Paul Mitchell The School Roanoke

FEDERAL RETURN OF TITLE IV FUNDS POLICY

The school participates in federal financial aid. Please refer to the following Return of Title IV Funds policy for specific consumer information pursuant to the Federal Financial Aid program.

1. Students who receive loans are responsible for repaying the loan amount, plus any interest, less the amount of any credit balances, and if those students have received federal student financial aid funds, they are entitled to a credit of the monies not paid to the federal student financial aid program fund.
2. For students who have received Title IV financial assistance, the Federal Return of Title IV Funds calculation will be completed first and applicable funds returned. Returned funds will be reduced from the payments received on behalf of the student before applying the institutional refund policy to determine whether the student is owed a credit or if a balance is owed to the school.
3. If a student has received less aid than the student earned, he/she may be eligible for a post-withdrawal disbursement. If a student is eligible for this disbursement, the school will notify the student in writing of the amount he/she is eligible. The student will have to accept or decline the disbursement within 14 days. If an acceptance is not received within this time frame, the school will not make the post-withdrawal disbursement to the student.
4. The Federal Return of Title IV Funds formula 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 percent point in time in the payment period.

WITHDRAWAL BEFORE 60%

The school must perform a R2T4 to determine the amount of earned aid up through the 60% point in each payment period and use the Department of Education's prorate schedule to determine the amount of R2T4 funds the student has earned at the time of withdrawal. After the 60% point in the payment period or period of enrollment, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period.

WITHDRAWAL AFTER 60%

For a student who withdraws after the 60% point-in-time, there are no unearned funds. However, the school will still calculate the Institutional Refund and R2T4 for financial aid recipients.

5. The federal formula requires a return of Title IV aid if the student received federal financial assistance in the form of Stafford loans, Pell Grants, or 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 determining the complement of the percentage earned (e.g., if 40% was earned, 60% was unearned).

6. The amount to be returned is calculated by subtracting the amount of Title IV assistance earned from the amount of the Title IV aid that was or could have been disbursed as of the withdrawal date. The percentage of the payment period scheduled to complete is calculated by dividing the total number of clock hours scheduled to complete by the payment period as of the last date of attendance.
7. If a student withdraws (officially or unofficially) and has received federal loans, the loans will go into repayment.

Note: A student who withdraws prior to completing the 60% of the charging period may be required to repay some of the funds released to the student because of a balance on the student's account.

ORDER OF RETURN

Paul Mitchell The School Roanoke is authorized to return any excess funds after applying them to current outstanding Cost of Attendance (COA) charges. A copy of the Institutional R2T4 worksheet performed on your behalf is available through the Financial Aid office upon student request.

Federal regulations and Institutional policy require that the following aid programs be subject to the repayment calculation:

1. Federal Direct Loans: Unsubsidized
2. Federal Direct Loans: Subsidized
3. Federal PLUS Loans (received on behalf of the student)
4. Federal Direct Parent PLUS Loans (received on behalf of the student)
5. Federal Pell Grant
6. Iraq Afghanistan Service Grant for which a return is required

STUDENT NOTIFICATION OF REPAYMENT

A notification letter outlining the amount and type of funds returned to the appropriate federal program(s) will be sent to the student upon withdrawal. The student may request a copy of the federal government's repayment worksheet (R2T4 form) and a copy will be kept in the student file for future reference.

The school will return funds on the student's behalf to the appropriate federal and institutional aid program(s) and subsequently notify the student of any outstanding balances owed to the school. A statement reflecting these charges will be sent to the student. The student is responsible for all charges and overpayments resulting from a Return of Title IV calculation.

SCHOOL AND STUDENT RESPONSIBILITIES REGARDING THE R2T4 POLICY & PROCESS

1. Providing each student with the information given in this policy;
2. Identifying students affected by this policy and completing the Return of Title IV Funds (R2T4) calculation;
3. Informing the student of the result of the R2T4 calculation and any balance owed to Paul Mitchell The School Roanoke because of a required return of funds;
4. Returning any unearned Title IV aid that is due to the Title IV programs and, if applicable, notifying the borrower's holder of federal loan funds of the student's withdrawal date;
5. Notifying student and/or Plus borrower of eligibility for a Post-Withdrawal Disbursement, if applicable.

STUDENT'S RESPONSIBILITIES REGARDING THE RETURN OF TITLE IV FUNDS

- Becoming familiar with the Return of Title IV Funds (R2T4) policy and how withdrawing from all courses effects eligibility for Title IV aid;
- Resolving any outstanding balance owed to the Paul Mitchell The School Roanoke resulting from a required return of unearned Title IV aid;
- Resolving any repayment to the U.S. Department of Education as a result of an overpayment of Title IV grant funds.

POST WITHDRAWAL

If you did not receive all the funds that you have earned, you may be due a post-withdrawal disbursement. Paul Mitchell The School Roanoke may use a portion or all your post-withdrawal disbursement for tuition and fees (as contracted with Paul Mitchell The School Roanoke). For all other school charges, Paul Mitchell The School Roanoke needs your permission to use a post-withdrawal disbursement of direct loans. If you do not give permission, you will not be offered the direct loan funds. However, it may be in your best interest to allow the school to keep the funds to reduce your debt at the school.

The post-withdrawal disbursement must be applied to outstanding institutional charges before being paid directly to the student.

Time frame for returning an unclaimed Title IV, HEA credit balance

If the school attempts to disburse the credit balance by check and the check is not cashed, the school must return the funds no later than 240 days after the date the school issued the check.

If a check is returned to the school or an EFT is rejected, the school may make additional attempts to disburse the funds, provided that those attempts are made not later than 45 days after the funds were returned or rejected. When a check is returned or EFT is rejected and the school does not make another attempt to disburse the funds, the funds must be returned before the end of the initial 45-day period.

The school must cease all attempts to disburse the funds and return them no later than 240 days after the date it issued the first check. For further information, please contact the Financial Aid Office.

OR

For questions about the Title IV program funds, call the Federal Student Aid Information Center at:

1-800-4-FEDAID (1-800-433-3243); TTY users may call: 1-800-730-8913

Information is also available on Student Aid on the Web at https://studentaid.gov/

*This policy is subject to change at any time, and without prior notice.