration of all students' financial assistance awarded.

Financial Aid applicants must:

- Meet with the Admissions Office, discuss programs, and complete entrance counseling and Master Promissory Note if loans are needed.
- Submit the FAFSA application.
- Submit all follow up requests as soon as possible after notification from the Financial Aid Office for completion of their file.

AWARDING FINANCIAL AID

Academy of Cosmetology will award aid to students with the greatest need in the following order:

1. Grants (Pell)
2. Loans (Direct Loans)

All Financial Aid is applied directly to the student account for the appropriate payment period.

The following conditions must be met before any Financial Aid will be disbursed:

- 1 The student must meet all eligibility requirements.
- 2 The student must be enrolled in an eligible program.
- 3 Student must maintain Satisfactory Academic Progress (SAP)

FEDERAL PELL GRANT CALCULATION

The Expected Family Contribution (EFC) is the amount that a family can be expected to contribute towards the cost of attendance. By comparing the EFC to the student's cost of attendance the Financial aid Officer can determine the student's financial need for Federal Student Aid from the US Department of Education (ED) and other sources.

The Federal Pell Grant is calculated using an official EFC and the cost of attendance (COA) determined by the institution. US Department of Education provides the institution with a Pell Payment Schedule, which shows the Pell for which a student can qualify. Where the EFC and COA intersect is the location of the grid that displays the amount of Pell for the academic year. The amount is divided by the terms of the academic year.

VERIFICATION PROCEDURE

After an Institutional Student Information Record (ISIR) is received by the school and is flagged for verification by The Department of Education, The Financial Aid Office will notify the student to request additional documentation. It is the student's responsibility to see that all requested documents from the Financial Aid Office are provided.

Verifications will be completed before awards will be ordered. Financial Aid Office will help the student to make necessary corrections. If the corrections result in a different EFC or student status the student will be presented with an updated award letter which he/she will have to sign and agree to.

Verification items may consist of the following:

1. Adjusted Gross Income
2. U. S. Taxes Paid
3. Social Security received
4. TANF
5. V. A.
6. Other income and benefits
7. Untaxed income & child support

8. Number in college
9. Number of family members
10. Dependency status
11. Citizenship

PROFESSIONAL JUDGEMENT

Professional judgment gives the Financial Aid Officer authority to make changes to the cost of education and data elements.

Listed below are a few examples when a professional judgment may be utilized. This is not an all inclusive list.

All cases will be reviewed on a case by case basis. All required documents must be received by the Financial Aid Office.

1. Parent or spouse passes away
2. Divorce or separation has occurred
3. Student's guardianship status changes
4. Loss of income, including Social Security Benefits or loss of employment.

In all cases, including the above listed examples, a statement, including date, description of circumstance, and signature must be provided.

VETERANS TRAINING

Students seeking veteran's educational benefits must contact the VA Certifying Official and/or the Financial Aid Officer. Certification of enrollment is made by the VA Certifying Official. Funding from the Veteran's Administration may be paid directly to the students by the Veteran's Administration office. For other VA funds such as Chapter 33, the funds are sent directly to the school. Below is a list of eligible programs offered by the school:

- Chapter 30 (Montgomery GI Bill)
- Chapter 33 (Post 911 Bill)
- Chapter 35 (Survivors and Dependents Educational Assistance Program – DEA)

See the VA Certifying Official for other Program offerings and for a list of documents needed to apply for VA Educational Benefits at Academy of Cosmetology.

For additional information regarding VA Educational Assistance and to download related forms go to www.va.gov or www.gibill.va.gov

ADDITIONAL INFORMATION, THIRD PARTY SERVICER

Academy of Cosmetology employs "Financial Aid Management for Education" (FAME) who performs the following:

1. Computes and prepares Direct Loan origination records and forward to ED
2. Orders cash for student awards and transmits disbursement data to the Institution's Student Information System.
3. Performs record keeping requirements in accordance with ED regulations
4. Complete and file ED reports:
 - (a) Daily COD reporting and periodic reconciliations
 - (b) Monthly Direct Loan Origination Center Account Statement reconciliations
 - (c) Enrollment Reporting
 - (d) Annual FISAP Report

CODE OF CONDUCT

THE FOLLOWING IS PROVIDED TO COMPLY WITH THE HIGHER EDUCATION OPPORTUNITY ACT OF 2008 WHICH PROHIBIT A CONFLICT OF INTEREST WITH THE RESPONSIBILITIES OF AN OFFICER, EMPLOYEE, OR AGENT OF THE SCHOOL REGARDING TITLE IV LOANS.

Academy of Cosmetology (AOC) as an institution, or any individual officer, employee or agent of AOC shall not enter into any revenue-sharing arrangements with any lender. A revenue-sharing arrangement means an arrangement between AOC and a lender under which the lender provides or issues loans to students attending AOC or to the families of such students; and AOC recommends the lender or the loan products of the lender in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to AOC or its agent.

No officer or employee of AOC who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans, or any of their family members, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans. For purposes of this prohibition, the term "gift" means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a minimum amount.

No officer or employee of AOC who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans, shall not accept from any lender or affiliate of any lender any fee, payment or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to a lender relating to education loans.

AOC shall not: a) for any first- time borrower, assign, through award packaging or other methods, the borrower's loan to any particular lender; or b) refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guarantor agency.

AOC shall not request or accept from any lender, any offer or funds to be used for private education loans to students in exchange for the institution providing concessions or promises regarding providing the lender with: a) a specified number of private education loans (non-Title IV loans) or loans made, insured, or guaranteed under Title IV; b) a specified loan volume of such loans; or c) a preferred lender arrangement for such loans.

AOC shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

Under no circumstances will any employee employed in the admissions or financial aid office receive any form of incentive compensation tied to increases in student enrollments and/or the amount of financial aid awarded to students.

FINANCIAL AID RESOURCES

www.fafsa.gov

www.studentaid.ed.gov

www.studentloans.gov

www.nsls.gov