

Return of Title IV Funds & Course Cancellation

Return of Title IV, Higher Education Act (HEA) Policy

When a student applies for financial aid, the student agrees that financial aid funds will be used for educational purposes only. Therefore, if a student withdraws before completing their program, a portion of the funds received may have to be returned. Capri Oak Forest Beauty College (Capri) will calculate the amount of financial aid to be returned to the Title IV, HEA programs according to the policies listed below.

Return of Title IV (R2T4) Policy

This policy applies to students who officially withdraw, unofficially withdraw, fail to return from a leave of absence, or are dismissed from enrollment at Capri Oak Forest Beauty College. The Federal Return of Aid Policy is mandated by the U.S. Department of Education.

The amount of Title IV (federal) aid earned is based on the amount of time a student spent in academic attendance and the total aid received; it has no relationship to student's incurred institutional charges. Because these requirements deal only with Title IV, HEA funds, the order of return of unearned funds do not include funds from sources other than the Title IV, HEA programs.

Title IV, HEA funds are awarded to the student under the assumption that he/she will attend school for the entire period for which the aid is awarded. When a student withdraws, he/she may no longer be eligible for the full amount of Title IV, HEA funds that were originally scheduled to be received. Therefore, the amount of Federal funds earned must be determined. If the amount disbursed is greater than the amount earned, unearned funds must be returned.

Timeline for Returning Title IV Funds

Capri Oak Forest Beauty College will return any unearned Title IV funds it is responsible for returning within 45 calendar days of the date Capri determined the student withdrew, and offer any post-withdrawal disbursement of loan funds within 30 calendar days of that date.

When a Student is Considered a Withdraw: The student is considered to have withdrawn from the program when the student does not complete all of the clock hours and weeks of instructional time in the payment period or period of enrollment that the student was scheduled to complete.

A. Official Withdrawal

When the student gives formal notification of his/her intention to withdraw, the last date of attendance (LDA) is the date the school determined the student withdrew. For purposes of returning title IV funds, refunds will be made within 45 calendar days from the LDA.

B. Unofficial Withdrawal - when absences are treated as a withdrawal.

In the case of unexplained consecutive absences, the school will determine withdrawal no later than 14 days after the students last date of academic attendance as determined by the school from attendance records. This date (day 14) is recorded as the date the school determined that the student withdrew. For purposes of returning Title IV funds, refunds

will be made within 45 calendar days from the date the school determined the student withdrew. If the student provides notification to the school of his or her withdrawal prior to the date that the school normally would determine that the student withdrew, the date of determination is the date of the student's notification.

C. Expelled Student

The student that is expelled by the school is considered to have not completed all the clock hours and weeks of instruction time in the payment period or period of enrollment that the student was scheduled to complete. The LDA is the date the school will use to determine termination. For purposes of returning title IV funds, refunds will be made within 45 calendar days from the LDA.

Determining Aid Earned

To determine the amount of aid you earned up to the time of withdrawal, Capri will calculate the percent of scheduled hours earned in the payment period. The resulting percentage is then used, along with your institutional costs and total federal funds that you received (funds that were disbursed directly to your student account and possibly refunded to you) or that you were eligible to receive (disbursement owed) to determine the amount of aid that you are allowed to keep.

Withdrawal Before 60% Point of the Program

Capri Oak Forest Beauty College must perform a R2T4 calculation to determine the amount of earned aid up through the 60% point of scheduled hours earned in the payment period of enrollment. The College will use the U.S. Department of Education's prorate schedule to determine the amount of R2T4 funds the student has earned at the time of withdrawal.

Withdrawal After 60% Point of the Program

For a student who withdraws after the 60% point of scheduled hours earned in the payment period of enrollment, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period. Thus, there are no unearned funds. Capri Oak Forest Beauty College must still perform a R2T4 to determine the amount of aid that the student has earned and whether or not the student is eligible for a post withdrawal disbursement.

Payment Periods are defined according to the following hours:

Payment Period 1 = 0 -450 hours	Payment Period 3 = 901 – 1200 hours
Payment Period 2 = 451 -900 hours	Payment Period 4 = 1201 -1500 hours

Order of Return

In accordance with Federal regulations, when Title IV, HEA financial aid is involved, the calculated amount of the R2T4 funds is retracted in the following order:

1. Unsubsidized Direct Loan
2. Subsidized Direct Loan
3. Direct Plus Loan
4. Pell Grant

After the Return of Aid has been completed it may result in the student owing for tuition that was once awarded from Title IV Aid. In addition, the student may be required to refund monies back to the Title IV Program.

Post-Withdrawal Disbursement

A student may be eligible for a post-withdrawal disbursement if, prior to withdrawing, the student earned more federal financial aid than was disbursed. If a student is eligible for a post-withdrawal disbursement for Title IV funds, it will be processed for the student and a refund will be issued within 14 days of the credit balance.

If the post-withdrawal disbursement includes loan funds, Capri Oak Forest Beauty College must get the student's permission before it can disburse the loan. Students may choose to decline some or all of the loan funds so that s/he does not incur additional debt. A notice will be sent out to the student, and the signed, original document must be returned to the college within 14 days.

Capri Oak Forest Beauty College may automatically use all or a portion of the post-withdrawal disbursement of grant funds for tuition and fees. However, the college needs the student's permission to use the post-withdrawal grant disbursement for all other college charges. If the student does not give his/her permission, the student will be offered the funds. However, it may be in the student's best interest to allow the college to keep the funds to reduce the student's debt.

It is also important to understand that accepting a post-withdrawal disbursement of student loan funds will increase a student's overall student loan debt that must be repaid under the terms of the Master Promissory Note. Additionally, accepting the disbursement of grant funds will reduce the remaining amount of grant funds available to the student should the student continue his/her education at a later time.

Return to Title IV Questions

If you have questions regarding Title IV, HEA program funds after visiting with or emailing SFAS, you may call the Federal Student Aid Information Center at 1-800-4-fedaid (800-433-3243). TTY users may call 800-730-8913.

For a printable worksheet for calculating federal refunds visit:

<http://www.ifap.ed.gov/aidworksheets/attachments/2010IASGClockHourR2T4Final.pdf>

Information is also available at Student Aid on the Web www.studentaid.ed.gov.

Course Cancellation

Buyer's right to cancel: The student (or in the case of a student under legal age, his/her parent or guardian) has the right to cancel the initial enrollment agreement and demand his/her money back in writing until midnight of the fifth business day after the student has been enrolled; and if notice of the right to cancel is not given to any prospective student at the time of the enrollment agreement is signed, then the student has the right to cancel the agreement at any time and receive a full refund of all monies paid to date within ten days of cancellation. The official cancellation date or withdrawal will be determined by the post mark on written notices, or the date said information is delivered in person.

- a. An applicant not accepted by the Capri Beauty College shall be entitled to a refund of all monies paid.
- b. If the school cancels or discontinues a course, the student shall be entitled to receive from the school such refund or partial refund of the tuition, fees, and other charges paid by the student or on behalf of the student as is provided under rules promulgated by the Department.
- c. If the school is permanently closed and no longer offering instruction after a student is enrolled, the student shall be entitled to a pro-rata refund of tuition.
- d. In case of illness or disabling accident, death in the immediate family, or other circumstances beyond the control of student, the school makes a settlement which is reasonable and fair to both.
- e. A student must give formal notice of cancellation to the school. The Capri shall mail a written acknowledgement of a student's cancellation or withdrawal within 15 calendar days of the postmark date of notification.
- f. Any monies due the applicant or student shall be refunded within 45 days of formal cancellation by the student, or within 45 days of the date of formal termination as determined by the institution which may occur according to the termination policy stated in the Official School Catalog.

State of Illinois Refund Policy

Upon completion of the Return of Title IV Calculation, Capri Oak Forest Beauty College will determine the amount of tuition owed from the student who enrolls in and begins classes. Tuition adjustment shall be made using the State of Illinois Refund Policy stated below:

Percent of elapsed ^enrollment time at notice of cancellation compared to total time of course.	Percent of tuition and other instructional charges which the school may retain:
Within 5 days after date of enrollment	0
After the fifth day following enrollment but before the completion of the student's first day of class attendance.	Application-registration fee(may not exceed \$100.00) plus the cost of any books or materials which have been provided by school and retained by student
After the student's completion of the first day of class attendance, but prior to completion of 5% of the course.	Application-registration fee, 10% of tuition or \$300, whichever is less and cost of books and materials.
5.0%-9.9%	30% of tuition*
10%-14.9%	40% of tuition*
15%-24.9%	45% of tuition*
25%-49.9%	70% of tuition*
50% and OVER	100% of tuition*

Plus application registration fee and materials

^Enrollment time is defined as the time elapsed between the actual starting date and the date of the student's last day of physical attendance in the school.

Note to student:

If your tuition account received excess funds that must be returned, the school must return a portion of the excess equal to the lesser of: your institutional charges multiplied by the unearned percentage of your funds, or the entire amount of the excess funds. If a portion of the excess was disbursed directly to you for living related expenses, you are responsible for returning those funds in full at the time of termination. If the school is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return, you (or your parent for a PLUS loan) must repay the loan in accordance with the terms of the promissory note.

Refund of Books & Equipment: If you withdraw from this program; you are eligible to return any unused equipment. For sanitary purposes, equipment must be in same condition as when received: books not written in, hair goods not cut. Rollers, clips, brushes, combs, shears, razor, blow dryer, clippers, thermal irons, etc. must be unused and in original package to be returned. You have 20 days to return unused equipment after your last day of attendance

Withdrawal/Termination Fee. Students who withdraw (Official/Unofficial) prior to course completion or are terminated will be charged a \$100.00

School Closure Policy

If Capri Beauty College is permanently closed, a list of all students who were enrolled at the time of closure & pro-rata refund will be submitted to accrediting body.