

**ARNOLD'S BEAUTY SCHOOL
REFUND AND REPAYMENT POLICY AND PROCEDURE**

Tuition refunds will be based on the period of enrollment computed on the basis of course time expressed in clock hours. The effective date of termination for refund purposes will be the last date of attendance. A full refund will be made to any student who cancels the enrollment agreement prior to enrollment.

Should the student terminate or withdraw after entering the course, the school will retain the non-refundable \$100 registration fee along with the amounts due for books and supplies that have been issued at the time of withdrawal.

No refunds will be made after completing 60% of the course. (Cosmetology 900 hours)

The school will determine the percentage of tuition earned by dividing the number of hours a student acquired by the total course hours according to the schedule below:

% of Time Completed to Total Time of Course in Clock Hours	% of Refund
.01%-10%	90%
10.01%-25%	50%
25.01%-50%	25%
50.01% or over	0%

All refunds will be consummated within 30 days from the effective date of withdrawal. Student hours will not be released for certification while the student owes a balance on his/her tuition, books and supplies, and/or fees. The ability to transfer credits from Arnold's Beauty School to another educational institution may be limited. Credits may not transfer, and/or you may have to repeat courses previously taken at Arnold's Beauty School if you enroll in another educational institution. It is highly recommended to become familiar with the transfer of credit policy of Arnold's Beauty School and other educational institutions that one may want to transfer credits to in the future before enrollment.

Federal regulations require continuous attendance and satisfactory progress at school. If continuous attendance and/or satisfactory attendance are not maintained, the student may lose eligibility for Title IV Financial Aid.

A student who withdraws or is administratively terminated from the school may be eligible to receive a refund for all or a portion of the tuition, fees and other school charges that were paid to the school for the payment period, based upon calculations per the above chart. However, if the student received Title IV Financial Aid, all or a portion of the refund will be returned to the Financial Aid programs, as described below:

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Federal Return of Title IV Funds Policy

This institution complies with the Federal regulations for the return of Title IV Funds. This formula dictates the amount of Federal Title IV aid that must be returned to the Federal government by the school and, in some cases by the student.

Funds for any Title IV recipient who completely withdraws before the 60% point in time from a term, payment period, or period of enrollment must be returned according to the formula. Federal Return of Title IV refunds calculation must be performed prior to any institutional refund calculations.

Title IV Funds include Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (FSEOG), Federal Stafford Loans (Subsidized and Unsubsidized), Federal PLUS Loans, and Federal Perkins Loans,

The Student Financial Aid Officer will be responsible for the calculations and the Return of Title IV Funds.

Payment Periods

The Cosmetology Program is a clock-hour based program with payment periods defined as:

<u>Hours</u>	<u>Weeks</u>
1. 0-450	1. 15 weeks
2. 451-900	2. 15 weeks
3. 901-1200	3. 10 weeks
4. 1201-1500	4. 10 weeks

Note: If funds were released to a student because of a credit balance on the student's account, then the student may be required to repay some of the Title IV funds if the student withdraws.

Examples and worksheets used to determine the amount of refund or return of Title IV aid are available upon request. The Accreditation Commission/Institutional Refund Policy remains in effect. (see above)

Consequences of Withdrawing

If funds were released to a student because of a credit balance on the student's account, then the student may be required to repay some of the federal grants if the Title IV Funds if the student withdraws. A student's grace period for repayment of Direct Loans may begin at the start of determination of withdrawal. In addition, if Title IV funds must be returned, the student may end up with a balance due to the school.

Return of Title IV Calculation Procedure

If a student has liability of R2T4 funds, the Financial Aid Office will notify the student within 30 days of official or unofficial withdrawal. The school will return Title IV Federal Funds to the allocated Federal Funds account to be drafted by the COD with assistance of Weber.

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The institution will be responsible for the Return of Title IV funds. The following steps will be taken in calculation of the return.

- 1.The institution will enter the cost of education and determine the Last Date of Attendance (LDA).
- 2.A Return of Title IV Calculation Form will be utilized by the institution to find the amount of funds that will be returned. The Institution's servicer, Weber and Associates, assists our institution with a service portal known as VFAO that contains the Calculation Form.
- 3.The institution will input all Title IV disbursements listed as paid and disbursed by the institution. The calculation from VFAO will determine the refund amount and order of Return of Title IV Funds.
- 4.The completed calculation will be sent to Weber and Associates to determine the information is correct. Weber and Associates will then transmit the report to COD.
- 5.Once repayment amounts are verified, the Financial Aid Officer will transfer repayments from the Federal Funds account to G-5. The transfer will then be reported to Weber and Associates, who will report to COD.
- 6.Return of Title IV fund calculation must be processed within 30 days of date of determined withdrawal.

An example of the Return to Title IV Calculation:

If Institutional charges are \$9990 that spans two payment periods of 450 clock hours each, and the student withdrawals before 60% of the second period is complete, Title IV funds must be returned for the 450 hour period that is prorated at \$4995. The calculation of return amount will be completed by determining the amount disbursed, amount that could have been disbursed, and percentage of hours scheduled to complete versus total hours in period. Those amounts will be multiplied to determine the amount of Title IV Earned. That amount will then be subtracted from the total amount disbursed to the student, which will determine the amount due for Return of Title IV.

Order of Distribution of Funds/Return of Title IV Funds

If it is determined that the R2T4 is required in accordance with Federal Accreditation/Institutional program, the returns must be applied to the appropriate program in the following order:

TITLE IV Financial Aid

- 1.Federal Unsubsidized Direct Loans
- 2.Federal Subsidized Direct Loans
- 3.Federal Direct PLUS Loans
- 4.Federal Pell Grants for which a return is required
- 5.FSEOG

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OTHER

1. State, private, or institutional funds
2. Student

Timeframe for Return of Title IV Funds

All unearned funds must be returned to the Department within 45 days from the determination of student's withdrawal.

Official Withdrawal Procedures

- 1) Notify Financial Aid Officer or Director of intention to withdrawal by making an appointment in the Financial Aid Office
- 2) Fill out Withdrawal Form
- 3) If Federal Direct Student Loans are owed, student must complete the Student Loan Exit Information Form

Refunds will be calculated at the beginning of each month after the Tennessee State Board of Cosmetology and Barber Examiners monthly hour report is completed. Refunds will be consummated within 30 days from the effective date of withdrawal.

Withdrawal date is determined as follows: Student's last day of attendance at academically related activity.

Unless a student does not return, an approved leave of absence is not a withdrawal, and the student does retain in-school status. For a borrow who does not return from an approved leave, the grace period starts retroactively to the date the leave began.

Procedure to Determine Unofficial Withdrawals

An Unofficial Withdrawal consists of when a student leaves the school without official notifying the school of withdrawal. The withdrawal date will be determined based on attendance records that show when the student ceased attending school. The institution will determine the withdrawal date for an unofficial withdrawal within 30 calendar days from (shortest time frame):

1. End of payment period
2. End of academic year
3. End of student's educational program

Determination of Last Day of Attendance (LDA)

If a student is absent for 14 days, the school will contact the student to determine if they intend to stay enrolled or withdraw. If student withdraws, the timeframe for completing Return of Title IV calculation begins. The Last Day of Attendance will be determined by reviewing the attendance records to see the

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last day of attendance in classrooms and/or institution related activities. The date of withdrawal should be no later than 14 days after the last date of attendance in records

Procedure for Post Withdrawal Disbursement for Title IV Grants

- 1.The institution will notify the student, or Parent for a Direct Parent PLUS Loan, and receive authorization before making a post-withdrawal disbursement.
- 2.The institution must make a post withdrawal disbursement within 180 days of the determined date of withdrawal. If a student has died, a post-withdrawal disbursement will not be made to the account or estate of the student.
- 3.Grant funds must be made available for post-withdrawal disbursements prior to the disbursement of the available loan funds.
- 4.The institution will credit the student's account within 180 days from the date of post-withdrawal disbursement determination.
- 5.The institution will disburse non-credited post-withdrawal disbursement of grant funds within 45 days from the student's withdrawal date.

Procedure of Post Withdrawal Disbursement of Title IV Loan Funds

- 1.The school will notify a student, or parent for a Direct Parent PLUS Loan, within 30 days of withdrawal date, prior to making post-withdrawal disbursements of loan funds. Included in the notification to help the parties make an informed decision will be:
 - a. Type and amount of loan funds that may be credited to the student's account
 - b. Ability to accept or decline all portions of the fund
 - c. If accepted, the obligation to repay loans whether disbursed to the student's account or directly to the borrower
 - d. Minimum loan debt advantages
 - e. Option to cancel loan or pay toward other Title IV loans
- 2.The documentation of the notification and determination must be maintained in the student's file
- 3.The school will make loan proceeds no later than 180 days from the school's determination of the student's withdrawal

Process of Overpayment of Federal Grant Funds

Students with overpayments as a result of withdrawals may retain Title IV funds for 45 days from the date of notice of overpayment.

After overpayment has been determined by the school, the school has 30 days to notify the student that

1. Overpayment of Title IV funds are owed, and the student needs to contact the institution

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2. If student does not act in 45 days from date of notification, eligibility for additional funds will end
3. To extend eligibility, a student may:
 - a. re-pay overpayment in full to the institution
 - b. sign a repayment agreement (2 years maximum)
4. If student fails to act within 45 days, the institution will report to NSLDS and utilize a Default Resolution Group

Examples and worksheets used to determine the amount of refund or return of Title IV aid are available upon request.

Responsibility for Returning Funds

If a student has liability of R2T4 funds, the Financial Aid Office will notify the student within 30 days of official or unofficial withdrawal. The school will return Title IV Federal Funds to the allocated Federal Funds account to be drafted by the COD with assistance of Weber & Associates.

Distribution of Funds

If a student is entitled to receive a refund, or a return of Title IV funds in accordance with the federal/accreditation/institutional policies, the return of funds must be applied to the appropriate program in the following order:

TITLE IV Financial Aid

1. Federal Unsubsidized Direct Loans
2. Federal Subsidized Direct Loans
3. Federal Direct PLUS Loans
4. Federal Pell Grants for which a return is required
5. FSEOG

OTHER

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PROCEDURES

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Withdrawal date is determined as follows:

Student's last day of attendance at academically related activity.

Unless a student does not return, an approved leave of absence is not a withdrawal, and the student does retain in-school status. For a borrow who does not return from an approved leave, the grace period starts retroactively to the date the leave began.