

## **FEDERAL STUDENT AID (FSA)**

ABCSD is approved for and participates in the Department of Education (ED), Title IV; Federal PELL Grant Program (FPELL), Federal Supplemental Educational Opportunity Grant (FSEOG), and Federal Direct Loan Program (FDLP) (Subsidized Federal Direct Loan, Unsubsidized Direct Loan, Parent PLUS). Title IV funds are intended to defray the costs of attending for those students eligible for financial aid considerations.

Financial aid is a mechanism that reduces out-of-pocket costs that the student and parents must pay to obtain a specific postsecondary education. Financial aid is money made available to help students meet their cost of attendance for both direct and indirect expenses. Financial aid includes grants and student loans. Grants do not have to be repaid. Financial aid is awarded to students who have "need." The need is the difference between the amount of money the family will be expected to contribute to meet student costs and the cost of education at this school.

ABCSD offers financial aid for students who qualify. While attending college, qualified students can apply for and receive Federal Pell Grant, Federal Direct Loan Program (FDLP). FPELL is gift-aid from Federal Government for students who qualify. Students do NOT need to pay back the FPELL. Payments are due for the Subsidized and Unsubsidized loans six (6) months after the student leaves school. This departure date refers to graduation, as well as an early withdrawal. If the student does not finish the program, ABCSD will refund any unused Title IV to the lender; however, the student is responsible for any funds ABCSD keeps for tuition needs.

The Studentaid.gov website is the U.S. Department of Education's homepage for student aid. It provides information on types of aid available, as well as how to apply for and manage financial aid. It receives data from schools, agencies that guaranty loans, the Direct Loan program, and other U.S. Department of Education programs. Studentaid.gov provides a centralized integrated view of Title IV loans and grants that are tracked through their entire cycle from aid approval through closure. Students can use the website to view financial aid history. The site displays information, located on the individual's dashboard on loan and/or grant amounts, outstanding balances, loan statuses, disbursements. The Glossary of Terms contains information on terms relating to loans and grants and the different types of financial aid available and how to apply for them.

For assistance in obtaining institutional or financial aid Information contact the on-site Financial Aid Administrator, Martha Sanchez at [financialaid@associatedbarbercollege.edu](mailto:financialaid@associatedbarbercollege.edu), or by calling (619) 234-7703 ext. 106.

## **GRANT PROGRAMS**

### **Federal Pell Grant**

This federal student grant program is designed to help any eligible undergraduate student pursuing a post-secondary school education. The value of a 2023-2024 Federal Pell Grant varies from \$767 to \$7,395 depending on the expected family contribution (EFC) and cost of education (COA). This program is the foundation for most financial aid awards. Effective July 1, 2023, (2023/2024 Award Year) the maximum amount is \$7,395 and the corresponding maximum Pell Grant eligible expected family contribution (EFC) is \$6,656. Pell Grant formula 4 is used for all programs to award Pell Grant funds.

### **Federal Supplemental Education Opportunity Grant (FSEOG)**

Federal Supplemental Educational Opportunity Grant (FSEOG) is an additional grant made available to undergraduate students that demonstrate through the FAFSA® process of having exceptional need. ABCSD identifies student's with "exceptional need" as those with a zero EFC. The FSEOG does not need to be repaid.

Effective July 1, 2021, the Department of Education approved Associated Barber College of San Diego to participate in the FSEOG. This campus-base fund is allocated annually by the U.S. Department of Education and is managed by the school. The school is responsible for awarding available funds to its eligible students. Students who have earned a bachelor's or first professional degree is NOT eligible to receive FSEOG. The FSEOG amount award ranges from \$300 to \$4,000 per academic year based on

### **Federal Supplemental Education Opportunity Grant (FSEOG) (Con't)**

the availability of funds. The amount is subject to proration for less than a full academic year. Awards are based on available funds, and priority is granted to students with "exceptional need first. Available funds may be extended to students with a higher EFC based upon availability of funds for the award year.

### **Cal Grant Program**

Effective August 2020, Associated Barber College of San Diego was approved to participate in the Cal Grant program specific to California residents—the California Student Aid Commission awards Cal Grants to eligible students. The Cal Grant is a California-specific financial aid allocation that is not paid back. A Cal Grant applicant must apply for the FAFSA® or CADAA by the deadline and meet all eligibility, financial, and minimum GPA requirements of their program. There are three kinds of Cal Grants – A, B, and C, which is based on the FAFSA® or CADAA responses, verified by a Cal Grant GPA, determine student eligibility. For more specific information, visit <https://www.csac.ca.gov/cal-grants> or meet with the school's Financial Aid Administrator.

### **California Dream Act**

Associated Barber College of San Diego is a private for-profit school and is eligible for funding under the California Dream Act (AB 540) which provides in-state tuition benefits for undocumented students and certain other students who attend public universities in California. Undocumented AB540 student are not eligible for federal student aid, including Pell and other grants, government loans, and federal work study, however, may be eligible for Cal Grant through the California Dream Act program. For more information visit the Student Aid Commission at [www.csac.ca.gov](http://www.csac.ca.gov). Federal financial aid is not available for students who are applying as nonimmigrant alien international students under an M-1 Visa status.

## **FEDERAL DIRECT LOANS**

**Federal Direct Subsidized Loan:** This program is a low rate, long-term loan program for undergraduate students who have demonstrated financial need. The U.S. Department of Education generally pays the interest while the student is in school and during specific other periods. The maximum a student may borrow at ABCSD is up to \$3500 for the first academic year and up to 4,500 for the second academic year, subject to the Barbering/Cosmetology Programs proration.

Federal Direct Subsidized interest rates are capped at a 5.50 percent interest rate for July 1, 2023, and before June 30, 2024. Repayment begin six months after the student completes or terminates their education or becomes less than a half-time student. The Federal Direct Subsidized interest rate changes effective July 1, 2023, and online at [StudentAid.gov/interest](http://StudentAid.gov/interest) or the Financial Aid Office. A Federal Direct Loan borrower must complete a Master Promissory Note (MPN) by accessing the [studentaid.gov](http://studentaid.gov) website.

### **Federal Direct Unsubsidized Loan:**

This program is a federal loan program designed to allow students who do not qualify for national interest subsidies under the Direct Subsidized loan program to obtain a Direct Unsubsidized loan. The borrower is responsible for all interest. Financial need is not required. The maximum amount an independent student may currently borrow at ABCSD is up to \$6,000 in addition to the Direct Stafford loan for the first and second academic years. The maximum amount a dependent student may currently borrow is up to \$2,000. The second academic year loan amount is subject to proration for the Barbering/Cosmetology Programs.

If a student does not qualify for a Direct Stafford Loan or some portion of the loan, they may borrow the remaining amount under the Unsubsidized Direct program. The interest rate is capped at 5.50 percent interest rate first disbursed between July 1, 2023, and June 30, 2024. Repayment begin six months after the student completes or terminates their education or becomes less than a half-time student. The Federal Direct Unsubsidized interest rate changes effective July 1, 2023, and online at [StudentAid.gov/interest](http://StudentAid.gov/interest) or the Financial Aid Office.

**Entrance Counseling Requirement:** ABCSD requires entrance counseling with Federal Direct Subsidized or Direct Unsubsidized Loan student borrowers before making the first disbursement of the proceeds of a loan to a student borrower, unless the student borrower has received a prior Direct Student Loan, Direct Unsubsidized Loan, Subsidized or Unsubsidized Federal Stafford Loan, or Federal SLS Loan (34CFR 685.304(a)). The entrance counseling ensures that the terms and conditions of the loan and rights

### **Entrance Counseling Requirement (con't)**

and responsibilities are understood. Students will learn about student loans, how interest works, options for repayment, and how to avoid delinquency and default. The entrance counseling is via an interactive session for undergraduate students is completed online at [www.studentaid.gov](http://www.studentaid.gov). The Financial Aid Office also provides in-person counseling to re-iterate the terms and conditions of borrowing loans and to answer questions. The School will receive confirmation electronically from the U.S. Department of Education when the student completes entrance counseling.

**Exit Counseling Requirements:** ABCSD requires exit counseling with each Direct Subsidized Loan or Direct Unsubsidized Loan borrower shortly before the student borrower ceases at least half-time study at the school. The exit counseling session is typically in-person and via interactive electronic means. The exit counseling interactive session is completed online at [www.studentaid.gov](http://www.studentaid.gov) within 30 days after the student borrower completes the program (34CFR685.304(b)). If the borrower withdraws without Notice or before completing the exit counseling as required, the exit counseling materials are mailed to the borrower's last known address within 30 days of the school's date of determination.

### **Federal Direct PLUS Loans:**

This is a competitive interest rate loan that provides additional funds to help parents pay for the educational expenses of a dependent student. The interest rate is 8.05 percent interest rate for loans first disbursed between July 1, 2023, and June 30, 2024. Effective July 1, 2023, the interest rate changes can be obtained online at StudentAid.gov/interest or the financial aid office. Repayment begins approximately 60 days after the first disbursement of the loan. The maximum amount to borrow is based on the cost of attendance minus any estimated financial assistance or other resources awarded during the academic year.

The borrower is responsible for all interest, and the student must be enrolled at least half-time. Financial need is not required, and the borrower may not have adverse credit. A negative credit situation will allow the student to borrow additional unsubsidized loan funds.

**Office of the Ombudsman FSA:** The U.S. Department of Education has an Ombudsman Office that is neutral, informal, confidential. It is the final resource after looking for help through other customer service avenues at the school. Any concerns related to the financial aid office can be addressed with the Associate Director. If the student is not satisfied, contact the Ombudsman to file an on-line assistance request through <https://studentaid.gov/feedback-ombudsman/disputes/prepare> or by mail at U.S. Department of Education, FSA Ombudsman Group, 830 First Street, N.E., Mail Stop 5144, Washington, D.C. 20202-5144. Phone: 202-377-3800 or (1-877-557-2575), Fax: 202-275-0549 Email: [fsaombudsmanoffice@ed.gov](mailto:fsaombudsmanoffice@ed.gov), website: <http://StudentAid.gov/ombudsman>

## **GENERAL FINANCIAL AID INFORMATION**

If you wish to apply for FSA or have questions or need the Catalog and school website section clarified, contact the Financial Aid Office at the school. Martha Sanchez is the Financial Aid Administrator and can be reached at (619) 234-7703 x106. The Financial Aid Office is open Tuesday – Friday, 8:00 am – 3:30 pm. Additional Federal Student Aid program information may be found in "Funding Education Beyond High School" and the "Free Application for Federal Student Aid" published by the US Department of Education. (<https://studentaid.gov/sites/default/files/funding-your-education.pdf>). Additional information may be obtained by calling the Federal Student Aid Information Center at 1-800-433-3243, TTY 1-800-730-8913, or [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

## COMPLIANCE STATEMENT

The Federal Privacy Act of 1974 requires students to be notified that disclosing their social security number is mandatory. The social security number is used to verify student identity, process the awarding of funds, collect funds, and trace individuals who have borrowed funds from federal, state, or private programs. Suppose a student obtains a loan to pay for an educational program. In that case, the student will be responsible for repaying the total loan amount plus interest, less any refund. If the student has received federal student financial aid funds, the student is entitled to a refund of the money not paid from federal student financial aid program funds.

## APPLYING FOR FINANCIAL AID

Students interested in financial aid at ABCSD must follow these procedures:

1. Complete the enrollment paperwork (application, high school diploma or its equivalent), provide a valid government issued photo ID, and provide a copy of Social Security Card . The Enrollment Application form and FAFSA® website can be found on the ABCSD's website or in person.
2. Meet the Financial Aid Administrator to outline the qualification for grant and loan eligibility.
3. The Financial Aid Administrator utilizes a need analysis system through a third-party servicer (FAS) to determine eligibility for financial aid programs.
4. The Free Application for Federal Student Aid (FAFSA®) and other documents are reviewed by the Office of Financial Aid at the time of the student's financial aid interview and eligibility is determined.
5. The application fee and STRF fee are non-refundable and is not covered by financial aid.

## STUDENT ELIGIBILITY REQUIREMENTS

To be eligible for financial aid, a student must:

- Be admitted as a regular student;
- Be enrolled or accepted for enrollment in an eligible program on at least a half time basis;
- Be a citizen or an eligible non-citizen;
- Not owe a refund on a FPELL Grant or FSEOG at any school;
- Not be in default on a Perkins Loan or Stafford Loan/SLS/PLUS/Direct Loan at any school;
- Have financial need;
- Be making satisfactory progress (as defined by school policy) in the program ;
- Have a high school diploma (or foreign equivalent); have a GED;
- Must be 17 years old at the time of enrollment.

## APPLICATION FOR FINANCIAL AID, PROCEDURES AND FORMS:

The financial aid application is the Free Application for Federal Student Aid (FAFSA®). The student fills out the FAFSA® form online at [www.studentaid.gov](http://www.studentaid.gov). The applicant must add the Associated Barber College school code (041927) to the FAFSA® application for the school to receive the SAR/ISIR information. The Financial Aid Office may require additional documentation to substantiate the data entered on the form. Forms and assistance in completing them are available at ABCSD during administrative office hours. In addition to the FAFSA®, ABCSD may require a series of documents to apply to the individual student aid program and the student's family circumstances. Students are given a Financial Aid Estimate upon receiving a valid ISIR. An Award Offer Letter is issued once all documents are received and confirmed as accurate.

**DEADLINE:** A FAFSA® application must be submitted through [studentaid.gov](http://studentaid.gov) on or before June 30, of the prior year on which the application is intended. SAR or ISIR must be submitted to the Financial Aid Office by June 30, 2023, of the award year from which aid is requested or your last day of enrollment in the previous award year, whichever comes first. For Cal Grant or Dream Act applicants, the FAFSA® or CADAA must be submitted by the March 2 deadline.

**RENEWAL PROCESS:** An SAR or ISIR is valid for one award year (July 1 to June 30 of the following year) and is NOT automatically renewed for the next award year. Students must re-apply for the FPELL Grant and submit a copy of the NEW SAR or ISIR to the financial aid office.

**DISBURSEMENTS:** ABCSD issues financial aid disbursements each payment period via electronic funds transfer (EFT). A Disbursement Notice is issued to the student in person by the Financial Aid Office. The funds will be applied as a direct credit to the student's tuition account. Excess proceeds check(s) are released to the student or parent within 14 days. The student's credit balance check can be picked up by the student in the Administration Office. Identification and signature are required.

**PROFESSIONAL JUDGMENT (PJ):** ABCSD may exercise professional judgment to accommodate a student with unique situations. PJ allows the Financial Aid Office to exercise its decision based on students who apply for federal student aid and have extenuating circumstances that do not conform with standardized policy or procedures. The financial aid decision is made on a student case-by-case basis. Additional documents to support your request will be required for consideration and are not guaranteed acceptance. ABCSD will not accept professional judgment decisions made by other schools or universities. The decision of ABCSD regarding professional judgment is final and cannot be appealed to the U.S. Department of Education. If there are unusual circumstances that have occurred, please discuss them confidentially with the Financial Aid Office.

**DEPENDENCY OVERRIDES:** ABCSD can override an applicant's dependency from dependent to independent. The Financial Aid Administrator has the authority to make the decision on a case-by-case basis involving documented unusual circumstances. Students will be requested by the Financial Aid Office to provide supporting documentation on an annual basis since the override cannot be automatically renewed each year.

The following Dependency Override include, but not limited to:

- Abandonment by parents
- An abusive family environment that threatens the student's health or safety
- The student being unable to locate their parents

**NOTE:** A parent's refusal or unwillingness to contribute to the student's education will not be acceptable for a Dependency Override.

**For additional consumer information on Federal Financial Aid programs, request "Funding Education Beyond High School" (<https://studentaid.gov/sites/default/files/funding-your-education.pdf> published by U. S. Department of Education.**

#### **DETERMINING FINANCIAL AID NEED**

The information you report on the FAFSA® form when you apply for aid, is used in a formula established by US Congress that calculates your Expected Family Contribution. ABCSD utilizes the Free Application for Federal Student Aid (FAFSA®) for students applying for aid. This form will be processed by a contractor of the U.S. Department of Education at no cost to the student. The results will be provided in the form on a Student Aid Report (SAR) with the calculation of the Expected Family Contribution (EFC).

Financial Aid need equals the difference between the stated costs of attending the college minus the EFC, and other resources available to the student. Stated cost includes, tuition, fees, books, supplies, room, board, transportation, personal and related expenses of a student based on their status with parent or away from parent.

The estimated family contribution is based on the federal government the amount of funds the financial aid applicant and/or parents can contribute toward meeting educational costs.

## COST OF ATTENDANCE

The total amount it will cost a student to go to school. This school uses the 2023-2024 annual budget published by the California Student Aid Commission. The example of the figures below is based on the 1500 clock hour Barber program. Figures are adjusted based on the length of the program.

### **With Parent**

*First Academic Year (900 clock hours/ min of 26 weeks)*

Tuition and Fee - \$13,347.00

Books and Supplies - \$600.00

The Cost of Attendance for 2023-2024 indirect costs for the first academic year is:

Room and Board - \$7,875 (\$1,125 mo. Multiplied by 7)

Transportation - \$1,253 (\$179 mo. Multiplied by 7)

Personal - \$2,807 (\$401 mo. Multiplied by 7)      Approx. Loan Fee - \$56

### **Away from Parent**

*First Academic Year (900 clock hours/min of 26 weeks)*

Tuition - \$13,347.00

Books and Supplies - \$600.00

The Cost of Attendance for 2023-2024 indirect costs for the first academic year is:

Room and Board - \$15,113 (\$2,159 mo. Multiplied by 7)

Transportation - \$1,372 (\$196 mo. Multiplied by 7)

Personal - \$3,444 (\$492 mo. Multiplied by 7)      Approx. Loan Fee - \$98

### **With Parent**

*Second Academic Year (900 clock hours/min of 26 weeks)*

Tuition and Fee - \$8,898.00

Books and Supplies- \$400.00

The Cost of Attendance for 2023-2024 indirect costs for the second academic year is:

Room and Board - \$5,625 (\$1,125 mo. Multiplied by 5)

Transportation - \$895 (\$179 mo. Multiplied by 5)

Personal - \$2,005 (\$401 mo. Multiplied by 5)      Approx. Loan Fee - \$44

### **Away from Parent**

*Second Academic Year (900 clock hours/min of 26 weeks)*

Tuition and Fee - \$8,898.00

Books and Supplies- \$400.00

The Cost of Attendance for 2023-2024 indirect costs for the second academic year is:

Room and Board - \$10,795 (\$2,159 mo. Multiplied by 5)

Transportation - \$980 (\$196 mo. Multiplied by 5)

Personal - \$2,460 (\$492 mo. Multiplied by 5)      Approx. Loan Fee - \$72

## VERIFICATION SELECTION, COMMENT CODE SELECTION OF INFORMATION

ABCSD has policies and procedures to verify specific applications selected by the U.S.

Department of Education's Central Processing System (CPS). In rare instances, ABCSD's financial aid office may elect to verify the application data to resolve conflicting data that has been reported on the Free Application for Federal Student Aid (FAFSA®) or other documents provided in the student's file.

ABCSD has chosen to verify 100% of CPS selected applicants. Verification requirements (Flagged V1, V4, and V5) are for FSA recipients only. Beginning July 13, 2021, Verification Tracking Flag V1 is waived for 2021 – 2022, 2022 – 2023. As of July 1, 2023, Verification Flag V1 is no longer waived. ABCSD will request students'/parents' tax transcripts of the applicant selected for verification by the U.S. Department of Education ("ED"). The selected applicant may be asked to provide other pertinent documents to complete the verification requirement within thirty days (e.g., 1 month). CPS matches the application data to several databases, including the National Student Loan Data System (NSLDS) and other agencies to flag certain items.

Items which are questioned, must be resolved before disbursing Title IV funds to the student. When the CPS processes an application, it uses the applicant's social security number, name, and date

of birth to perform several edits with federal databases. Specific data match edits can result in comment code, or "C" code, indicated on the Institutional Student Information Record (ISIR) and must be researched and cleared before federal aid is processed for funding. If a "C" code is present on the ISIR, the financial aid office will request documentation from the student to determine eligibility. ABCSD's Office of Financial Aid requires resolution of any conflicting information for a Title IV applicant. Conflicting information is not exempt from verification requirements. ABCSD will not disburse FSA funds until the student has completed the required verification items and resolve conflicting data. No interim disbursement will be made. The school advises the student when the verification process is complete.

#### DURATION OF AWARD

Financial Aid awards are made in two payment periods per academic year. These funds are posted to the student's account for each payment when completed. To continue eligible for receiving an award, a student must:

- Be in good academic standing with the school.
  - Continue to demonstrate financial need.
  - Maintain satisfactory academic progress.
  - Complete all required financial aid applications each award year.
- Continued awards are contingent upon submitting a FAFSA® timely and completing the actual clock hours to receive the subsequent payment period.

#### GRADE LEVEL DEFINITION

Grade Level 1 - A student's eligibility in the Barbering/Cosmetology programs is considered first grade level until the student has completed 900 clock hours and 26 weeks.

Grade Level 2- A student's eligibility in the Barbering/Cosmetology programs may progress to the second-grade level year of funding, provided 900 clock hours and 26 weeks have been completed.

#### TUITION AND FEES REPAYMENT

Repayment: When a student receives Title IV funds for living expenses and then withdraws from the school, the Financial Aid Administrator will determine the credit balance amount before the return calculation. The credit balance will not be issued to the student within the 14-day deadline until the Financial Aid Office calculates the Return to Title IV (R2T4). Both the R2T4 and Institutional Refund calculations are processed first, then the final amount of the credit balance is determined by the Financial Aid and Business Offices. After those calculations are determined, the school has 14 days from the date Return to Title IV calculated to issue any credit balance due to the student, if applicable.

#### TREATMENT OF A CREDIT BALANCE

A credit balance is when the tuition and fees for the payment period are less than any Title IV payment credited to the student's account. In most cases, credit balances are released to the student or parent within 14 calendar days, unless the student request funds to be held until the end of the academic year. No more than \$200 of a credit balance will be held to cover subsequent academic year tuition and fees.

#### TREATMENT OF TITLE IV FUNDS IF THE STUDENT WITHDRAWS FROM PROGRAM

Federal Regulations dictate specific formulas to determine the amount of Title IV Aid earned by a student withdrawing from the program. Simply stated, if the student withdraws before sixty (60) percent of the payment period of the program, the student would have earned the same percentage of aid received. For example, if the student withdraws at fifty percent of the payment period, the student would have earned only 50 percent of the aid received or eligible to have received. To determine the percentage completed, the scheduled clock hours of class will be divided by the total hours in the payment period. Unearned aid will be returned to the programs in accordance with the guidelines described in the regulations. Withdrawing students will be responsible for institutional charges not covered by student aid. Delinquent school accounts will be assigned to a collection agency. Collection agency expenses will be added to the balance owed to the school.

## RETURN OF TITLE IV FUNDS

Special note to students receiving federal student aid Unsubsidized/Subsidized/PLUS/

Pell Grants or other aid: If you withdraw from school before the completion of the sixty (60) percent of the clock hours in any given payment period up to the last day of attendance, a calculation using the percentage of clock hours completed will be applied to the funds received or that could have been received that will determine the amount of the aid the student earned. Unearned funds would be returned to the federal student aid program in the order stated below by the school and/or the student. Funds owed by the student to the Federal Grant programs are limited to 50% of the award per grant program received. Sample Calculation completion of 25% of the payment period earns only 25% of the federal student aid disbursed or that could have been disbursed for the payment period. If applicable, this would be the first calculation to determine the amount of aid that the student would be eligible for from the Title IV financial aid programs. A second calculation would take place to determine the amount earned by ABCSD during the payment period. If the student is eligible for a loan guaranteed by the federal or state government and the student defaults on the loan, both of the following may occur: (1) the federal or state government or a loan guarantee agency may take action against the student, including applying any income tax refund to which the person is entitled to reduce the balance owed on the loan. (2) the student may not be eligible for any other federal student financial aid at another institution or other government assistance until the loan is repaid.

### Timelines for Return of Funds

ABCSD completes a student's R2T4 calculation within 45 days of the College's date of determination. The College returns the amount of federal financial aid funds for which it is responsible as soon as possible, but no later than 45 days after the date the College determines the student has withdrawn.

## POSTWITHDRAWAL

Post withdrawal disbursements are required when the student amount disbursed is less than the amount earned, and the student is eligible for the funds. After determining the fund sources and amount of the post withdrawal disbursements, the student is notified by the College of the amount of Grant funds used to cover institutional charges incurred by the student, or the available amount from Grant funds for direct disbursement to the student or other educational related expenses. If loan funds are used it wishes to utilize to cover education charges, the financial aid program where the funds are coming from, and the student will be reminded of their responsibility involved in receiving loan funds. The student or parent in the case of Parent PLUS will be given 14 days to respond and accept or reject part or all the loan funds available. The College will honor late acceptance only at its discretion. Once the calculation is finalized, the College will perform a second and different calculation using the next funds retained.

Title IV funds that the student has earned but have not yet been disbursed to the student shall be disbursed as follows:

- Grants must be disbursed within 45 days.
- Loans must be offered to the student within 30 days, allowing the student at least 14 days to respond)
- All post-withdrawal disbursements are applied to student account first, before any resulting credit balance is handled.

## RETURN TO TITLE IV REFUND POLICY AND DISBTRIBUTION ORDER

ABCSD adheres to the refund policy as published in the school catalog. The refund distribution order is applied as follows:

1. Federal Direct Unsubsidized Stafford Loans
2. Federal Direct Loan Subsidized Stafford Loans
3. Federal Direct Loan PLUS Loan
4. Federal Pell Grant
5. Federal SEOG
6. Federal Iraq and Afghanistan Service Grant
7. Other

If all required Title IV funds are returned based on the Return to Title IV calculation, and a credit balance exists, the credit balance must be refunded directly to the student. A student who graduates and

a credit balance exists on their account must provide written authorization to return excess funds to their Title IV loans. Without permission, the school excess proceeds will be sent directly to the student.

### **INSTITUTIONAL REFUND POLICY**

You may withdraw from ABCSD at any time after the cancellation period (described above in Student's Right to Cancel Par. #1) and receive a pro-rata refund within 45 days of withdrawal if you have completed 60% or less of the payment period of attendance, which is based on scheduled clock hours up through the last day of attendance. Your refund will not include your application fee (not to exceed \$100) or any opened/used books/tools/supplies. Any unopened/unused books/tools/supplies must be returned within 7 days of withdrawal for a full refund.

For the purposes of determining a refund under this section, a student's official cancellation or withdrawal shall occur on the earlier of the dates of any of the following circumstances:

- The student notifies the school of the student's withdrawal in writing.
- The school terminates the student's enrollment for failure to maintain satisfactory progress; failure to abide by the rules and regulations of the institution; absence in excess of maximum set forth by the institution; and/or failure to meet financial obligations to the school.
- The student has failed to attend class for fourteen (14) calendar days, as determined by monitoring clock hour attendance at least every thirty (30) days.
- Failure to return from a leave of absence. The date of the student's withdrawal shall be the earlier of the scheduled date of return from the leave of absence or the date the student notifies the institution that the student will not be returning.

All refunds are calculated based on the student's last date of attendance and are based on scheduled hours in the payment period, not actual hours attended in the payment period.

If the student's tuition was paid from proceeds of a loan or third party, the refund shall be sent to the lender, third party or to the state or federal agency that guaranteed the loan. Any amount of the refund in excess of the unpaid balance of the loan shall be first used to repay any student financial aid programs from which the student received benefits, in proportion to the amount of benefits received, and any remaining amount shall be paid to the student.

If the student defaults on a federal or state loan, both the following may occur:

- a. The federal or state government or a loan guarantee agency may take action against the student, including applying any income tax refund to which the person is entitled to reduce the balance owed on the loan.
- b. The student may not be eligible for any other federal student financial aid at another school or other government financial assistance at another school until the loan is repaid.

**HYPOTHETICAL REFUND** This is a calculation mandated by the school itself. Application and STRF fees are non-refundable.

#### **HYPOTHETICAL REFUND EXAMPLE**

Assume you, upon enrollment in a 1500-hour course, paid \$5,000 for tuition and tools, \$100 for application, \$10.50 STRF fee, you did not return your books/tools of 1,482.00, and withdraw at 350 scheduled clock hours in the payment period... You were charged \$3,115.00 for the first period of enrollment:

<u>Total Paid to School:</u>	= \$5,000.00
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350 scheduled hours divided by 450 payment period = 0.777 = 100% Retained/Received

<u>Tuition Earned by School:</u> 100% of \$3115.00	= \$ 3,115.00
<u>Tool Cost (issued tools/unreturned):</u>	= \$ 1,482.00
<u>Application Fee:</u>	= \$ 100.00
<u>STRF Fee:</u>	= \$ 10.50
<u>Total Earned by School</u>	<u>= \$4,707.50</u>

<u>Refund Due to Student:</u>	= \$ 292.50
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