

## 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.nsls.ed.gov](http://www.nsls.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.

## **Verification Policy**

Verification is a process which requires an institution to confirm the accuracy of information used to determine a student's eligibility for federal student assistance. A student's file may be selected for verification by either the school or by the U.S. Department of Education.

If a student's file has been selected for review under the verification process, depending upon the reason the file was selected, some of all of the following information may be requested from the student:

- A completed Verification Worksheet, signed by the student, spouse or parent when applicable.
- A copy of an IRS Tax Return Transcript from the U.S. Internal Revenue Service will be required unless the student (and parents where applicable) have properly used the IRS Data Retrieval Tool to import tax information into the student's FAFSA record. A Tax Return Transcript will serve to confirm the accuracy of income and other tax related amounts that the student reported on his/her FAFSA application if the IRS/DRT has not been used.

### **Obtaining Tax Return Transcripts**

Students can obtain tax return transcripts:

- Via the Internet at [www.irs.gov](http://www.irs.gov)
- Via phone by calling 1-800-908-9946
- Via mail or fax by completing IRS Form 4506T-EZ

Internet and phone requests are easy and tax return transcripts will be mailed to the tax filer's address within 5-10 days.

Submission of Form 4506T-EZ can authorize mailing of the transcript to a third party (such as the institution) but will take approximately 30 days.

- Other documentation may be requested by the institution to verify the accuracy of your application information including, but not limited to, marital settlement agreements, divorce decrees, W-2 forms, etc.

Students must provide the above information to the institution within 30 days once the student has been selected for verification and no later than 120 days of the student's last date of attendance, or before the respective award year funding processes close in accordance with dates published annually in the Federal Register, whichever is earlier. Failure to complete the verification requirements on a timely basis may result in forfeiture of any federal aid awarded during the award year.

Students will be notified by the institution if any discrepancies are discovered during the verification process. Students may be required to correct any erroneous information by using the ISIR correction process at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). The verification process is not considered to be completed during periods of corrective action. Corrections generally include a recalculation of the student's EFC, and electronic resubmission of applicant information through the FAFSA Central Processor.

If a student's award changes as a result of the verification process, the student will be counseled and informed of how the change affects his/her packaging and financial obligations to the institution.

In the event this verification process identifies that a student received an overpayment of federal aid, the student will be required to refund the overpayment promptly. The student will be ineligible for any future federal aid until any and all amounts owed are repaid. If the student fails to repay any refund due, or if the institution determines that the student may have engaged in fraud or misrepresentation regarding the federal aid process, the student will be referred to the U.S. Department of Education for further investigation and prosecution.

***Students will forfeit their right to federal assistance for non-compliance with verification policies.***