



Ea La Mar's Cosmetology & Barber College participates in federal financial aid. Please refer to the following refund policy for specific consumer information pursuant to the federal financial aid program.

Federal law determines how the institute must determine the amount of Title IV program assistance a student earns if he or she withdraws from school. The Title IV program funds that are covered by this law are: Federal Pell Grants, Direct Loans, Direct PLUS Loans, and Federal Supplemental Educational Opportunity Grants (FSEOGs).

Though aid is posted to a student's account at the start of each period, the student earns the funds as he or she completes the period. If the student withdraws during the payment period, the amount of Title IV program assistance students earn is determined by a specific formula. If the student receives less assistance than the amount earned, the student may be able to receive those additional funds. If the student received more assistance than earned, the institute must return the excess funds.

Return of title IV Funds: Section 484B of the H.E.A.

The return of Title IV funds as prescribed in Section 484B of the HEA Amendments determines the amount of Title IV aid a student has earned at the time a student withdraws. The amount of the Title IV aid a student has not earned is then returned to the Title IV programs. It is a proportional calculation based on the date of withdrawal through sixty percent (60%) of the payment period. The formula in brief is as follows: The institution will determine the date of withdrawal and then determine the percentage of the payment period attended by the student.

- The institution will determine the amount of Title IV aid for which the student was eligible by the percentage of the time enrolled.
- The institution will compare the amount earned to the amount disbursed. If the amount of aid disbursed exceeds the amount earned, this amount of Title IV aid must be returned.
- The institution allocates the responsibility for returned unearned aid between the school and the student according to the portion of disbursed aid that could have been used to cover institutional charges and the portion that could have been disbursed directly to the student once institutional charges were covered.
- The institution must then distribute the unearned Title IV aid back to the Title IV programs. After this process has been completed, the institution will then perform the calculation of the institutional refund. All refunds will be calculated based on the student's last date of attendance. Any monies due a student who withdraws shall be refunded within 45 days of a determination that a student has withdrawn, whether officially or unofficially.
- In the case of disabling illness or injury, death in the student's immediate family or other documented mitigating circumstances, a reasonable and fair refund settlement will be made.
- If a school closes permanently, and ceases to offer instruction after student have enrolled, and instruction has begun, the school has at its options; provide a pro rata refund; or participate in a Teach-Out Agreement.
- If the school cancels a course and /or program and ceases to offer instruction after student have enrolled and instruction has begun, the school shall at its option:



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- Provide a pro rata refund for all students transferring to another school based on the hours accepted by the receiving school; or
 1. Provide completion of the course and/or program; or
 2. Participate in a Teach-Out Agreement; or
 3. Provide a full refund of all monies paid.

Students who withdraw or terminate prior to course completion are charged a termination fee of \$100.00. This refund policy applies to tuition and fees charged in the enrollment agreement. Other miscellaneous charges the student may have incurred at the institution (EG: extra kit materials, books, products, unreturned school property, etc.) will be calculated separately at the time of withdrawal. All fees are identified in the catalog and in the enrollment agreement

Official Withdrawal Process: If a student wishes to withdraw from school, they must notify the Financial Aid director. The notification may be in writing or orally. The date the notification is received is the date of determination. The Financial Aid director must begin the withdrawal process.

Unofficial Withdrawal Process: For unofficial withdrawals a student's withdrawal date at a school that is required to take attendance is their last day of physical attendance. The date of determination is 14 days after they cease attendance. In both cases the last day of attendance will be used in the return to Title IV calculation. The federal formula requires a Return of Title IV calculation if the student received or could have received (based on eligibility criteria) federal financial assistance in the form of Pell Grants, and Direct Loans during the payment period. The percentage of Title IV aid earned is equal to the percentage of the payment period that was completed as of the withdrawal date if this occurs on or before the 60% point of time. After the 60% point of the payment period (or period of enrollment depending on what the school uses) the student is considered to have earned 100% of the aid for the period. The percentage that has not been earned is calculated by subtracting the percentage of Title IV aid earned from 100%. The percentage of the payment period completed is calculated by the hours scheduled in the payment period as of the withdrawal date divided by the scheduled hours in the payment period. The amount to be returned is calculated by subtracting the amount of Title IV assistance earned from the amount of Title IV aid that was or could have been disbursed as of the withdrawal date.

Summary of actions a school must take before making a post-withdrawal disbursement

The actions a school must take before it may disburse funds from a post-withdrawal disbursement vary depending on the source of the funds. A school must obtain confirmation from a student, before making any disbursement of loan funds from a post-withdrawal disbursement. Without obtaining a student's permission, Title IV grant funds from post-withdrawal disbursement are credited to a student's account to pay for tuition, fees, and room and board (if the student contracts with the school) or disbursed directly to a student. A school must obtain a student's authorization to credit a student's account with Title IV grant funds for charges other than current charges.

Ea La Mar's is permitted to use a student's authorization for crediting the student's account for educationally related expenses that the school obtained prior to the student's withdrawal date so long as that authorization meets the cash management requirements for student authorizations. If the school did not obtain authorization prior to the student's withdrawal, the school would have to obtain authorization in accordance with the cash management requirements before the school could credit the student's account for other current charges or for educationally related activities. Ea La Mar's must credit the student's account with the post-withdrawal disbursement for current charges within 180 days of the date of determination. Ea La Mar's must disburse any amount of a post-withdrawal disbursement



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of grant funds that is not credited to the student's account. Moreover, the school must make the disbursement as soon as possible but no later than 45 days after the date of the school's determination that the student withdrew.

Post Withdrawal Disbursement

If the student receives less federal student aid than the amount earned, the school must offer a disbursement of the earned aid that was not received. This is called a post-withdrawal disbursement. If the student receives more Title IV Aid than the amount earned, the school, the student, or both must return the unearned funds in a specified order.

Order of Return of Title IV Funds

First, unearned funds returned by Ea La Mar's Cosmetology & Barber College or the student, as appropriate must be credited to outstanding balances on title IV on behalf of the student for the payment period for which a return of funds is required. Those funds must be credited to outstanding balances for the payment period for which a return of funds is required in the following order:

1. Unsubsidized Federal Direct Stafford loans.
2. Subsidized Federal Direct Stafford loans.
3. Federal Direct PLUS received on behalf of the student

Then, if unearned funds remain to be returned after repayment of all outstanding loan amounts, the remaining excess must be credited to any amount awarded for the payment period for which a return of funds is required in the following order:

1. Federal Pell Grants.
2. Other federal, state, private and/or institutional sources of aid; and
3. The student.

Post-withdrawal disbursements

Summary of actions a school must take before making a post-withdrawal disbursement

The actions a school must take before it may disburse funds from a post-withdrawal disbursement vary depending on the source of the funds. A school must obtain confirmation from a student, or parent for a Direct Parent PLUS Loan, before making any disbursement of loan funds from a post-withdrawal disbursement. Without obtaining a student's permission, Title IV grant funds from a post-withdrawal disbursement are credited to a student's account to pay for tuition, fees, and room and board (if the student contracts with the school) or disbursed directly to a student. A school must obtain a student's authorization to credit a student's account with Title IV grant funds for charges other than current charges.

Post-withdrawal disbursement of Title IV grant funds

Ea La Mar's Cosmetology & Barber College is permitted to credit a student's account with the post-withdrawal disbursement of Title IV grant funds without the student's permission for current charges for tuition, fees, and room and board (if the student contracts with the school) up to the amount of outstanding charges. A school must obtain a student's authorization to credit a student's account with Title IV grant funds for charges other than current charges.

Ea La Mar's Cosmetology is permitted to use a student's authorization for crediting the student's account for educationally related expenses that the school obtained prior to the student's withdrawal date so long as that authorization meets the cash management requirements for student or parent authorizations. If the school did not obtain authorization prior to the student's withdrawal, the school



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would have to obtain authorization in accordance with the cash management requirements before the school could credit the student's account for other current charges or for educationally related activities. Ea La Mar's Cosmetology & Barber College must credit the student's account with the post-withdrawal disbursement for current charges within 180 days of the date of determination. A school must disburse any amount of a post-withdrawal disbursement of grant funds that is not credited to the student's account. Moreover, the school must make the disbursement as soon as possible but no later than 45 days after the date of the school's determination that the student withdrew.

Post-withdrawal disbursement of Title IV loan funds

Ea La Mar's Cosmetology & Barber College must notify a student, in writing prior to making any post withdrawal disbursement of loan funds, whether those loan funds are to be credited to the student's account or disbursed directly to the student. The information provided in this notification must include the information necessary for the student, to make an informed decision as to whether the student would like to accept any disbursement of loan funds and must be provided within 30 days of the date of a school's determination that a student has withdrawn. In addition, the notice must request confirmation of any post-withdrawal disbursement that the student, as applicable, wishes the school to make. The notice must identify the type and amount of the loan funds it wishes to credit to the student's account or disburse directly to the student, explain that a student, may accept or decline all or a portion of the funds. The notice must also explain to the student, the obligation to repay the loan funds whether they are disbursed to the student's account or directly to the borrower. The notice must also make clear that a student, may not receive as a direct disbursement loan funds that the institution wishes to credit to the student's account unless the institution agrees to do so. If the student, does not wish to accept some or all of the loan funds that the institution wishes to credit to the student's account, the institution must not disburse those funds. In the information a school provides to a student when the school informs the student that he or she is due a post- withdrawal disbursement of loan funds, the school should include information about the advantages of keeping loan debt to a minimum. If a post-withdrawal disbursement includes loan proceeds, unless the recipient needs the funds to pay educational costs, Ea La Mar's suggest that the student cancel the loan. With a student's permission, Title IV grant funds due a student in a post-withdrawal disbursement can be used to pay down a Title IV loan, thereby reducing any post-withdrawal disbursement made directly to the student. The school must document the result of the notification process and the final determination made concerning the disbursement and maintain that documentation in the student's file. If a school has completed post-withdrawal loan notification and confirmed a student's desire for any Direct Loan funds included in the post-withdrawal disbursement, the school is permitted to credit a student's account with the post-withdrawal disbursement without additional permission from the student for current charges. A school may combine providing loan counseling, obtaining authorization to credit loan funds to a student's account for outstanding charges, and obtaining authorization to make a direct disbursement to the student. Once a school has received confirmation from a student, that he or she wants to receive the post-withdrawal disbursement of loan funds, a school must make the post-withdrawal disbursement of Title IV loan proceeds as soon as possible but no later than 180 days after the date of the school's determination that the student withdrew.

Crediting a student's account

Ea La Mar's Cosmetology & Barber College will not request Title IV funds for a post-withdrawal disbursement unless and until it has determined that it can disburse any post-withdrawal disbursement within three business days of receiving the funds. The requirements for the treatment of Title IV funds when a student withdraws reflect the cash management requirements for disbursing Title IV funds. An

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institution must obtain a student's authorization to credit a student's account with Title IV funds for charges other than current charges for tuition and fees. Outstanding charges on a student's account are charges for which the institution will hold the student liable after the application of any applicable refund policy. These are the institutional charges, after any adjustment, that reflect what the student will owe for the current term after his or her withdrawal, any other current charges, plus any permitted minor prior year charges. Notice to a student offering a post-withdrawal disbursement flexibility in notifying students To avoid having to contact a student multiple times, a school may use one contact to: Notify a borrower about his or her loan repayment obligations; Obtain permission to credit loan funds to a student's account to cover unpaid institutional charges; Obtain permission to make a post-withdrawal disbursement of grant or loan funds for other than institutional charges; and Obtain permission to make a post-withdrawal disbursement of loan funds directly to a student. Ea La Mar's Cosmetology & Barber College will send the notification as soon as possible, but **no later than 30 calendar days after the date that the school determines the student withdrew.**

Title IV Aid to be Disbursed or Returned Policy

In the notification, the school must advise the student that an institution may set a deadline of 14 days or more. Any deadline must apply to both confirmation of loan disbursements to the student's account and direct disbursements of a post-withdrawal disbursement. The notification must make it clear that if the student or parent does not respond to the notification within the time frame, the school is not required to make the post-withdrawal disbursement. However, a school may choose to make a post-withdrawal disbursement based on an acceptance received from a student or parent after the school's deadline.

A school that chooses to honor a late response must disburse all the funds accepted by the student or parent as applicable. The school cannot credit the student's account in accordance with the student's request but decline to disburse post withdrawal funds accepted as a direct disbursement. If a response is not received from the student or parent within the permitted time frame or the student declines the funds, the school must return (or, in the case of grant funds, re-disburse to another eligible student) any earned funds that the school was holding to the Title IV programs. If a student or parent submits a timely response accepting all or a portion of a post-withdrawal disbursement, per the student's or parent's instructions, the school must disburse the loan funds within 180 days of the date of the institution's determination that the student withdrew.

Note that the date of the institution's determination that the student withdrew is the same date that triggers the 30-day period that the school has for notifying the student or parent of any post-withdrawal disbursement available for direct disbursement. Consequently, the sooner a school sends the notification to a student, the more time the school has to make any accepted post-withdrawal disbursement.

If authorization from a student is received after the deadline and the school chooses not to make a post-withdrawal disbursement of loan funds, the school must notify the student that the post- withdrawal disbursement will not be made and why. This notification must be made in writing. If an authorization from the student is never received, or if the school chooses to make a post- withdrawal disbursement of loan funds per the recipient's instructions on an authorization received after the deadline, the school does not need to notify the student.