

# Financial Aid Policies and Procedures etc....

## *Introduction*

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The pursuit of higher education is the dream of many Americans and financial aid helps to afford them the opportunity to realize this dream. It is the goal of Merryfield School of Pet Grooming to provide its students and staff with the most current and accurate information regarding Title IV financial aid program.

Federal regulations mandate that institutions participating in the Title IV program have written policies and procedures on the delivery of financial aid.

Besides being a federal requirement, this document represents Merryfield School of Pet Grooming institutional principles and aims to provide a detailed outline on how our school guides students and family through the financial aid application process, review and process applications and disburse funds.

This manual is for the benefit of Merryfield School of Pet Grooming financial aid professionals and other campus administrators by providing an understanding of federal, state and local regulations and additionally, intends to mitigate institutional risk when followed. It is also intended to provide guidance and information on financial aid facts but may not entail all details of the administration of all financial aid programs.

This manual:

- ✚ Provides the financial aid staff with current policies and procedures regarding federal, state and institutional programs.
- ✚ Provides the staff with the general office procedures for maintaining consistency on the handling of similar matters.
- ✚ Serves as a quick reference for rules, regulations, disclosures and forms.
- ✚ Clarify understanding of policies, authorities and responsibilities relating to operational practices.
- ✚ A vital source for orienting and training new and existing employees.

## MERRYFIELD SCHOOL OF PET GROOMING FINANCIAL AID MISSION STATEMENT

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To assist students and families seeking resources to finance a post-secondary education by administering comprehensive federal, state and institutional aid programs in a student-centered environment.

To accomplish this mission, we will:

- ✚ Provide quality customer service to students from a knowledgeable and professional staff committed to providing accurate, clear information appropriate to their individual needs.
- ✚ Provide accessibility and opportunities for students to apply for financial aid via computers, forms, publications and personalized assistance.
- ✚ Award financial aid in equitable and consistent manner.
- ✚ Protect the privacy of students and assure the confidently records and personal circumstances.
- ✚ Respect the dignity and diversity of each student.
- ✚ Evaluate and update our programs regularly to ensure effectiveness.

Your education is an investment in your future. However, the rising costs of education can sometimes make it difficult for students and their families to afford college tuition and related expenses. The Financial Aid Program at Merryfield School of Pet Grooming is committed to helping you identify your options for assistance.

### Tuition and Fees

Tuition for the Pet grooming course is charged per payment period and is determined by your residency status. The following costs have been established by the Director of the School for the 2013-2014 per academic year. They are subject to change.

#### Tuition per Payment Period \*

1-300 clock hour... ..\$5400

301-600 clock hours..... \$5400

Equipment and Supplies.....\$1,400

\*Tuition rates and fees are subject to change during the academic year.

### Financial Aid

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Although the cost of being a student at Merryfield School of Pet Grooming is low compared to any other Pet Grooming School, educational expenses can strain your budget. Merryfield participates in federal and state programs in order to offer eligible students several options for financial aid.

### Understanding Your Financial Aid Awards

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The Financial Aid Office calculates awards based on full-time enrollment (18 hours per week for full-time enrollment and 15 hours per week for night classes is the minimum for fulltime enrollment).

- A. **GRANTS are** —financial aid that doesn't have to be repaid (unless, for example, you withdraw from school and owe a refund)
- B. Grants are awarded as a result for financial need. Applying for grants is done by completing the Free Application for Federal Student Aid (FAFSA) online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov)  
The most common grants include the Pell Grant

Enrollment	600 Hours
Pell Grant /Loan Amount	Prorated Amount

- C. **STUDENT LOANS**, unlike most grants are borrowed money and must be repaid, with interest. There are two types of Federal Stafford Loan: subsidized and unsubsidized. Students must demonstrate financial need to receive a subsidized Stafford Loan. Financial Need is not a requirement to obtain an unsubsidized Stafford Loan. The Department of Education will pay (subsidize) the interest that accrues on subsidized Stafford loans while the student is enrolled in a qualified certificate program, on at least a half-time basis. The student is responsible for paying the interest on the unsubsidized loan from the time it is disbursed until the loan is paid in full. Students

will pay the interest while in school or they can allow the interest to accrue (accumulate) have the interest added to the principal amount of your loan.

The website below shows interest rates disbursed between July 1, 2013 and June 30, 2014. Please visit <https://studentaid.ed.gov/types/loans/interest-rates> for updated information on interest rates and fees.

The interest rates are as follow 5.05% on subsidized Stafford loans, 5.05% on unsubsidized Stafford Loan between July 1, 2019 and June 30, 2020 and 6.31% on Parent Plus loans. Repayment of Stafford Loans begins six months after you cease to be enrolled at any post-secondary school on at least a half time basis. Standard repayment is span over a ten-year period of time; however, other repayment options are available.

✚ Please visit <https://studentaid.ed.gov/types/loans/interest-rates> for updated interest rates.

### *Eligibility Requirements*

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## NSLDS REPORT

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During a student's initial interview stage with the financial office, the school practice is to first pull a NSLDS report to determine the student's initial eligibility, such as default, overpayment and aggregate limits. The financial aid officer will also look at previous educational experiences or overlapping loans.

Eligibility is the foundation for determining who receives federal student aid. The financial aid representative at Merryfield School of Pet Grooming will determine student(s) eligibility. To be qualified for financial aid a student must meet the following criteria:

1. Demonstrate financial need
2. Be enrolled or accepted for enrollment as a regular student, working towards a degree or certificate in an eligible program
3. Be a U.S. Citizen or eligible non-citizen
4. Have a High School Diploma or U.S. equivalent (if from a foreign school) or GED
5. Have a valid social security number
6. Registered with Selective Services if required
7. Maintain satisfactory academic progress once in school
8. Certify that one is not in default on a federal student loan and do not owe money on a federal student grant
9. Attest that one will use federal student aid for only educational purposes

The Higher Education Act of 1965 as amended (HEA) suspends aid eligibility for students who have been convicted under federal or state law of the sale or possession of drugs, if the offend occurred during a period of enrollment for which the student was receiving federal student aid.

A student can regain eligibility, if he or she passes two unannounced drug tests conducted by a drug rehabilitation program that complies with criteria established by the U.S. Department of Education.

Civil Commitment for Sexual Offenses - A student subject to an involuntary civil commitment after completing a period of incarceration for a forcible or non-forcible sexual offense is ineligible to receive a Federal Pell grant.

The Florida Department of Law Enforcement provides a list of Registered Sexual Predators: [www.fdle.state.fl.us](http://www.fdle.state.fl.us)

## Diploma Mills

A diploma mill, also known as a degree mill, it is a phony school that sells a high school diploma, a paper certificate rather than the educational experience. Diploma mills are scam operations that mass produce counterfeit paper diplomas to anyone who pays the requested "tuition."

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Suspicion of a Counterfeit Diploma Education is paramount, and all diplomas will be verified. We will not tolerate any unauthentic diplomas or college course work. It is the duty of Merryfield admission to conduct our due diligence by comparing the high school or college against our database of suggested diploma mills. Merryfield will also take every precautionary measure to ensure that the institution that awarded the high school diploma or the college course work is truly eligible to award these diplomas. Our process entails re-searching the accrediting body that the institution claims to be accredited by and taking every step deemed possible to verify the authenticity of the diploma that was presented. We will also verify accrediting bodies against the government website of approved accrediting agencies. Once our due diligence is completed, all documentation will be placed in the student's file for future reference.

## The Application Process

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To obtain Student Federal Aid, a student is expected to complete a Free Application for Federal Student Aid (FAFSA) at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). A federally issued personal identification number (PIN) is required for an electronic signature; this may be obtained by going to [www.pin.ed.gov](http://www.pin.ed.gov). The option for completing a paper FAFSA is also available. The FAFSA collects financial and other information need to calculate the Expected Family Contribution (EFC), which is the basis by which student's award amount is determined. Also, information contained in the FAFSA is computer matched by the Central Processing System (CPS) with other agencies such as Social Security Administration, Selective Services, the United States Citizenship and Immigration Services (USCIS) and the National Student Loan Data System (NSLDS) to determine student's eligibility for federal aid. A dependent student will need to supply parental information on the FAFSA and for the purpose of loan, may also need parent(s) to request a PLUS loan. Additionally, students wishing to obtain federal loans are required to complete Entrance Counseling and a Mater Promissory Note at [www.studentloans.gov](http://www.studentloans.gov). For assistance with this process, student(s) may contact the school's financial aid office or the Federal Student Aid Information Center (FSAIC) at (800)-4-FED-AID/ (800)-433-3243.

## ISIR/SAR

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Applicants, who have submitted a FAFSA, allow 3-4 business days for processing will receive a Student Aid Report (SAR) and the school(s) to which they have expressed interest by way of adding the school's code to their application will receive an Institutional Student Information Report (ISIR). Merryfield School of Pet Grooming **School code 04227500**. Merryfield financial aid representative will review each student's report and request additional documentation(s) if necessary and discuss with each student the awarded funds. All verification and conflicting information will be resolved, and an award letter provided to all financial aid eligible students. Each student's award amount is determined based on Expected Family Contribution (EFC) for the award year, cost of attendance and enrollment status in the academic year. Each student is awarded a scheduled award for each award year and may receive all or a portion (annual award) based on enrollment status in that academic year.

## Dependent Student:

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- a) Younger than 24
- b) Unmarried
- c) Do not have children who receive more than 50% support from student
- d) Do not have dependents (other than children or spouse) who will receive more than 50% of their support from student throughout the award year

### Independent Student

For the 2019–2020 year, a student is independent if he meets any of the following criteria from HEA Sec. 480(d):

- was born before January 1, 1995 is married as of the date, he applies
- will be a graduate or professional student at the start of the award year
- is currently serving on active duty for purposes other than training
- is a veteran of the U.S. Armed Forces; has dependents other than a spouse; • was an orphan, foster child, or ward/dependent of the court at any time since the age of 13; is an emancipated minor or in legal guardianship or was when he reached the age of majority in his state • was determined at any time since July 1, 2018, to be an unaccompanied youth who was homeless or self-supporting and at risk of being homeless.

Students enrolled at Merryfield School of Pet Grooming who request financial aid, if eligible, will receive one or a combination of the following types of available federal aid:

- Pell Grant
- Subsidized Direct Loan
- Unsubsidized Direct Loan
- PLUS, Loan
- Alternative Private Loan

## Example:

**Award Year** - July 1<sup>st</sup> of one year to June 30<sup>th</sup> of the other (for example: July 1, 2018 - June 30, 2019)

**Scheduled Award** – Maximum amount of aid student may receive for the award year

**Academic Year** – a minimum of **600 credit-hours and 40 weeks** of instructional time.

**Enrollment Status** – Full time and part time

Students who continue enrollment in the new award year are required to renew the FAFSA. Applications are accepted beginning January 1<sup>st</sup> of one year through June 30<sup>th</sup> of the following year, the application processing cycle last 18 months. Example: January 1, 2018 thru June 30, 2019

## Federal Grants and Loans

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### Federal Pell Grant

Pell Grant is considered free money and no repayment is required. In general, a student must be enrolled in an undergraduate course of study to receive Pell Grant. A student who has earned a baccalaureate degree or a first professional degree cannot receive Pell Grant.

**Students can receive Federal Pell Grants a maximum of 12 semesters, or the equivalent, which is six scheduled awards, or 600% of a student's scheduled Pell award.**

A student who receives Pell Grant for the time on or after July 1, 2008, can only receive Pell Grant for up to 18 semesters or the equivalent. The maximum Pell Grant for the award year 2013-2014, (July 1, 2011 through June 30, 2012) is \$5645

Pell payments (only 2 payments within an academic year)

## Cross-Over Payment Period

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**A payment period that includes both June 30<sup>th</sup> and July 1<sup>st</sup> of the same year is said to be a cross-over payment period. This is the point at which one award year ends June 30<sup>th</sup> and the new award year begins July 1<sup>st</sup>. When a cross-over payment period exists, a student must be paid from the award year that he/she will receive the most payment.**

A financial aid administrator can assume one award year (e.g. 2018-2019) has greater benefits than the other (e.g. 2018-2019) in the following cases:

- No SAR/ISIR
- Rejected ISIR with no EFC
- Verification not completed

However, if an update or new ISIR is received by September 14, the administrator will re-assign payment period if the information received showing greater payment from the other award year (e.g. 2018-2019).

- ✚ It is the responsibility of the students to ensure that they have completed the updated fafsa as required in every award year.

## Eligibility for Direct Loan

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There are often instances when the grant(s) received for students' educational cost is not sufficient to cover student's full tuition. Additionally, students have the option to obtain student loans.

The Direct Loan (DL) program provides federal loans funded by the Department of Education to eligible applicants. This type of loan is for educational expenses and requires repayment at a specified time.

# MASTER PROMISSORY NOTE (MPN)

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Before any money is disbursed, all students must have a signed Direct Subsidized Loan/Direct Unsubsidized Loan Master Promissory Note (MPN), the Borrower's rights and Responsibilities statement, and the Plain Language Disclosure explain the terms of your loan(s). If the student is a first-time borrower of loan(s), the student is also required to complete entrance counseling on studentloans.gov. If the student has attended another college prior and has entrance counseling on COD, the student is not required to complete another one. Proof of the entrance counseling will be printed and placed in the student's file for quick reference. Even though the student may have completed entrance counseling at another school, it is the culture of Merryfield to have the student complete an MPN and entrance counseling anyway- just to ensure the students are fully aware of their borrowing and that they understand their debt burden.

**Gross Loan Amount-** This is the total amount of amount of the loan that you are borrowing. You will be responsible for repaying this amount.

**Loan Fee Amount –** This is the amount of the fee that the government will charge on your loan. It is based on the percentage of the student's Gross Loan Amount. The percentage and calculation are shown to all students during their initial interview process where the Loan Fee(s) Amount will be subtracted from your Gross Loan Amount.

Net Loan Amount- This is the amount of your loan money that remains after the Loan Fee(s) amount is subtracted and the Interest Rebate amount is added. Merryfield will disburse the Net Loan Amount by crediting the student's ledger or paying the student directly, depending what's written on the student's credit balance or authorization form.

Before the loan money is disbursed all students have the right to cancel all or part of loan(s) at any time by notifying the school.

After a student's money is disbursed, there are two ways to cancel all or part of your loan(s).

Merryfield requires written confirmation of the types and amounts of Title IV loans that a student wants to receive for an award year before crediting loan money to your account at the school. The students can notify the financial aid office or the business office if they want to cancel all or part of their loan(s) within 14 days, after the date the school notifies the student of his or her right to cancel all or part of his or her loan.

### *Federal Direct Subsidized Stafford Loan (34 CFR 668.2)*

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The Federal Direct Stafford loan program provides loans to undergraduate and professional students attending schools that participate in the Direct Loan program. The federal government subsidizes the interest while the borrower is in an in-school grace, or deferment period.

### *Federal Direct Unsubsidized Stafford Loan (34 CFR 668.2)*

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The Federal Direct Unsubsidized Stafford Loan program provides loans to undergraduate, graduate and professional students attending schools that participate in the Direct Loan program. The borrower is responsible for the interest that accrues during any period.

### *150% Direct Subsidized Loan Limit*

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On July 6, 2012, the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21) (Public Law 112-141) was enacted. MAP-21 added a new provision to the Direct Loan statutory requirements (see HEA section 45(q)).

The new statutory requirements

- Limit a first-time borrower's eligibility for Direct Subsidized Loans to a period not to exceed 150% of the length of the borrower's educational program, and
- Under certain conditions, also cause first-time borrowers who have exceeded the 150% to lose the interest subsidy on their Direct Subsidized Loans.
- This limitation on Direct Subsidized Loan eligibility only applies to a "first-time borrower" on or after July 1, 2013. Section 6685.200(f)(1)(i). "First-time borrower" is an individual who has no outstanding balance of principal or interest on a loan type) on a loan made under the Direct Loan Program of the FFEL Program (regardless of loan type ) on July 1, 2013, or on the date the borrower obtains a Direct Loan after July 1, 2013.
- 1, 2013, or on the date the borrower obtains a Direct Loan after July 1, 2013.



- **Active Confirmation** - the school does not disburse the loan until the borrower affirmatively requests or accepts the proposed loan type and amount or request changes to the loan package.
- **Passive Confirmation** – the school does not disburse the loan until the borrower is notified of his proposed loan package and the time given to respond has elapsed. The borrower only needs to take action when wishes to decline the loan or make adjustments to the type or amount of the loan.

Merryfield School of Pet grooming applies a passive confirmation rule, with regards to the disbursement of loan funds. Students are not required to sign their award letter to confirm the funds. Once the funds have been posted to the students' ledger, they are given a copy of their official award letter and at that point the award letter can be signed if the student chose to sign, but no signature is required.

### Loan Eligibility:

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1. Students and their parents who are in default on a student loan must resolve the default before they can become eligible to receive financial aid. Though, a parent in default on a PLUS loan does not prevent the student from obtaining aid.
2. A student who unintentionally exceeds the annual or aggregate loan limit is ineligible to receive loans but may regain eligibility by paying the extra amount borrowed or make satisfactory arrangement with the lender in the case of a default.
3. A student or student's parent(s) whose property is subject to a judgment lien for debt owed to the United States is also ineligible.
4. Any student who has been convicted of or has pled no contest or guilty to crimes involving fraud in obtaining Title IV funds is not eligible for aid and must pay all outstanding balance in full to regain financial aid eligibility.

**Parents interested in borrowing through the Direct plus Loan Program should contact the Financial Aid Office of eligibility information.**

### *PLUS (Parent loan for undergraduate student)*

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Parent plus Loan is a credit-based loan, which allows the parent(s) of a dependent student to borrow money for student educational expenses. Interest is applied from the first disbursement until the loan is paid in full. If student tuition is not enough to cover his or her tuition cost, and the parent wishes to participate in the parent plus loan, the parent has the option to log on to <https://studentloans.gov/myDirectLoan/index.action> and complete the application for the parent plus loan. Or, the parent can give Merryfield authorization and complete the necessary documentation to run the credit check directly on COD and award the amount to cover the deficiency for his or her child's remaining educational expenses up to the cost of attendance. Parent plus loans can be awarded up to the cost of attendance.

The October 23, 2014 regulations provide that a PLUS loan applicant (either a parent or a graduate or professional student) has an adverse credit history if, in addition to other conditions (e.g., bankruptcy, foreclosure, tax lien, or a default determination), the applicant has one or more debts that are 90 or more days delinquent or that are in collection or have been charged off during the two years preceding the date of the applicant's credit report, but only if the total combined outstanding balance of those debts is greater than \$2,085. Therefore, any other adverse credit history finding a PLUS Loan applicant whose credit check shows that the total of any debts that are 90 or more days delinquent or that have been placed in collection or charged off is \$2,085 or less will not be considered to have adverse credit and therefore, will be eligible for a PLUS Loan. (Rev 3/26/2015). If the parent plus loan is denied due to adverse credit history after completing a



Direct PLUS loan, the parent can initiate an Endorser Addendum electronically, or initiate the process of appealing the determination of adverse credit or indicate that he or she does not wish to continue pursuing a Direct PLUS Loan. If none of the process worked, the dependent student will be awarded additional unsubsidized loan up to the independent student loan level for the academic year.

### Additional Unsubsidized Loans

- Documented exceptional circumstances” include, but not limited to:
- The parent incarcerated;
- The parent’s whereabouts are unknown;
- The parent is not a U.S. citizen or is unable to provide evidence that he or she is in the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident;
- The student’s parent receives only public assistance or disability benefits, and the school has documented that the parent would not be able to repay the PLUS Loan;
- The parent has filed for bankruptcy and has provided documentation from bankruptcy court stating that as a condition of the bankruptcy filing, the parent may not incur any additional debt; or
- If Merryfield has examined the family financial information and documented the parent’s likely inability to repay the PLUS Loan due to an existing debt burden or the parent’s expected income-to-debt ratio.

**Parents interested in borrowing through the Direct plus Loan Program should contact the Financial Aid Office of eligibility information.**

### Annual Loan Limits

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<b>Annual Limit for Sub/Unsub Loans</b>	<b>Subsidized</b>	<b>Total (Subsidized&amp; Unsubsidized)</b>
Dependent undergraduates (excluding dependent students whose parents can’t get PLUS)		
First Year.....	\$3, 500sub /\$2,000unsub...	\$5, 500
Second Year.....	\$4, 500su b/\$2,000unsub.....	\$6, 500
Third Year and Beyond.....	\$5, 500sub/\$2,000unsub.....	\$7, 500

Independent Undergraduate and Dependent Students whose parents can’t get PLUS		
First Year.....	\$3, 500sub/\$6000unsub...	\$9, 500
Second Year.....	\$4, 500sub/\$6000 unsub.....	\$10, 500
Third Year and Beyond.....	\$5, 500sub/\$7000unsub.....	\$12, 500

<b>Aggregate Limit for Sub/Unsub Loans</b>	<b>Subsidized</b>	<b>Total (Subsidized&amp; Unsubsidized)</b>
Dependent Undergraduate (excluding those Whose parents can’t borrow PLUS) .....		
	\$23, 000/ <b>\$8000.00</b> .....	\$31, 000
Independent Undergraduate and Dependent Students whose parents can’t get PLUS.....		
	\$23, 000/ <b>\$34,5000</b> .....	\$57, 500

**In the case of first-year first time borrower, there is a 30-day window prior to disbursing funds but may be waive if the school’s cohort default rate meets the waiver requirement.**

Merryfield School of Pet Grooming is an attendance taking institution that offers training in clock-hours. For the purpose of financial aid, Merryfield is defined as a Clock hour school. For the purpose of awarding the Borrower Based Academic Year is used, which is defined as a minimum of 600 Clock Hours and 40 weeks of instructional time.

### Loan Origination Checklist

For all Stafford and PLUS loan borrowers, Merryfield first confirms that everyone meets the definition of eligible borrower, which includes:

- ✓ Determine that the student is enrolled at least half-time and meeting satisfactory academic progress
- ✓ Review NSLDS information to ensure that student is not in default, does not owe and overpayment on FSA grant or loan and has not exceed the annual or aggregate loan limits
- ✓ Ensure that total loan in combination with other aid, will not exceed the student's financial need
- ✓ Guarantee that loan disbursement dates meet cash management and disbursement requirements

For Stafford loan:

- ✓ Determine the student's Pell Grant eligibility and if eligible, include the grant in the student's aid package
- ✓ Before offering an unsubsidized Stafford loan, first determine that student's eligibility for a subsidized Stafford loan
- ✓ Prorate the Stafford annual loan limit for an undergraduate enrolled in a program or remaining period of study that is shorter than an academic year

### Effect of Loan Status on Student Aid Eligibility

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Loan Status	NSLDS Code	Eligible for SFA Funds
In school grace period	DA-Deferred FB-Forbearance ID-In school or grace period RP-In repayment	Yes
Paid	DP-Default, then paid in full PC-Paid in full thru consolidation PF-Paid in full	Yes Does not matter what type of consolidation loan the borrower received, nor whether loan was in default before
Lost guarantee	UI-Uninsured, Un-reinsured	Yes It does not matter is the loan was in default

Cancelled or discharged	BC-No default, bankruptcy discharge CA-Cancelled DF-Default, false certification discharge DG-Default, false certification (ability to benefit) discharge DI-Disability DJ-Default, discharged by judicial ruling DK-Default, bankruptcy discharge DN-Default, closed school discharge DS- Default, disability cancellation EA-False certification (ability to benefit) discharge EC-Closed school discharge EF-Loan discharged for fraudulent disbursement EJ-Court ordered write-off OD-Default, bankruptcy discharge	Yes To receive new loans, the borrower must have a doctor's certification that his or her condition has improved and sign statement indicating that he or she is aware that the new loan cannot be cancelled on the basis of any present impairment unless the condition deteriorates
No default, bankruptcy filing	BK-No prior default, active bankruptcy claim	Yes Loan was not in default and has not been discharged
Default	DL-Defaulted in litigation DT-Defaulted, collection terminated DU-Defaulted, unresolved	No
Default bankruptcy filing	DB-Defaulted, active bankruptcy claim DO-Defaulted, active bankruptcy claim	No, unless debtor can show that loan is dischargeable
Default compromise	DC-Defaulted, compromised	Yes Compromise is recognized as payment in full
Default, written-off	DW-Defaulted, write-off	No, unless debtor reaffirms loan and makes satisfactory repayments or repay loan in full

Default, satisfactory repayment arrangement	DX-Defaulted, satisfactory arrangements, and nine consecutive payments	Yes, if borrower continues to comply with repayment plan or is granted forbearance
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### Verification Process

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Verification-It is a process by which certain data reported on the FAFSA is reviewed by the school for accuracy and completeness. Verification plays a vital role in ensuring that the correct amount of the Title IV funds is disbursed to each eligible student.

All students enrolled who were randomly selected for verification by the Central Processing System (CPS) and any other the institution has reason to believe that the application information is incorrect or contains conflicting information will be resolved.

Applications may be reviewed based on the DOE's current required data elements and any specific predetermined criteria set by the institution. Substantial supporting documentation must be obtained, and circumstances carefully documented.

### Notification:

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This process aims to confirm student's eligibility for financial aid, and all impacted students will be informed in writing or verbally within five business days that they were selected for verification.

What this means:

**Students are allowed up to 30 days to present all verification documents requested by the financial aid office.** Once the verification process is completed, the student will be awarded and notified in writing.

### Deadlines: Time periods

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All newly enrolled students must complete a Free Application for Federal Student Aid (FAFSA) prior to the start of the first class. Currently enrolled student who cross award years must complete new FAFSA prior to July 1. All required documentation must be submitted to the financial aid office within 30 business days of the initial requested date. In cases of unusual circumstances, the financial aid office may extend this time to up to 10 business days.

### Consequences if not submitted in a timely manner

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Any delay in obtaining relevant documentation may interrupt the awarding of financial aid and may result in student(s) paying all or part of tuition obligation out of pocket until awarding takes place. Students who did not complete verification within the required timeframe will be notified and considered to be a cash paying student; if payment is not received, they will be pulled from class.

## Method of Notification

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Students will be notified in person (verbally) or in writing that he or she have been selected for verification and will be given a list of all the required documents needed within 30 days. If students ISIR Value printed on ISIR is 02 (which means they elected to and use the IRS data retrieval tool, they will be considered verified and will only need to complete and submit the verification worksheet.

## Correction Procedure

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The law allows for the financial aid office to request financial information and any other relevant information concerning a student's application for federal aid. Information contained in the students' Free Application for Federal Student Aid (FAFSA) will be compared against legitimate documentation provided. The FAA at

Merryfield will make correction(s) to the application through our third-party software or the student can elect to go directly into their SAR and make the necessary correction(s). Once the updated ISIR is received, the school will pay on the most recent EFC.

### Verification Exceptions:

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**Recent immigrant** – A selected applicant does not have to be verified if the student is an immigrant who arrived in the United States during the calendar year 2013 or 2014.

**Spouse unavailable** – The school isn't required to verify spousal information if:

- The spouse is deceased or mentally or physically incapacitated.
- The spouse is residing in a country other than the United States and can't be contacted by normal means.
- The spouse can't be located because his or her address is unknown, and the student is unable to obtain it.

**Parents unable** – Verification is not required for a dependent student if any of the following conditions apply:

- Student's parents are deceased, or mentally or physically incapacitated. (If both parents are dead, the student is an orphan and therefore is an independent student. If parents die after student applied, dependency status must be updated.)
- Merryfield requires that if any of the aforementioned circumstances affects any of our students suffice documentation and proof is required for the student's file.

### *Victims of Identity Theft*

Victims of identity theft who cannot get a return transcript or use the DRT must call the IRS's Identity Protection Specialized Unit (IPSU) or toll-free number at 800-908-4490. After the IPSU authenticates the tax filers identify. The student can ask the IRS to mail him or her alternate paper tax return transcript known as the TRDBV (Transcript Database View). If none of the aforementioned information is available to the student, the financial aid office will accept the a tax- return and with the Preparer Tax Identification Number (PTIN) or EIN number that has been signed, stamped, typed, or printed with him or her name and address on it.

### Required Verification Items:

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When an applicant is selected for verification by CPS, the following five major data elements must be verified. The school may choose to verify additional data elements in accordance with consistent institutional policies.

- a) Household size
- b) Number enrolled in college
- c) Adjusted gross income (AGI)
- d) U.S. income tax paid
- e) Education credits
- f) Untaxed IRA distributions
- g) Untaxed pensions
- h) IRA deductions and payments
- i) High School completion status
- j) Identity/statement of education purpose
- k) Tax-exempt interest
- l) Supplemental Nutrition Assistance Program (SNAP, formerly food stamps)

## Verification Tolerance

### *CHANGES IN A SELECTED APPLICANT'S FAFSA*

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To receive subsidized student aid, students or the school must submit for processing any changes resulting from verification to a non-dollar item or a single dollar item of \$25 or more.

## *Fraud*

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### *Fraud and Abuse:*

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Conflicting information may cause the financial aid administrator to consider whether the student made an honest mistake or engaged in fraud. The difference is whether false information was provided with the intent to deceive. According to the regulations, examples of fraud include:

- ✦ False claims of independent status
  - ✦ False claims or citizenship
  - ✦ Use of false identities
  - ✦ Forgery of signatures of certifications
  - ✦ False statements of income
- If the Financial Aid Administrator (FAA) suspects or can prove intent to de-fraud the federal government, the information will be given to the Director of the school and he will assess the situation and make a professional judgment on whether the conflict can be resolved or if he needs to notify the Office of Inspector General (OIG).

## Conflicting Information

Conflicting information is considered any information Merryfield School of Pet Grooming deem to be inconsistent or any information obtained or presented on behalf of a student that is different from information reported that impacts the calculation of the EFC, which also include verification. Conflicting information will be resolve whether or not a student was selected for verification and all information obtained regarding a circumstance will be utilized. This is to ensure that the student receives the correct amount of aid.

### *Conflicting information can be identified through the following means:*

- ✦ Requested or unsolicited tax documents or schedules.
- ✦ Scholarship recipient lists
- ✦ Initial or subsequent Student Reports or Institutional Student Information Records
- ✦ C Flags or Comment Codes
- ✦ Or SAR or ISIR documents including subsequent ISIRs.
- ✦ Fafsa shows student as married, but 1040 reflects parent as single head of household.

Students are required to correct any inconsistent information on their SAR before aid can be awarded.

What is not considered conflicting information as per regulatory guidelines:



- Household size differs from number of exemptions on tax return
- Dependent under IRS rules versus ED definition of dependent
- Privacy protected information, such as information from professional counselors, chaplains, doctors, etc.
- Assumption made by the CPS
- FAFSA filed using estimated income
- Secondary confirmation match successful, but student has an expired residency document

### *Professional Judgment*

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Students and their family often experience unusual or special circumstances which can impact their ability to pay for college. The FAFSA does not always provide an option to capture such information. In this event, student or parents should contact the school's financial aid office.

Professional judgment is a provision that allows a financial aid administrator to make adjustment to cost of attendance or data elements on the FAFSA used to calculate EFC. Student will have to give a documented reason for adjustment, and it will be placed in the student's file. The financial aid administrators will always seek to obtain and maintain verifiable third-party documentation of changes in circumstances in order to support the decision to use professional judgment. The adjustment is only valid at the school making the adjustment and the decision of the financial aid administrator is final. The use of professional judgment is on a case-by-case basis only and special circumstances are conditions that apply to an individual student and not a class of students.

The data elements that are adjusted must be related to the student's special or unusual circumstances. Professional judgment cannot be used to avoid the general student eligibility requirements or to circumvent the intent of the law or regulation.

The law gives some examples of unusual or special circumstances:

- ✚ unusual childcare cost
- ✚ unusually high medical expenses
- ✚ dislocated worker/recent unemployment of a family member
- ✚ change in family income/asset
- ✚ separation or divorce of student or parent(s)

The EFC resulting from the completion of professional judgment will be used for all federal student aid funds awarded.

### Special Circumstances

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**Students will need to consult with Merryfield School Financial Aid Office if you feel you have any special circumstances (such as dependency status or loss of employment). But, remember, there has to be very good reasons for the financial aid office to make any adjustments, you must provide documentation to support those adjustments. Also, remember that the decision made by the Financial Aid Office is final and cannot be appealed to the U.S. Department of Education.**

### Dependency Override

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Also, unusual or special circumstances may warrant a financial aid administrator to change the dependency status of a student, from dependent to independent, by way of a dependency override which is also done on a case-by-case basis only. Dependency override only applies to a change from dependent to independent. In this case, some examples that may be categorized as unusual or special circumstances include:

- Student's voluntary or involuntary removal from parent's home due to an abusive situation that threatened the student's safety and or health.
- Incapacity of parent(s) such as incarceration, disability, mental or physical illness
- Inability of the student to locate the parent(s) after making reasonable efforts.

It is the responsibility of the student to provide substantial proof /written evidence that the situation exists and the financial aid office at Merryfield will carefully document its action. However, students must be aware that the school is not compelled to perform dependency override and that if a financial aid administrator determines that a dependency override is not appropriate, the decision is final.

Under no circumstances should the following reasons be used to exercise dependency override:

- Parent(s) refusal to contribute to student
- Parent(s) unwilling to provide information
- Parent(s) did not claim the student as an income tax dependent
- Student demonstrates total self-sufficiency

## Ethnic Diversity of the student Body

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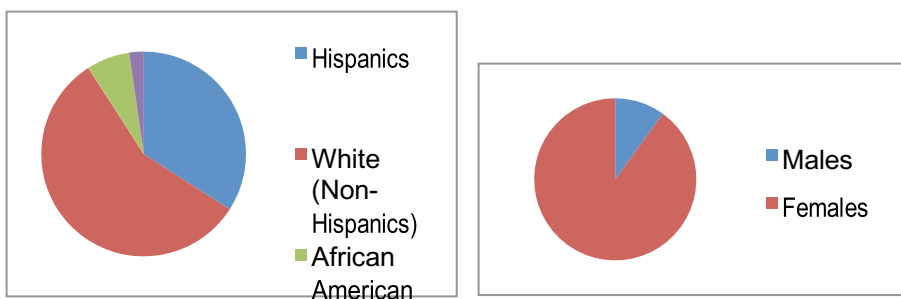
Diversity is a multidimensional, all-encompassing concept that recognizes and embraces the richness of human differences. As a practical matter, it is important that Merryfield School define diversity with sufficient clarity, given the inherent obscurity of the term and the frequently mis-informed discussions that surround it.

The term "diversity" is not a code for race, ethnicity, or gender by themselves. While Merryfield school board's concept of diversity may include these factors, it is far more inclusive, surrounding significant qualities and capabilities that can influence learning in and out of the classroom.

Merryfield School's Workplace Equity and Performance seeks to embrace diversity and strengthen our community across local, national and global settings. In an educational institution, the diversity of experience, diversity of opinion and diversity of culture background not only enrich our quest for knowledge, they are vital to our success.

Merryfield recognizes the significance of honoring differences year-round by creating a comprehensive environment that fosters appreciation and respect for the varied celebrations related to holidays and other events. Our Diversity agenda list holidays, various festivities, holidays and Holy days drawn from a variety of sources and we hope that it will oblige as a facilitator for cooperation and learning.

The graph below shows the Enrollment Ethnic Distribution and the male and female population.



# FERPA

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## The 1974 Family Educational Rights and Privacy Act (FERPA)

### WHAT IS FERPA?

**The 1974 Family Educational Rights and Privacy Act**, 20 U.S.C. 1232(g), as amended, also known as the Buckley Amendment, is a federal law that protects the privacy of a student's educational record. FERPA applies to all educational institutions receiving funds from the United States Department of Education, from kindergarten through university level.

At Merryfield School, the privacy of academic records is protected by Section 1002.22 of the Florida Statutes.

The U.S. Department of Education and Florida law summarizes the rights afforded to students by FERPA as follow:

- The right to inspect and review their educational records within a reasonable period of time and no more than 30 days after the institution has received the request
- The right to request to amend inaccuracies in their educational records
- The right to limit disclosure of some personally identifiable information
- The rights to file a complaint with the Family Policy Compliance Office if they feel their FERPA rights have been violated.

**Students have the right to file a complaint with the U.S. Department of Education concerning alleged failures by Merryfield School to comply with the requirements of FERPA. Below are the name and the address of the FERPA Compliance Office.**

**Family Policy Compliance Office**  
**U.S. Department of Education**  
400 Maryland Avenue, SW  
Washington, DC 20202-5920

## WHAT IS DIRECTORY INFORMATION?

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Directory information is the information available about a student that is not considered harmful or an invasion of privacy if disclosed. While FERPA and state law protect the privacy of educational records, directory information is not treated as confidential and may be disclosed by the Merryfield School without student consent unless the student has signed a waiver not to disclose.

## Entrance Counseling

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Entrance counseling is an integral process a student must do before his or loans can be disbursed. Entrance Counseling is about student loan borrowing and indebtedness, this process is normally conducted with our students before they borrow any student loans, entrance counseling materials are given to all potential borrowers. All enrolled students at Merryfield that will be receiving financial aid, is required to complete the entrance counseling. Students are directed at <https://studentloans.gov/myDirectLoan/index.action> to complete the process. Once completed, it will be printed and placed in the student's file.

### *Who is required to complete Entrance Counseling?*

First Time student borrowers and Graduate PLUS borrowers

## *Disbursing FSA Funds*

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Merryfield uses Financial Aid Management for Education (FAME) a third party servicer to request Title IV funds from G5; once the funds have been requested through G5 automated system, the funds will be deposited to Merryfield federal account and it is the responsibility of Merryfield's business office to draw down the funds and transfer it to the operating account within three business days to avoid excess cash on the account. The funds will then be posted to the students' ledger to offset the funds received. Once the funds have been posted to the ledger, the business office will transmit back to our third-party servicer to confirm receipt of funds. The third-party service will report the confirmation of funds to COD to offset the federal funds that was sent us.

## *Awarding FSA Funds*

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This is the process of distributing/crediting Title IV payments to all eligible students account, and by regulation Merryfield will provide notification to recipients prior to disbursement. Merryfield School of Pet Grooming provides each enrolled FSA eligible student with an award letter, which provides detail on the total funds expected to be received from each FSA program. Merryfield credits students' accounts for allowable charges to include tuition cost and fees. Additionally, through Passive Confirmation notification, Loan disbursement notification will include:

- Type of loans received (subsidized, unsubsidized, PLUS)
- Anticipated date and amount of the disbursement (gross and estimate net)
- Student (or parent's) right to cancel all or part of the loan or disbursement
- Procedure and the time by which the student (or parents) must notify the school that he/she wishes to cancel the loan/disbursement.

Notification(s) will be handed directly to the student or mailed no earlier than 30 days before, and no later than 7 days after crediting the student(s) account. If a student or parent borrower wishes to cancel all or a portion of the loan, he/she must inform the school and complete a loan cancellation form and submit directly to the financial aid office.

When the school receives a loan cancellation request, the loan funds will be cancelled and or funds returned within 30 days of the date the school notified the student or parents of his/her rights to cancel all or a portion of the loan. If the school receives a request for cancellation outside of this timeframe, the school may, but is not required to honor the request and must inform the concerning parties in writing of the outcome of the request.

If FSA funds credited to a student's account exceed the student's allowable charges, depending on the student's credit balance choice or funds authorization form, the funds will be handled accordingly.

- ✚ If a student wishes to accelerate payments on his or her account, any credit balance that occurs on the student's ledger during the 1<sup>st</sup> payment period that was not caused by Title IV aid will be credited to the 2<sup>nd</sup> payment period towards the balance of the tuition.

Merryfield will return any excess PLUS loan funds to the parent, however, the parent can direct the funds to be transfer to the students account by providing the school with written authorization.

Before disbursing FSA funds, the Financial Aid Administrator will determine and document that a student remains eligible to receive funds and the following will be confirmed:

- ✚ student is enrolled for classes for the period
- ✚ student enrolled in a clock hour program has completed the previous payment period in (hours and weeks of instruction)
- ✚ disbursement occurs on or after the first day of classes, that the student has begun attendance
- ✚ for Direct Loan, the student is enrolled at least half time
- ✚ for second Pell within an award year, the student is enrolled at least half time
- ✚ for second Pell within an award year, the student is taking hours attributable to a second academic year within the same award year
- ✚ If a student's pell falls within two award years, the student will be paid in the year which is most beneficial to the student...

### Vocational Rehabilitation Funds

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Merryfield is a participant of Vocational Rehabilitation

All students that participate in the Vocational Rehab program are required to complete a Free Application for Federal Aid. Because this is the agreement between, Vocational rehab agency and the school, if the student is qualified for any pell, the pell will be applied towards the student's equipment and any remaining balance will be applied to the student's tuition. Vocational Rehab will pay the remaining balance of the tuition.

If the vocational rehabilitation agency doesn't fully meet a student's disability costs, the financial aid office may wish to include the unmet disability expenses in the student's cost of attendance and increase his or her aid award. The student is required to provide documentation about his or her financial need and the financial aid administrator will calculate the documented aid as needed. All Students will also be counsel on additional debt burden.

### Scholarship

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It is the student's responsibility to notify the admission and financial aid office if they have outside aid or scholarships that could be consider as Estimated Financial Assistance (EFA) or other aid.

### *TREATMENT OF OVERAWARDS*

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If at any time during the award period, a student receives additional Estimated Financial Assistance that was not considered in calculating the student's eligibility for Campus-Based aid and if the estimated financial assistance combined with the expected financial aid will exceed the student's need, the amount in excess of the student's need is considered an over award. The treatment of over awards in the Stafford/PLUS programs depends on whether the loans have been fully disbursed—if the financial aid office at Merryfield discover that there's going to be an over award before Stafford/PLUS funds are disbursed, the financial aid office will eliminate the over award through the packaging process, by canceling the loan or by making a downward adjustment to a Direct Loan, or by reducing/canceling aid over which you have direct institutional control. If the over award situation occurs after Stafford funds have been disbursed to the borrower, there is no Stafford Loan over award that needs to be addressed; the financial aid office will adjust the student's aid package to prevent an over award of aid.

Under no circumstances will the following reasons be used to exercise dependency override:

- Parent(s) refusal to contribute to student
- Parent(s) unwilling to provide information
- Parent(s) did not claim the student as an income tax dependent
- Student demonstrates total self-sufficiency

### Satisfactory Academic Progress (SAP)

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To maintain eligibility for financial aid a student must meet standards of Satisfactory Academic Progress. Merryfield School of Pet Grooming publishes in its catalog, its policy on measuring Satisfactory Academic Progress. Our policy outlines the Quantitative Progress which is the clock hours achieved divided by the clock hours attempted and Qualitative Progress a measure using the student's cumulative grade point average (GPA). The minimum acceptable GPA is 2.0 which is applied to all programs and for all students

A student is allowed to complete his or her program in 150% of the allotted initial timeframe. For example, a program of 40 weeks in length, allows for 60 weeks in attempted weeks for completion. SAP standards must be the same for students not receiving financial aid. SAP must be verified for every new payment period prior to disbursing aid. If a student is not meeting the minimum requirement for satisfactory progress, the student will be placed on probation.

### Cost of Attendance (Budget)

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Many students seek to obtain "need based" grants and loans, which are based on a family's demonstration of financial need for assistance to help with tuition payments. Cost of attendance (COA) is a factor used in making this determination and sets a limit on the total aid a student may receive in Stafford and PLUS loans and also is one of the basic components of the Pell Grant calculation. Cost of attendance outlines an estimate of the total educational expenses a student will incur for a period of enrollment.

A student's financial need is equal to a student's COA, minus the EFC, minus Pell funds awarded and minus financial aid from other sources and the total is equivalent to unmet need. Total financial aid may not exceed student's cost of attendance. A subsidized and or unsubsidized loan for a given payment period cannot exceed the unmet need for that payment period. Note that in the case of unsubsidized loan, the EFC may be substituted for additional loan funds.

#### *Components of COA include the sum of the following:*

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- Tuition and fees normally assessed for a student carrying the same academic workload, including costs of rental or purchase equipment, materials, or supplies required of all students in the same course of study.
- An allowance of books, supplies, transportation and miscellaneous personal expenses.

- An allowance for room and board
- For students with dependents, an allowance for costs expected to be incurred for dependent care (during periods that include, but not limited to, class time, study time, fieldwork, internship, and commuting time for the student), the amount of which should be based on the number and age of such dependents and should not exceed reasonable cost in the community for the kind of care provided.
- For disabled student, an allowance for expenses (including special services, personal assistance, transportation, equipment, and supplies) reasonably incurred, related to the student’s disability and not provided for by other agencies.
- For students placed in a work experience through a cooperative education program, an allowance for reasonable cost associated with such employment.
- And for students receiving SFA loans, the fees required to receive them. School may also include the fees required for nonfederal student loans, and in all cases the school can either use the exact loan fees charged to the student or an average of fees charged to borrowers of the same type of loan at that school.

Exceptions to the Normal Cost of Attendance (COA) Allowances are as follows:

- For students who are enrolled less than half time, only the costs for tuition and fees and allowances for books and supplies, transportation and dependent care expenses may be included as part of the COA.
- The financial aid administrator has the authority to use professional judgment to adjust the COA for the SFA program recipient on a case-by-case basis to allow for special circumstances.

**This is just an example: (10 Months Budget) Full time enrollment for an independent student**

\$10,800.00	Tuition
\$9610.00	Room and Board
\$3670.00	Transportation
\$4300.00	Misc./Personal
\$0.00	Other Cost
\$0.00	Child Care Cost
\$0.00	Handicap Cost
\$1400.00	Supplies/Kit
\$66.00	Loan Fees
<b>\$34506.00</b>	<b>Total</b>



### Example of (10 Month Budget) for Full time enrollment for a dependent student living with parent

\$10,800.00	Tuition
\$3500.00	Room and Board
\$1000.00	Transportation
\$2300.00	Misc./Personal
\$0.00	Other Cost
0	Child Care Cost
0	Handicap Cost
\$1400.00	Supplies/Kit
66	Loan Fees
\$19066.00	Total

Pell grant is usually the first source of student aid. The Department issues Pell Grant payment and disbursement schedules that base its award solely on the student's COA, EFC and enrollment status. When awarding other sources of need based aid, Pell Grant must be accounted for, in some cases scholarship and other aid may cause a student's financial aid package to exceed his/her need. When this happens, campus-based aids and loans must be reduced to prevent an over award.

#### **Types of Federal Aid**

- a) Pell Grant
- b) Direct Loan

#### *Packaging/Awarding*

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This is determining the best combination of Federal Student Aid that meets a student's financial need after FSA eligibility has been determined. The characteristics of the school's academic programs and the makeup of its student body may influence its packaging procedures.

The general rule of packing is that a student's total financial aid and other estimated financial assistance (EFA) must not exceed the student's financial need (Need = cost of attendance – EFC). Pell Grant is regarded as the first source of aid. The law requires an aid administrator to find out if a student qualifies for certain other FSA programs that would reduce the need for borrowing. For the purpose of provide each student with the most benefit, while eliminating the possibility of over awarding, Merryfield School of Pet grooming uses the following guide when applying aid source to unmet need in the packaging process of financial aid.

#### Order of Packaging Aid

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- 1) Scholarship (outside source)
- 2) Pell Grant
- 4) Subsidized Loan
- 5) PLUS, Loan
- 6) Unsubsidized Loan

## 7) Private Loan

### *Equipment Purchases*

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Students have the options to buy their equipment from the school, or from outside vendors. There are internet sites like [www.petedge.com](http://www.petedge.com) or [www.groomersmall.com](http://www.groomersmall.com). There is a local distributor in Hallandale, FL, GMS Pet Supply. The book can be purchased from the aforementioned sources as well as from [www.amazon.com](http://www.amazon.com). If students purchase equipment from the school, we have a payment plan available to students. It's called "Monthly Pay to Own". Your equipment must be left at the school at the end of your class, which will be inspected. If the student elects to pay the balance early, they may take it home. If they stop their education and no longer want to attend classes, they may pay the balance and keep the equipment. If they do not pay the balance on the equipment, it will be forfeited back to the school.

### *The equipment is not returnable to the school for the following reasons:*

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There is no way to evaluate if the electric clippers are damaged by looking at them. If they were dropped, there may be concealed damages. The detachable blades do wear and become dull when used. They can also sustain damage, therefore making them unsuitable for return. There are other consumables in the equipment that you receive like blood stop, kool lube and ear powder. These items would not be full and could not be resold to another student. The shears could also have sustained concealed damage or wear making them unsuitable for resale to another student.

### *Return of Title IV Funds*

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By law, when a financial aid recipient who withdraws before the end of the payment period of enrollment and ceases to continue enrollment in the program, a calculation may be required to determine if student retain in full or return all or a portion of Title IV funds received.

The Return of Title IV funds (Return) regulations do not dictate our Merryfield School's return policy. Merryfield will determine the earned and unearned portions of Title IV aid as of the date a student ceased attendance. The calculation of Title IV funds earned by a student has no bearing on a student's incurred tuition charges. For student withdrawal up through the 60% point in each payment period of enrollment, a proration is done to determine the amount of funds a student has earned up to the point of withdrawal.

However, withdrawal after the 60% point in the payment period of enrollment, a student has earned 100% of financial aid funds received during the period. A determination must still be made as to whether a student is eligible for a Post-withdrawal disbursement. Return to Title IV aid calculations will be done through our third-party software, where the financial aid administrator will go through the drop or withdrawal process and print out the end results of the R2T4 calculation, which will be placed in the student's file.

### *Post Withdrawal Disbursement (PWD Disbursement)*

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PWD –Post withdrawal disbursement is when the title IV aid disbursed is less than the Title IV aid earned at the withdrawal date, and then the student may be eligible for a post withdrawal disbursement (PWD).

Merryfield will provide written notification to a student or parent within 30 days of the date of determination of withdrawal. The Financial aid administrator or the business office will email or mail to the student a letter necessitating the type(s) of loan and the amount of PWD that is being requested.

### *Options to Accept or Decline Post Withdrawal Disbursement (PWD)*

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A student or parent has the option to decline or give Merryfield the option to request a PWD on their behalf to pay for educational charges or institutional charges. The student or parent will also receive written guidance and information on re-paying any loans disbursed on their behalf to pay for their educational expenses. The student or parent must respond in writing within 30 days to Merryfield giving us autonomy to request the PWD amount or ignore the letter and do nothing. Student or parent **may still** have additional obligations such as institutional charges that may still need to be resolved. Each student situation is different.

### *Post Withdrawal Disbursement (PWD) of Grant Funds*

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Post Withdrawal Disbursement for Grant funds requires no student confirmation. Grant funds may be applied directly to charges without student's authorization. Merryfield will disburse a PWD directly to a student as soon as possible, but no later than 45 calendar days after the date of determination; or disbursed as credit to the student's account within 180 days after the date of determination, with the exception that this is all based on the student's current Authorization form that is on file, unless for urgent situations as per student request.

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### *The following rules apply to Return Calculation:*

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Merryfield always return any unearned Title IV funds within 45 days of the date the school determined a student withdrew and offer any Post-withdrawal disbursement of loan funds within 30 days of that date.

Disburse any Title IV grant funds a student is due as part of the Post-withdrawal disbursement within 45 days of the date the school determined a student withdrew and disburse any loan funds a student accepts within 180 days of that date.

### *Order of Funds Being Returned:*

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Federal regulations specify the following guidelines for returning Title IV funds. Funds must be credited to outstanding balances in the following order.

1. Unsubsidized Direct Loan
2. Subsidized Direct Loan
3. Direct Loan Plus

#### 4. Federal Pell Grant

##### *Leave of Absence*

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A leave of absence (LOA) is a temporary interruption in a student's program of study. A leave of absence must meet certain conditions, for it not to be considered a withdrawal which requires Return Calculation.

1. Merryfield has a published LOA policy, which states that all requests for leave of absence must be submitted in writing, including reason for request to the Director of Education or a designated administrative staff for approval.
2. An approved leave of absence cannot exceed 180 days within a 12-month period and no additional institutional charges will be accessed.
3. If the student requesting LOA is a Title IV loan recipient, it must be made clear prior to Merryfield granting LOA. The effects of failure to return from leave will have on the student's loan repayment terms, which impact the expiration of the student's grace period.
4. A student that has been granted leave of absence is not considered to have withdrawn, and upon return within the approved timing, continues to earn financial aid previously awarded for the period.
5. Once the student returned from his or her LOA, the loan period will be extended, and the graduation date will be updated.

##### *AUTHORIZATIONS*

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A student or parent may cancel or modify an authorization at any time. A cancellation or modification is not retroactive—it takes effect on the date that the school receives it from the student or parent. If a student or parent cancels an authorization to use FSA funds to pay for other allowable charges, the school may use FSA funds to pay any authorized charges incurred by the student before the notice was received by the school. If a student or parent cancels an authorization to hold excess funds, the funds will be paid directly to the student or parent as soon as possible, but no later than 14 days after the school receives the notice; unless there is a written permission to hold the credit balance, which is payable at the end of the loan period.

In some instances, where a student or parents as an urgent situation that cannot wait and they are away from school to update the authorization form, they can request their funds to be sent to them verbally or by a written request.

#### Credit Balances

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##### *Authorization to hold an FSA credit balance*

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Merryfield will ensure that all elements of an authorization to hold an FSA credit balance are conspicuous. Merryfield authorization includes the following elements:

- An explanation of what the FSA funds are covered by the document and it also specifies the time period covered.
- An authorization that clearly provides the student or parent with the information he or she needs to make an informed decision.

- Merryfield will ensure that student or parent will be fully informed that he or she may refuse to authorize any individual item, that he or she may cancel such authorization at any time, and that a cancellation is not retroactive.
- Merryfield A credit-balance authorization will provide details that are sufficient to give the student or parent an idea of how credit balance will be used.

#### Paying prior-year charges

- In general, FSA funds may only be used to pay for the student's costs for the period for which the funds are provided. However, Merryfield may use current-year funds to satisfy prior award year charges for tuition and fees, room, or board (and with permission, educationally related charges) for a total of not more than \$200. We will not pay prior-year charges in excess of \$200.
- FSA funds may not be used to repay a student's loan. Loan payments are not part of the cost of attendance for the period of enrollment.

The costs of education and other services that Merryfield provides a student are associated with the "year" for which the education and services are provided.

#### *How credit balances are identified*

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Every Monday the business office will run an AdHOC report in our third-party software to identify any credit balance(s) that needs to be issued. Once identified, the business office will review the student's record and identify if a check needs to be issued or if there is an authorization on file to hold the credit balance(s) until the end of the loan period or otherwise directed by student. If a student does not authorize us to hold the credit balance until the end of the loan period, the school will issue the credit balance within 14 days.

#### *Who will send Credit Notices?*

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The business office will immediately mail or make the credit notices available for pick up after the funds have been posted to a students' ledger; if the student is on a leave of absence it will be mailed immediately. The financial aid office is responsible for printing credit notices for the files and ensures a copy is enclosed within each student's file. Even though we have a passive confirmation process, students have the option to sign their award letter. A copy of the award letter will also be given to the student for his or her records upon request.

In an instance where the award amount was changed, the student will be informed only if it negatively affects the student's aid. The students will be notified by email or in-person and the student is required to sign an updated award letter confirming that they are aware of the change(s).

#### *Loan Cancellation/Reduction*

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Students can notify the business office or the financial aid office directly or in writing if he or she wants to cancel or reduce any portion of their federal student loan(s). Students will also receive directives on how to reduce or cancel their loans on the credit notices. Merryfield has a loan cancellation form available for all students and notices on their credit notices with directions on how to properly complete this request.

#### *How Merryfield Handles Overpayments*

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Students who owe funds to a grant program are required to make payment of those funds within 45 days of being notified that they owe this overpayment. During the 45-day period students will remain eligible for Title IV funds. If no positive action is taken by the student within 45 days of being notified, Merryfield School of Pet grooming will notify the U.S. Department of Education of the student's overpayment situation. The student will no longer be eligible for Title IV funds until they enter into a satisfactory repayment agreement with the U.S. Department of Education.

During the 45-day period, the student can make full payment to Merryfield school of Pet grooming of the overpayment. The school will forward the payment to the U.S. Department of Education and the student will remain eligible for Title IV funds. Students will need to make check payable to Merryfield School of Pet Grooming.

If a student is unable to pay his or her overpayment in full, they can set up a repayment plan with the U.S. Department of Education. Before doing so, the student is required to contact Merryfield School's Financial Aid Office. The student will need to make sure we have referred the situation to the U.S. Department of Education before any repayment plan can be set up.

For examples, of the Return of Title IV Funds calculations or questions regarding the overpayment policy, please contact the Financial Aid Office.

## TREATMENT OF OVERPAYMENTS

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### *Overpayments for which Merryfield School is responsible*

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Merryfield is liable for any amount of a Pell Grant, (including amounts under \$25. If Merryfield is responsible, we will make the following adjustments on pell grant by making a downward adjustment to the student's award in our third party software to be reported to COD, and have our third party servicer return the funds for us through G5, or disburse them to another eligible student. Merryfield may attempt to collect from a student funds it has returned. However, this is not an FSA debt, because an overpayment for which Merryfield is responsible can never become an FSA debt for a student. Therefore, an overpayment for which a Merryfield is responsible can never result in a student's losing FSA eligibility and will never be reported to NSLDS or referred to ED for collection.

### Admissions Policies and Procedures, & Course Cancellation and Denial of Entry Policy

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All students must be 18 years of age; otherwise a parent or legal guardian must consent and register the student with the approval. Enrolling students must show proof of high school diplomas (can be from a foreign school if it is equivalent to a high school diploma) or GED. Homeschooled students are not considered to have a high school diploma but are still eligible to receive FSA funds. All homeschooled students must show proof of his or her homeschooling self-certification that he or she has received this state credential.

Prior grooming industry experience is not necessary. Merryfield School of Pet Grooming does not discriminate against race, gender, age or religion. If you have a criminal background, it may be an issue with some employers. They may do a background check, but it is not a standard procedure in the industry. There is physical work involved with this trade, which includes lifting and long standing and it may cause a restriction to those that have physical handicaps or limitations.

The procedure for enrollment requires an “In School” interview, tour of the facilities and observing a class in operation. An “Admissions Questionnaire” must be completed. Upon acceptance into the program, the student may enroll.

### *Transfer Credits*

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**Merryfield School of Pet Grooming does not accept transfer credits from other grooming institutions.**

**It is the student’s responsibility to confirm whether credits will be accepted by another institution of the student’s choice.**

#### **Course Cancellation Policy and Denial of Entry Policy**

In the event of a course cancellation, credit will be given as soon as the school re-opens.

Merryfield school of Pet Grooming will retain records for one year for any student that is denied entry.

### *Attendance Policy*

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In order for students to be making satisfactory academic progress towards our certificate program, absenteeism must be kept to a minimum to maintain specific grade averages and proceed through the program at a pace leading to completion in a specific time frame (one and one-half times the length of the program). Satisfactory progress is measured in clock hours.

Each week you are expected to sign in the attendance forecast sheet and clock in our attendance tracking time clock system. Students must circle the days and nights they will be attending class. We expect all students to adhere and honor their forecasted commitment. If students find that they must miss a class, they are expected to notify the school prior to the start of class or on the day of the absence. Graduation requires the completion of 600 clock hours and any missed time will extend the length of (months) of your program. Students must make up **all** hours missed to satisfy the 600 clock hour requirements. If a student fails a class, the student will not meet hours and/or weeks for the next pay period.

Students that are absent for 14 consecutive calendar days without an official written notice will be withdrawn/terminated from the program.

A clock hour is based on an actual hour of attendance, a 60-minute period with one hour of non-instructional time for lunch. The students will attend from 8:30 -2:30pm



### *Make Up Policy*

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Students can make up excused hours missed; however, this must be coordinated with the Student Services Coordinator/Registrar.

### *SAP Clock Hour Policy*

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Due to the short duration of our program, Merryfield has an evaluation check point for all students once they have completed 150 hours, if the student is not meeting SAP whether its qualitative or quantitative the student will be counselled and all the SAP requirements will be reviewed to ensure the student understands the importance of Title IV aid and eligibility requirements. A student's Satisfactory Academic Progress (SAP) in the program is reviewed to determine if a student is eligible to continue to the next evaluation point. SAP applies to all students regardless of whether they are receiving Title IV funds. SAP is measured at 300 clock hours. The school will determine that the student has successfully completed both the clock hours and weeks of instructional time required for the period evaluated. At 300 completed clock hours, if a student is not meeting the SAP requirements the student will be placed on probation.

Appeal Process— Students has the option to submit an appeal to the School Director within 30 days based on mitigating circumstances such as illness, death in the family, etc. The appeal from the student must state why they did not meet satisfactory academic progress and what has changed that would now allow them to meet satisfactory academic progress.

There are two SAP requirements. One is qualitative and one is quantitative.

Qualitative -a student must maintain a cumulative GPA of 2.0 or better in order to remain in school and be considered in good academic standing at each evaluation point of 300 and 600 scheduled hours. The School Director may permit a student to retake a failed examination. A passing grade on the retaken examination would replace the original failed grade. The school maintains all student progress records. If a student's cumulative GPA is below a 2.0 at the evaluation point of 300 scheduled clock hours, the student's financial aid will be placed on probation, but student must increase their GPA before 480 hours, if not the student financial aid can be terminated at that point.

Quantitative - Attendance is checked at each evaluation point. A student must have at least 67% attendance at the 300-clock hour evaluation period, if the student does not meet this requirement the student will be placed on probation and will be required to improve his or her attendance.

**(Revised 3/26/2015)**

The students must also complete the program within maximum timeframe. Maximum timeframe is 150 % of the normal timeframe required to complete the program. Normal timeframe for full time students is 40 weeks and maximum timeframe is 60 weeks. Part time students normally complete the program within 50 weeks with a maximum time frame of 75 weeks.

Official Leaves of Absence, withdrawals, and other official interruptions of training are not computed in the maximum timeframe.

Examples Mitigating Circumstances:

- ✦ Serious illness or injury to student or immediate family member (parent, spouse, sibling, child) that required extended recovery time
- ✦ Death of an immediate family member
- ✦ Significant trauma in student's life that impaired the student's emotional and/or physical health
- ✦ Withdrawal due to military service
- ✦ Other unexpected circumstances beyond the control of the student

## Voluntary Withdrawal

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Students who have voluntarily withdrawn from the school or who were terminated for reasons other than failure to maintain satisfactory academic progress may apply for re-admission to the School Director. If approved for re-admission the student must sign a new enrollment agreement and will start in the next scheduled start date and will return in the same status as prior to withdrawal or termination.

The point in time that a student returns to school will depend on the previous class training that the school credits the student.

**Note: Circumstances related to the typical adjustment to college life such as working while attending school, financial issues related to paying bills and car maintenance/travel to campus is not considered as extenuating for purposes of appealing suspension of financial aid.**

### *Return of Title IV Policy*

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The Federal Return of Title IV funds formula (R2T4) dictates the amount of Federal Title IV aid that must be returned to the federal government or the lending institution by the school and/or the student. The federal formula is applicable to an eligible student receiving federal aid when that student withdraws on or before the 60% point in time in the payment period...

If a student did not start or begin attendance at the school, the R2T4 formula does not apply.

For official withdrawals a student's withdrawal date is the date the school received notice from the student that they are withdrawing.

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

For unofficial withdrawals a student's withdrawal date is their last day of physical attendance. The school's determination that a student is no longer in school for unofficial withdrawals is determined after 14 days of non-attendance.

**Any aid received post LDA and prior to Date of Determination (DOD) is aid that could have been disbursed.**

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, Direct Loans or Direct Plus loans and withdraws on or before completing 60% of 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. 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 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.

If a student receives less Title IV funds than the amount earned, the school will offer the student a disbursement of the earned aid that was not received at the time of their withdrawal which is a post withdrawal disbursement. Post withdrawal disbursements will be made from Pell grant funds first if eligible. If there are current educational costs still due the school at the time of withdrawal, a Pell grant post withdrawal disbursement will be credited to the student's account. Any Pell grant funds in excess of current educational costs will be offered to the student. Any federal loan program funds due in a post withdrawal disbursement must be offered to the student and the school must receive the student's authorization before crediting their account.

Refunds will be made to the federal programs within 45 days of the student's date of determination.

The statute requires that a student is responsible for all unearned Title IV program assistance that the school is not required to return. This is determined by subtracting the amount returned by the school from the total amount of unearned Title IV funds to be returned.

### *Records Accuracy*

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It is the responsibility of the Financial Aid Administrator to maintain the students' financial aid records and to ensure accuracy of all records. The students' record is constantly reviewed throughout the year for erroneous and conflicting information and is corrected immediately upon discovery. If erroneous information is found, it will be documented in the AUDIT MEMO folder for clarification after the fact.

### *Reconciliation*

Both the financial aid administrator and the business office are responsible for maintaining and documenting all students that funds have been requested for on a weekly or monthly basis.

### *Access*

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Both the Business office and the financial aid office have access to COD which we used as a point of first reference to verify funds received for the month.

### *Coordination of Reconciliation*

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The reconciliation is coordinated by the business office on the last Tuesday of every month. Both the financial aid office and the business office will meet to verify the amount of funds drawn down on a monthly basis, and if it coincides with our bank statements and the reconciliation provided by our third-party servicer. A monthly audit report within our third-party software will be pulled to verify accuracy or any discrepancies before closing the month being reconciled. The team will continue to update the main spread sheet with all requested funds for every month for pell and direct loans. The team will also continue to maintain separate folders with all rosters and funds received for each month. The team's goal is to ensure Merryfield is administratively competent to manage and disbursed Title IV funds.

### *Exit Counseling*

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All students are required to complete their exit counseling before their actual graduation date. Before students are cleared for externship or graduation, they are required to stop by the financial aid office and complete the exit counseling on-line at [http://www.nsls.ed.gov/nsls\\_SA/](http://www.nsls.ed.gov/nsls_SA/)

Once completed, the students will also be counselled by the financial aid administrator on their current loan(s) and will assist student(s) with any additional questions or concerns. The financial aid administrator will also give further clarification(s) if needed and exit counseling materials will be given to every student.

If a student drop or withdraw without seeing the financial aid administrator, a letter will be mailed to the student home address on file with directives on how to complete the exit counseling process online, along with exit counseling materials and his or her obligations regarding the loans disbursed on his or her behalf. The following entails all that will be discuss in the exit counseling:

Students will be informed how to contact the agency servicing their loans.

- ✚ The importance of repaying back their loans.
- ✚ Discuss what are default and the consequences of defaulted loan.
- ✚ Explain to borrower the options to repay each loan, and different payment schedules and repayment plans
- ✚ Provide the average monthly payment amount based on borrower debt burden

- ✚ Review various repayment options such as (standard repayment, extended, graduated, income-sensitive/Consolidation).
- ✚ Provide information on loan consolidation
- ✚ Discuss tax debt management strategies and tax benefits
- ✚ Review forbearance, deferment, and cancellation options and procedures
- ✚ Inform student about the availability of loan information through the National Student Loan Data System (NSLDS)
- ✚ Ensure and borrowers understand their rights and responsibilities
- ✚ Update student's personal information

## Default Plan

### Default Prevention Goal

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It is the goal of Merryfield to maintain a default rate under 10%. It is the practice of Merryfield School that all students conduct entrance counseling for first time borrowers before releasing the first disbursement of a Title IV loan to the borrower. Merryfield School partially relies on entrance counseling as a default prevention strategy.

The financial aid office at Merryfield School also ensures that all students are provided with a comprehensive information packet about the loan terms, conditions and their rights and responsibilities as a borrower. Prior to the borrower's leaving school, the financial aid office conducts an **exit counseling** to inform the borrower(s) once again of some of the information provided during entrance counseling and to provide more specific information about loan repayment and debt-management strategies. The exit counseling is conducted on the web and if students have any questions or concerns, it will be addressed immediately. Additional exit counseling materials will be given to every student upon the completion of his or her exit counseling.

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## Current Default Rate

Because Merryfield schools is fairly new in administering Title IV Aid, our current default rate from the U.S. Department of Education is not yet been rated. Our current default rate is currently 0%.

## *Strategies to maintain a low Default Rate*

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Quarterly and just before graduation, we request that all students update their contact information. Merryfield maintains an excel spreadsheet with all the students that have dropped, withdrew or graduated from our program. The spreadsheet also contains the date of the repayment the amount of money owed and the students' servicer.

Merryfield School's default strategy is to send notification from the date the student dropped withdrew or graduated from the program. The notification sent will remind the borrowers of their loan obligation(s), and re-iterate the information found in the exit counseling session such as, their loan(s) obligation, the amount owed, and the importance of repaying their loans and to whom they should contact if they should have any questions or concerns. Merryfield financial aid office

will always be available to assist any future, present or past students regarding their loans, payment and or deferment/forbearance concerns.

Along with the notifications, a representative from the school will also maintain contact with the student(s) to see if they have any questions or concerns regarding their loan servicer, payment or payment schedule.

Because we are fairly new in administering Title IV aid, our staff have dedicated a couple hours per month to reach out to our past students regarding their upcoming payments.

## Type of students targeted, to maintain our default rate.

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We found success in managing default prevention by addressing student accounts and studying the consistency and payment history of past and present students. Once these students have been identified, we then devised a plan of action.

## Acronyms

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AGI – Adjusted Gross Income  
 C-Code – Comment Code  
 CFR– Code of Federal Regulation  
 COA – Cost of Attendance  
 COD – Common Origination & Disbursement  
 CIE – Commission of Independent Education  
 CPS – Central Processing System  
 DL – Direct Loan  
 DOE – Department of Education  
 DRN – Data Release Number  
 ED – Department of Education  
 EFA – Estimated Financial Assistance  
 EFC – Expected Family Contribution  
 EFT – Electronic Funds Transfer  
 E-Signature – Electronic Signature  
 FAA – Financial Aid Administrator/Advisor  
 FAFSA – Free Application for Federal Student Aid  
 FERPA – Family Educational Rights and Privacy Act  
 FDLP – Federal Direct Loan Program  
 FAO – Financial Aid Office  
 FSAIC – Federal Student Aid Information Center  
 GA- Guaranty Agency  
 GED – General Educational Development  
 GPA – Grade Point Average  
 HEA – Higher Education Act  
 IFAP – Information for Financial Aid Professionals

IRS – Internal Revenue Service  
ISIR – Institutional Student Information Report  
LOA – Leave of Absence  
MPN – Master Promissory Note  
NSLDS – National Student Loan Data System  
OPE ID – Office of Postsecondary Education Identification Number  
OSFA – Office of Student Financial Aid  
PJ – Professional Judgment  
PLUS – Parent Loan for Undergraduate Student  
PIN – Personal Identification Number  
R2T4 – Return of Title IV Funds  
SAP – Satisfactory Academic Progress  
SAR – Student Aid Report  
SSN – Social Security Number  
SSS – Selective Services System  
USCIS – United States Citizenship and Immigration Services  
VA – Veterans Administration

## References

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Sources of Federal and Department of Education’s regulatory guidelines consulted in compiling this document:

- A Guide to Creating Policies and Procedure Manual (IFAP)
- Common Manual
- Code of Federal Regulations
- Merryfield School of Pet Grooming Catalog 2013
- Federal Student Aid Handbook
- ISIR Guide
- NSLDS User’s Guide
- The Audit Guide
- The Blue Book
- Fundamentals of Federal Student Aid Administration Guide
- Get Educated.com