



**FINANCIAL
AID
INFORMATION
2019**

TABLE OF CONTENTS

OIG REFERRALS	2
SYSTEM OF CHECKS/BALANCES.....	2
CODE OF CONDUCT	2-3
INCENTIVE COMPENSATION PROHIBITION	4
APPLICATION PROCESS	5-6
ELIGIBILITY REQUIREMENTS	7
TITLE IV AID	8
PACKAGING & AWARDING AID.....	9
TITLE IV DISBURSEMENTS	10
TERMS AND CONDITIONS OF DIRECT LOANS	11-18
BORROWER’S RIGHTS AND RESPONSIBILITIES	19
PROFESSIONAL JUDGEMENT.....	20-21
RETURN TO TITLE IV	22-23
POST WITHDRAWAL DISBURSEMENT.....	23-24
VERIFICATION	25-33
CONTACT INFORMATION.....	34-35

OIG REFERRALS

The Academy will refer to the Department's Office of Inspector General (OIG) any credible information indicating that an applicant for federal student aid may have engaged in fraud or other criminal misconduct in connection with his or her application. Common misconduct includes false claims of independent student status, false claims of citizenship, use of false identities, forgery of signatures of certifications, and false statements of income.

SYSTEM OF CHECKS AND BALANCES

The Academy ensures that its administrative procedures for the FSA programs system of internal checks and balances is in compliance with Department of Ed regulations by separating the functions of authorizing payment and disbursing or delivering funds so that no single person exercises both functions for any student receiving FSA funds.

CODE OF CONDUCT

The American Barber Academy publishes and enforces a code of conduct that includes bans on revenue-sharing arrangements with any lender, steering borrowers to particular lenders or delaying loan certifications, and offers of funds for private loans to students in exchange for providing concessions or promises to the lender for a specific number of FSA loans, a specified loan volume, or a preferred lender arrangement.

The code of conduct applies to the officers, employees, and agents of the school and also prohibits employees of the financial aid office from receiving gifts from a lender, guaranty agency, or loan servicer.

It also prohibits the financial aid office staff (or other employees or agents with responsibilities with respect to education loans) from accepting compensation for any type of consulting arrangement or contract to provide services to or on behalf of a lender relating to education loans; and service on an advisory board, commission, or group established by lenders or guarantors.

American Barber Academy is committed to providing the best possible customer service to our students and their families. Keeping within the federal requirements, it is our goal to provide information and advice, determined solely by consideration of the best interests of our students and their parents or guardians. To ensure students and their families continue receiving sound and impartial advice from the financial aid personnel, and to avoid the potential for, or appearance of, conflicts of interest regarding student loans, American Barber Academy shall abide by this Code of Conduct in its relationships with lenders, guarantors and servicers of education loans. It is the intention of American Barber Academy that this Code of Conduct complies with all the letter and spirit of the Higher Education Act, as amended by the Higher Education Opportunity Act of 2008.

1. American Barber Academy, as an institution or any individual officer, employee or agent of American Barber Academy shall not enter into any revenue-sharing arrangements with any lender.
2. No officer or employee of American Barber Academy who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans, or agent who has

responsibilities with respect to education loans, or any of their family members, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans. For purposes of this prohibition, the term "gift" means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount.

3. An officer or employee of American Barber Academy who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans, or an agent who has responsibilities with respect to education loans, shall not accept from any lender or affiliate of any lender any fee, payment, or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education.
4. American Barber Academy does not have a preferred lender list (PLL) for alternative loans and, therefore, will not use a preferred lender list (PLL) to:
 - Require a prospective borrower to use a lender on a PLL;
 - Deny or otherwise impede a borrower's choice of lender;
 - Cause unnecessary certification delays for borrowers who use a lender that is not listed on a PLL.
5. American Barber Academy shall not request or accept from any lender any offer of funds to be used for private education loans, including funds for an opportunity pool loan, to students in exchange for the institution providing concessions or promises regarding providing the lender with:
 - a. a specified number of loans made, insured, or guaranteed under Title IV;
 - b. a specified loan volume of such loans; or
 - c. a preferred lender arrangement for such loans.
6. American Barber Academy shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.
7. Any employee who is employed in the financial aid office, or who otherwise has responsibilities with respect to education loans or other student financial aid, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.

INCENTIVE COMPENSATION PROHIBITION

The American Barber Academy does not provide any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any individual or entity engaged in recruiting or admission activities or in making decisions about awarding FSA program funds.

The incentive compensation prohibition applies to all individuals with responsibility for recruitment or admission of students or making decisions about awarding FSA funds.

APPLICATION PROCESS

A student wanting to apply for financial aid at the American Barber Academy must complete a Free Application for Federal Student Aid (FAFSA) for the award year in which the student wants to enroll at the Academy.

The Department of Education offers several ways the student can complete the FAFSA as listed below. The American Barber Academy recommend the student use FAFSA on the Web as their first option and informs the student of the requirement to obtain an FSA ID before completing the FAFSA.

HOW TO CREATE AN FSA ID

- Access fsaid.ed.gov
- Select Create FSA ID (*Dependent student and parent must both create an FSA ID*)
- Enter your email, create a username, password.
- Enter personal information
- Enter security questions
- Confirm information
- Enter secure code that was sent to your email address.
- Social Security Administration verification. (*This will take approximately 1 – 3 days*)
- Students (and parents) use the FSA ID (username and password they create) to log on to FAFSA on the Web and other FSA websites.

FAFSA on the Web

www.fafsa.gov Help is available for students online or by calling the Federal Student Aid Information Center (FSAIC) at 1-800-4-FEDAID (1-800-433-3243).

FAA Access to CPS Online

The FA Administrator can submit a student's application data at FAA Access to CPS Online (<https://faaaccess.ed.gov>). Before submitting the data, the FA Administrator will, print the signature page/FAFSA summary for the student/parent to sign.

Paper FAFSA

Students can request a paper FAFSA from the FSAIC by calling 1-800-433-3243. Another paper option is the PDF FAFSA, which students can get at the FOTW site.

FAFSA on the phone

Students who have limited or no Internet access can choose to complete and submit their application by calling 1-800-433-3243.

Renewal FAFSA

A student who has received an FSA ID and who the year before had a successful match on Social Security number (SSN), name, and date of birth with the Social Security Administration (SSA) is eligible for a renewal FAFSA.

- If the student is applying for a **Federal Direct Loan** he/she must complete a Master Promissory Note on studentloans.gov.
- If the parent of a dependent student is applying for a **Federal PLUS Loan**, the parent must complete a Master Promissory Note on studentloans.gov.
- All first time student loan borrowers must complete **Entrance Counseling** on studentloans.gov. Regulations indicate that if a student received loans at another institution, entrance counseling is not required to be completed again.

ELIGIBILITY REQUIREMENTS

A Student enrolled at the American Barber Academy must meet the following eligibility requirements in order to receive federal aid.

- Must be enrolled as a *regular student* in the Barber program or Barber Crossover program and must make satisfactory academic progress.
- A United States citizen or national
- A United States permanent resident or other eligible noncitizen
- Not be in default on an FSA loan or owe an overpayment on an FSA grant or loan and has not made a repayment arrangement for the default or overpayment.
- A student who has filed for bankruptcy or had a loan discharged for disability may need to give additional documentation before receiving aid.
- Have a valid social security number
- Males (any person assigned the sex of male at birth) aged 18–25 are required to register with the Selective Service System (SSS).
- The student must be qualified to study at the postsecondary level. A student qualifies if they:
 - Have a high school diploma (this can be from a foreign school if it is equivalent to a U.S. high school diploma)
 - has the recognized equivalent of a high school diploma, such as a general educational development (GED) certificate or other state-sanctioned test or diploma-equivalency certificate
 - has completed homeschooling at the secondary level as defined by state law
- A student must be enrolled at least half time to receive aid from the Direct Subsidized/Unsubsidized and Direct PLUS Loan programs.
- Have not been convicted of possession or sale of illegal drugs during a period of enrollment for which the student was receiving federal student aid.

TITLE IV AID

A Pell Grant is a subsidy the U.S. federal government provides for students who need it to pay for college. **Federal Pell Grants** are limited to students with financial need, who have not earned their first bachelor's degree, or who are enrolled in certain post-baccalaureate programs, through participating institutions. A Pell Grant is generally considered the foundation of a student's financial aid package, to which other forms of aid are added. The Federal Pell Grant program is administered by the United States Department of Education, which determines the student's financial need and through it, the student's Pell eligibility. The U.S. Department of Education uses a standard formula to evaluate financial information reported on the Free Application for Federal Student Aid (FAFSA) for determining the student's expected family contribution (EFC). Pell Grants were created by the Higher Education Act of 1965. These federal funded grants are not like loans, and need not be repaid.

A federal Direct Loan is a federal student loan made directly by the U.S. Department of Education. William D. Ford Federal Direct Loan Program includes four components: **Direct Subsidized, Direct Unsubsidized, Direct PLUS, and Direct Consolidation**. *Subsidized -interest free during enrollment, grace period and deferment periods. *Unsubsidized – interest accrues during all periods.

Direct PLUS Loans are offered to a parent of dependent students to assist the student with educational costs. Parent plus eligibility is determined by credit history. If a parent borrower is unable to obtain a PLUS loan, the undergraduate dependent student may be eligible for additional unsubsidized loans.

Direct Consolidation Loan allows you to consolidate (combine) multiple federal education loans into one loan. The result is a single monthly payment instead of multiple payments. Loan consolidation can also give you access to additional loan repayment plans and forgiveness programs.

PACKAGING/AWARDING AID

Once the American Barber Academy has received a valid ISIR (Institutional Student Information Report), and have satisfied any “C” code and/or verification requirements, the student’s aid will be packaged based on the student’s Cost of Attendance, EFC and enrollment status. The Financial Aid Administrator will make sure that the student’s total financial aid and other estimated financial assistance (EFA) does not exceed the student’s financial need. The American Barber Academy uses packaging software provided by the school’s third party servicer, Financial Aid Services, Inc. The Financial Aid Administrator will also reference the current award year Federal Student Aid Handbook for additional guidance in packaging/awarding aid.

The Financial Aid Administrator will review the ISIR, the EFC and the Department issued Pell payment schedules to see if the student is eligible for a Pell Grant. A correctly determined Pell Grant is never adjusted to take into account other forms of aid. Therefore, if a student’s aid package exceeds their need, The Financial Aid Administrator will eliminate the over award by reducing other aid.

The Financial Aid Administrator may also reference NSLDS to determine if the student received any prior grants and/or loans that may affect the student’s eligibility for Pell and/or loans at the American Barber Academy.

Once the student’s eligibility for a Pell grant has been determined, the Financial Aid administrator can originate a loan. The FA administrator will originate a Direct Subsidized Loan only for the amount of the student’s financial need—the student’s costs minus the student’s EFC and estimated cost minus financial assistance.

In addition, a student may not receive a Direct Unsubsidized Loan unless the student has received a Direct Subsidized Loan for the maximum amount for which the student is eligible. However, if the amount of the Direct Subsidized Loan would be \$200 or less and the amount can be included as part of a Direct Unsubsidized Loan, the Financial Aid Administrator is not required to originate a separate subsidized loan.

If the student is a first time first year borrower, the Financial Aid Administrator will review COD to determine if the student has completed Entrance Counseling and a Master Promissory Note.

The maximum gross Direct Loan amount for a student enrolled in the Barber program for 0 to 900 clock hours (academic year) is \$3,500 subsidized, \$6,000 unsubsidized for an independent student and \$2,000 unsubsidized for a dependent students. A dependent student’s parent may borrow a Direct PLUS loan up to the student’s cost of attendance. All loans are subject to a loan origination fee as set forth by the Department of Education. Loan amount eligibility for clock hour 451 to 1250 will be prorated because it is less than an academic year.

Student’s enrolled in the Barber Crossover program will have their loans prorated because the program is less than an academic year.

TITLE IV DISBURSEMENTS

Title IV funds will be disbursed as follows. Funds will be posted to the student's account and the student will receive a notification of each disbursement with information on how to cancel all or part of the loan. Any aid received in excess of the tuition/fees for the payment period will be refunded to the student no later than 14 days from the date of disbursement. If the excess aid was created by a PLUS loan, the excess aid will be refunded to the parent.

In addition to completing the required number of clock hours, the student must also complete the required number of weeks prior to each disbursement.

Barber Full time - 0 to 450 clock hours in addition to 15 weeks.
450 to 900 clock hours in addition to 15 weeks.
900 to 1075 clock hours in addition to 6 weeks.
1075 to 1250 clock hours in addition to 6 weeks.

Barber Part time - 0 to 450 clock hours in addition to 25 weeks.
450 to 900 clock hours in addition to 25 weeks.
900 to 1075 clock hours in addition to 10 weeks.
1075 to 1250 clock hours in addition to 9 weeks.

Barber Crossover Full time - 0 to 348 clock hours in addition to 12 weeks
348 to 695 clock hours in addition to 12 weeks

Barber Crossover Part time - 0 to 348 clock hours in addition to 20 weeks
348 to 695 clock hours in addition to 19 weeks

First time borrowers must wait 30 days from the first class start before the first disbursement of their loan.

Students enrolled in the Barber Program will be evaluated for Satisfactory Academic Progress at clock hours 450, 900 and 1075.

Students enrolled in the Barber Crossover Program will be evaluated for Satisfactory Academic Progress at clock hour 348.

TERMS AND CONDITIONS OF DIRECT LOANS

Governing Law

The terms of the Application and the Master Promissory Note (MPN) will be interpreted in accordance with the Higher Education Act of 1965, as amended (20. U.S.C. 1070 *et seq.*), the U.S. Department of Education's (ED's) regulations, as they may be amended in accordance with their effective date, and other applicable federal laws and regulations (collectively referred to as the "Act"). Applicable state law, except as preempted by federal law, may provide for certain borrower rights, remedies, and defenses in addition to those stated in the MPN.

Disclosure of Loan Terms

The MPN applies to Federal Direct Stafford/Ford (Direct Subsidized) Loans and Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans. Under the MPN, the principal amount that the borrower owes, and is required to repay, will be the sum of all disbursements that are made (unless the borrower reduces or cancels any disbursements as explained below under Loan Cancellation), plus any unpaid interest that is capitalized and added to the principal amount.

At or before the time of the first disbursement of each loan, a disclosure statement will be sent to the borrower identifying the amount of the loan and additional terms of the loan. Important additional information is also contained in the Borrower's Rights and Responsibilities Statement accompanying the MPN. The Borrower's Rights and Responsibilities Statement and any disclosure statement received in connection with any loan under the MPN are hereby incorporated into the MPN.

Loans disbursed under the MPN are subject to the annual and aggregate loan limits specified under the Act. The borrower may request additional loan funds to pay for educational costs up to the annual and aggregate loan limits by contacting the school's financial aid office. The Financial Aid Administrator will determine if the borrower is eligible for any additional loan funds. The borrower will be notified of any increase or other change in the amount of their loan.

The borrower's eligibility for Direct Subsidized Loans and Direct Unsubsidized Loans may increase or decrease based on changes in his/her financial circumstances. The Financial Aid Administrator will notify the borrower of any changes in his/her eligibility. The borrower will be notified of any increase or decrease in the amount of their loan. The borrower understands that each loan made under their MPN is separately enforceable based on a true and exact copy of their MPN.

Loan Cancellation

The borrower may pay back all or part of a disbursement within the timeframes set by the Act, as explained in the Borrower's Rights and Responsibilities Statement and in the disclosure statement they receive. If the borrower returns the full loan amount within the specified timeframes, they will not incur any loan fee or interest charges. If the borrower returns part of a disbursement within the specified timeframes, the loan fee and interest charges will be reduced in proportion to the amount returned.

Interest

Unless the Department of Education (ED) notifies the borrower of a lower rate, the interest rate for any loan received under their MPN is determined using a formula specified in the Act. As explained in the Borrower's Rights and Responsibilities Statement, the borrower will be notified of the actual interest rate for each loan that they receive. ED does not charge interest on a Direct Subsidized Loan during an in school grace, or deferment period, and during certain periods of repayment under the Income-Based Repayment Plan. ED charges interest on a Direct Subsidized Loan during all other periods (including forbearance periods), starting on the day after my grace period ends. ED charges interest on a Direct Unsubsidized Loan during all periods (including in-school, grace, deferment, and forbearance periods), starting on the date of the first disbursement. The borrower agrees to pay all interest that is charged to him/her. They will be given the opportunity to pay the interest that accrues during grace, in school, deferment, forbearance, or other periods as provided under the Act. If they do not pay the interest, they understand that ED may capitalize the interest at the end of the grace, deferment, forbearance, or other period.

Loan Fee

A loan fee is charged for each Direct Subsidized Loan and Direct Unsubsidized Loan as provided by the Act, and will be deducted proportionately from each disbursement of the loan. The loan fee will be shown on disclosure statements that will be issued to the borrower. The loan fee may be refundable only as permitted by the Act.

Late Charges and Collection Costs

ED may collect: (1) a late charge of not more than six cents for each dollar of each late payment if the borrower fails to make any part of a required installment payment within 30 days after it becomes due, and (2) any other charges and fees that are permitted by the Act related to the collection of the loans. If the borrower defaults on his/her loans, they will pay reasonable collection costs, plus court costs and attorney fees.

Grace Period

The borrower will receive a six-month grace period on repayment of each loan made under their MPN. The grace period begins the day after the borrower ceases to be enrolled at least half-time at an eligible school. The borrower is not required to make any payments on his/her loan during the grace period. However, interest will accrue on the borrower's Direct Unsubsidized Loan during the grace period and will be capitalized if the borrower does not repay it.

Repayment

The borrower must repay the full amount of the loans made under his/her MPN, plus accrued interest. The Borrower will repay each loan in monthly installments during a repayment period that begins on the day immediately following their 6-month grace period on that loan. Payments made by the borrower or on the borrower's behalf will be applied first to late charges and collection costs that are due, then to interest that has not been paid, and finally to the principal amount of the loan, except during periods of repayment under an Income-Based Repayment Plan, when payments will be applied first to interest that is due, then to fees that are due, and then to the principal amount. ED will provide the borrower with a choice of repayment plans. Information on these repayment plans is included in the Borrower's Rights and Responsibilities Statement. ED will provide the borrower with a repayment schedule that identifies his/her payment amounts and due dates. If the borrower is unable to make their scheduled loan payments, ED may allow them to temporarily stop making payments, reduce their payment amount, or extend the time for making payments, as long as they intend to repay their loan. Allowing the borrower to temporarily delay or reduce loan payments is called forbearance. ED may adjust payment dates on the borrower's loans or may grant them a forbearance to eliminate a delinquency that remains even though they are making scheduled installment payments. The borrower may prepay all or any part of the unpaid balance on their loans at any time without penalty. If they do not specify which loans they are prepaying, ED will determine how to apply the prepayment in accordance with the Act. After the borrower has repaid in full their loan made under their MPN, ED will send them a notice telling them that they have paid off their loan.

Acceleration and Default

At ED's option, the entire unpaid balance of a loan will become immediately due and payable (this is called "acceleration") if any one of the following events occurs:

- 1) The Borrower does not enroll as at least a half-time student at the school that certified their loan eligibility
- 2) The Borrower does not use the proceeds of the loan solely for educational expenses
- 3) The Borrower makes a false representation that results in his/her receiving a loan for which they are not eligible
- 4) The Borrower defaults on the loan.

The following events will constitute a loan default:

- 1) The Borrower does not pay the entire unpaid balance of the loan after ED has exercised its option under items 1, 2, and 3 in the preceding paragraph
- 2) The Borrower does not make installment payments when due, provided their failure has persisted for at least 270 days
- 3) The Borrower does not comply with other terms of the loan, and ED reasonably concludes that her/she no longer intends to honor their repayment obligation. If the Borrower defaults, ED may capitalize all the outstanding interest into a new principal balance, and collection costs will become immediately due and payable. The default will be reported to national consumer reporting agencies and will significantly and adversely affect the borrower's credit history. The Borrower understands that a default will have additional adverse consequences to them as disclosed in the Borrower's Rights and Responsibilities Statement.

Legal Notices

Any notice required to be given to the borrower will be effective if mailed by first class mail to the most recent address ED has for the borrower. The Borrower will immediately notify ED of a change of address or status as specified in the Borrower’s Rights and Responsibilities Statement. If ED fails to enforce or insist on compliance with any term of the MPN, this does not waive any right of ED. No provision of the MPN may be modified or waived except in writing by ED. If any provision of the MPN is determined to be unenforceable, the remaining provisions will remain in force. Information about the borrower’s loans will be submitted to the National Student Loan Data System (NSLDS). Information in NSLDS is accessible to schools, lenders, and guarantors for specific purposes as authorized by ED.

Overview of Direct Loan and FFEL Program Repayment Plans			
Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
Standard Repayment Plan	<ul style="list-style-type: none"> • Direct Subsidized and Unsubsidized Loans • Subsidized and Unsubsidized Federal Stafford Loans • all PLUS loans • all <i>Consolidation</i> Loans (Direct or FFEL) 	<p>Payments are a fixed amount that ensures your loans are paid off within 10 years (within 10 to 30 years for Consolidation Loans).</p>	<p>All borrowers are eligible for this plan.</p> <p>You’ll usually pay less over time than under other plans.</p> <p>Standard Repayment Plan with a 10-year repayment period is not a good option for those seeking Public Service Loan Forgiveness (PSLF).</p> <p>Standard Repayment Plan for Consolidation Loans is not a qualifying repayment plan for PSLF.</p>
Graduated Repayment Plan	<ul style="list-style-type: none"> • Direct Subsidized and Unsubsidized Loans • Subsidized and Unsubsidized Federal Stafford Loans • all PLUS loans • all Consolidation Loans (Direct or FFEL) 	<p>Payments are lower at first and then increase, usually every two years, and are for an amount that will ensure your loans are paid off within 10 years (within 10 to 30 years for Consolidation Loans).</p>	<p>All borrowers are eligible for this plan.</p> <p>You’ll pay more over time than under the 10-year Standard Plan.</p> <p>Generally not a qualifying repayment plan for PSLF.</p>

Overview of Direct Loan and FFEL Program Repayment Plans

Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
<u>Extended Repayment Plan</u>	<ul style="list-style-type: none"> • Direct Subsidized and Unsubsidized Loans • Subsidized and Unsubsidized Federal Stafford Loans • all PLUS loans • all Consolidation Loans (Direct or FFEL) 	<p>Payments may be fixed or graduated, and will ensure that your loans are paid off within 25 years.</p>	<ul style="list-style-type: none"> • If you're a Direct Loan borrower, you must have more than \$30,000 in outstanding Direct Loans. • If you're a FFEL borrower, you must have more than \$30,000 in outstanding FFEL Program loans. • Your monthly payments will be lower than under the 10-year Standard Plan or the Graduated Repayment Plan. • You'll pay more over time than under the 10-year Standard Plan. • Not a qualifying repayment plan for PSLF.
<u>Revised Pay As You Earn Repayment Plan (REPAYE)</u>	<ul style="list-style-type: none"> • Direct Subsidized and Unsubsidized Loans • Direct PLUS loans made to students • Direct Consolidation Loans that do not include PLUS loans (Direct or FFEL) made to parents 	<p>Your monthly payments will be 10 percent of <i>discretionary income</i>. Payments are recalculated each year and are based on your updated income and family size.</p> <p>You must update your income and family size each year, even if they haven't changed.</p> <p>If you're married, both your and your spouse's income or loan debt will be considered, whether taxes are filed jointly or separately (with limited exceptions).</p> <p>Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years (if all loans were taken out for undergraduate study) or 25 years (if any loans were taken out for graduate or professional study).</p>	<ul style="list-style-type: none"> • Any Direct Loan borrower with an eligible loan type may choose this plan. • You'll usually pay more over time than under the 10-year Standard Plan. • You may have to pay income tax on any amount that is forgiven. • Good option for those seeking PSLF.
<u>Pay As You Earn Repayment Plan (PAYE)</u>	<ul style="list-style-type: none"> • Direct Subsidized and Unsubsidized Loans • Direct PLUS loans made to students • Direct Consolidation Loans that do not include (Direct or FFEL) PLUS loans made to parents 	<p>Your monthly payments will be 10 percent of discretionary income, but never more than you would have paid under the 10-year Standard Repayment Plan.</p> <p>Payments are recalculated each year and are based on your updated income and family size.</p>	<ul style="list-style-type: none"> • You must be a <i>new borrower</i> on or after Oct. 1, 2007, and must have received a <i>disbursement</i> of a Direct Loan on or after Oct. 1, 2011. • You must have a high debt relative to your income.

Overview of Direct Loan and FFEL Program Repayment Plans

Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
		<ul style="list-style-type: none"> • You must update your income and family size each year, even if they haven't changed. • If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return. • Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years. 	<ul style="list-style-type: none"> • Your monthly payment will never be more than the 10-year Standard Plan amount. • You'll usually pay more over time than under the 10-year Standard Plan. • You may have to pay income tax on any amount that is forgiven. • Good option for those seeking PSLF.
<p><u>Income-Based Repayment Plan (IBR)</u></p>	<ul style="list-style-type: none"> • Direct Subsidized and Unsubsidized Loans • Subsidized and Unsubsidized Federal Stafford Loans • all PLUS loans made to students • Consolidation Loans (Direct or FFEL) that do not include Direct or FFEL PLUS loans made to parents 	<ul style="list-style-type: none"> • Your monthly payments will be either 10 or 15 percent of discretionary income (depending on when you received your first loans), but never more than you would have paid under the 10-year Standard Repayment Plan. • Payments are recalculated each year and are based on your updated income and family size. • You must update your income and family size each year, even if they haven't changed. • If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return. • Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years or 25 years, depending on when you received your first loans. • You may have to pay income tax on any amount that is forgiven. 	<ul style="list-style-type: none"> • You must have a high debt relative to your income. • Your monthly payment will never be more than the 10-year Standard Plan amount. • You'll usually pay more over time than under the 10-year Standard Plan. • You may have to pay income tax on any amount that is forgiven. • Good option for those seeking PSLF.
<p><u>Income-Contingent Repayment Plan (ICR)</u></p>	<ul style="list-style-type: none"> • Direct Subsidized and Unsubsidized Loans • Direct PLUS Loans made to students • Direct Consolidation Loans 	<ul style="list-style-type: none"> • Your monthly payment will be the lesser of <ul style="list-style-type: none"> • 20 percent of discretionary income, or • the amount you would pay on a repayment plan with a fixed payment over 12 years, adjusted according to your income. • Payments are recalculated each year and are based on your updated income, family size, and the total amount of your Direct Loans. 	<ul style="list-style-type: none"> • Any Direct Loan borrower with an eligible loan type may choose this plan. • You'll usually pay more over time than under the 10-year Standard Plan. • You may have to pay income tax on any amount that is forgiven. • Good option for those seeking PSLF.

Overview of Direct Loan and FFEL Program Repayment Plans			
Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
		<ul style="list-style-type: none"> You must update your income and family size each year, even if they haven't changed. If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return or you choose to repay your Direct Loans jointly with your spouse. Any outstanding balance will be forgiven if you haven't repaid your loan in full after 25 years. 	<ul style="list-style-type: none"> Parent borrowers can access this plan by consolidating their Parent PLUS Loans into a <i>Direct Consolidation Loan</i>.
Income-Sensitive Repayment Plan	<ul style="list-style-type: none"> Subsidized and Unsubsidized Federal Stafford Loans FFEL PLUS Loans FFEL Consolidation Loans 	<ul style="list-style-type: none"> Your monthly payment is based on annual income, but your loan will be paid in full within 15 years. 	<ul style="list-style-type: none"> You'll pay more over time than under the 10-year Standard Plan. The formula for determining the monthly payment amount can vary from lender to lender. Available only for FFEL Program loans, which are not eligible for PSLF.

- The interest rates for Direct Subsidized Loans and Direct Unsubsidized Loans are shown in the chart below.

Loan Type	Borrower Type	Interest rates for loans first disbursed on or after 7/1/18 and before 7/1/19
Direct Subsidized Loans and Direct Unsubsidized Loans	Undergraduate	5.05%
Direct PLUS Loan	Parents	7.6%

- The interest rates shown above are fixed rates for the life of the loan.

The following chart shows the annual and aggregate limits for subsidized and unsubsidized loans.

Year	Dependent Students (except students whose parents are unable to obtain PLUS Loans)	Independent Students (and dependent undergraduate students whose parents are unable to obtain PLUS Loans)
First-Year Undergraduate Annual Loan Limit	\$5,500—No more than \$3,500 of this amount may be in subsidized loans.	\$9,500—No more than \$3,500 of this amount may be in subsidized loans.
Second-Year Undergraduate Annual Loan Limit	\$6,500—No more than \$4,500 of this amount may be in subsidized loans.	\$10,500—No more than \$4,500 of this amount may be in subsidized loans.
Third-Year and Beyond Undergraduate Annual Loan Limit	\$7,500—No more than \$5,500 of this amount may be in subsidized loans.	\$12,500—No more than \$5,500 of this amount may be in subsidized loans.
Graduate or Professional Students Annual Loan Limit	Not Applicable (all graduate and professional students are considered independent)	\$20,500 (unsubsidized only)
Subsidized and Unsubsidized Aggregate Loan Limit	\$31,000—No more than \$23,000 of this amount may be in subsidized loans.	\$57,500 for undergraduates—No more than \$23,000 of this amount may be in subsidized loans. \$138,500 for graduate or professional students—No more than \$65,500 of this amount may be in subsidized loans. The graduate aggregate limit includes all federal loans received for undergraduate study.

- The aggregate loan limits include any Subsidized Federal Stafford Loans or Unsubsidized Federal Stafford Loans you may have previously received under the *Federal Family Education Loan (FFEL) Program*. As a result of legislation that took effect July 1, 2010, no further loans are being made under the *FFEL Program*.

If the total loan amount you receive over the course of your education reaches the aggregate loan limit, you are not eligible to receive additional loans. However, if you repay some of your loans to bring your outstanding loan debt below the aggregate loan limit, you could then borrow again, up to the amount of your remaining eligibility under the aggregate loan limit.

BORROWERS RIGHTS AND RESPONSIBILITIES

All borrowers of a Direct Loan have the right to receive the following information and must adhere to the following responsibilities.

- Written information on loan obligations and information on rights and responsibilities as a borrower.
- A grace period and an explanation of what this means.
- A disclosure statement, received prior to repayment of the loan that includes information about interest rates, fees, the balance owed, and the number of payments.
- Deferment of repayment for certain defined periods, if the borrower qualifies and requests it.
- Forbearance, if the borrower qualifies and requests it.
- Prepayment of the loan in whole or in part any time without an early-repayment penalty.
- A copy of the borrower's promissory note either before or at the time the loan is disbursed.
- Documentation that the loan(s) are paid in full.
- First time borrowers must complete entrance counseling as required by the DOE by logging into the DOE website studentloans.gov. The borrower must have a FSA ID in order to access the website.
- The borrower must attend exit counseling as required by the DOE once the borrower drops below half time enrollment or ceases enrollment. Exit counseling can be completed by logging into the DOE website studentloans.gov. The borrower must have a FSA ID in order to access the website.
- Repaying the loan even if the borrower does not complete the academic program (under certain circumstances).
- Repaying the loan even if the borrower is dissatisfied with the education received, or unable to find employment after graduation.
- The borrower must notify their Direct Loan Servicing Center if they move/change address; change name; withdraw from school or drop below half-time enrollment; transfer to another school.
- Fail to enroll or reenroll in school for the period for which the loan was intended.
- Change expected date of graduation.
- Graduate
- The borrower must make monthly payments on the loan(s) after they leave school, unless they have a deferment or a forbearance.
- The borrower must notify the U.S. Department of Education's Direct Loan Servicing Center of anything that might alter their eligibility for an existing deferment.

PROFESSIONAL JUDGMENT

ADJUSTMENT OF DATA ELEMENTS

The Financial Aid Administrator may use Professional Judgment on a case-by-case basis only to adjust the student's cost of attendance or the data used to calculate the student's EFC.

A student who wants to be considered for a professional judgment must submit documentation supporting their claim. The reason for the adjustment **must be documented** (by a third party if possible), and it must relate to the **special circumstances** that pertain to the student seeking professional judgment. The Financial Aid Administrator will review the documents to determine if the information is sufficient to allow for a professional judgment. The Financial Aid Administrator must resolve any inconsistent or conflicting information shown on the output document **before** making any adjustments. The Financial Aid Administrator's decision regarding adjustments is final and cannot be appealed to the Department.

If the applicant was selected for verification, verification must be satisfied before the FA Administrator can exercise a professional judgment. However, using Professional Judgment does not require a student's application to be verified if the student was not selected for verification.

DEPENDENCY OVERRIDES

The Financial Aid Administrator may do dependency overrides on a **case-by-case** basis for students with unusual circumstances. A student must provide documentation to support his claim that a dependency override is warranted. The documentation must support, and include the reason for the decision and should in almost all cases originate from a third party that knows the student's unusual situation—such as a teacher, counselor, medical authority, member of the clergy, prison administrator, government agency, or court and should establish the unusual circumstances. Evidence can be a signed letter or an official document, such as a court order. If third party documentation is truly not available, the school may, as a last resort, though it is not required to, accept a signed and dated statement from the student or a family member detailing the unusual circumstances.

Unusual circumstances do include abandonment by parents, an abusive family environment that threatens the student's health or safety, or the student being unable to locate his parents. In such cases a dependency override might be warranted.

The presence of these conditions would not disqualify a student from being an unaccompanied youth who is homeless or self-supporting and at risk of being homeless.

The Financial Aid Administrator may override only from *dependent* to *independent*. If an independent student receives substantial support from others, the Financial Aid Administrator may use Professional Judgment to adjust the COA or FAFSA data items such as untaxed income.

The Financial Aid Administrator may, without gathering documentation, use an override that another school granted in the same award year. However, overrides do not carry over from one year to the next; the Financial Aid Administrator must reaffirm each year that the unusual circumstances persist and an override is still justified.

None of the conditions listed below, singly or in combination, qualify as unusual circumstances meriting a dependency override:

1. Parents refuse to contribute to the student's education.
2. Parents are unwilling to provide information on the FAFSA or for verification.
3. Parents do not claim the student as a dependent for income tax purposes.
4. Student demonstrates total self-sufficiency.

If the Financial Aid Administrator determines that an override is appropriate, they must write out the determination and retain it and the supporting documentation for review.

UNABLE TO PROVIDE PARENT DATA

If a student indicates on the FAFSA that they are unable to provide parental data and believe they have special circumstances that prevent them from providing parent information, they will get a rejected ISIR that will have the special circumstances flag set. The Financial Aid Administrator will review the student's situation and determine if the student: is an unaccompanied homeless individual, merits a dependency override, must instead provide parent data, or should be permitted to borrow only unsubsidized Stafford loans because he can document that his parents have refused to support him and to provide their information on his FAFSA. In the last case he does not receive a dependency override

RETURN TO TITLE IV

- The American Barber Academy will perform R2T4 calculations on all Title IV students' who have 100% withdrawn from the Academy. *A student is considered to have withdrawn from a payment period when the student ceases to be enrolled prior to the end of a payment period (the student does not complete all of the clock hours and weeks of instructional time in the payment period that the student was scheduled to complete.)*
- The Financial Aid Administrator will submit the student's information for R2T4 for Clock Hour Programs to their third part servicer Financial Aid Services, Inc., (FAS) to determine the earned and unearned amounts of Title IV aid as of the date the student ceased attendance based on the amount of time the student was scheduled to be in attendance. The institutional charges used in the calculation are the charges that were initially assessed the student for the entire payment period as applicable.
- Up through the 60% point in each payment period, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. If the amount of Title IV aid disbursed to the student is greater than the amount the student earned, the unearned funds will be returned. The school will return any unearned Title IV funds it is responsible for returning within 45 days of the date the school determined the student withdrew.
- The school will use the student's attendance records to determine the student's last date of attendance. The date of the school's determination that the student withdrew will be no later than 14 days after the student's last date of attendance as determined by the school from its attendance records. If the student is eventually determined to be a withdrawal, the end of the 14-day period begins the time frame for completing a Return of Title IV Funds calculation.
- If a student provides notification to the school of their 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.
- If it is determined that the student is no longer considered to be enrolled and in attendance, the FA Administrator will report in NSLDS Enrollment that the student has withdrawn. Therefore, the student is no longer eligible for in-school status or an in-school deferment.
- The American Barber Academy's refund policy, treatment of funds, and procedures for withdrawing are available in its Consumer Information report.
- Students subject to verification must provide the required documents and successfully complete verification prior to any Title IV funds being disbursed.

- The Financial Aid Administrator will perform an R2T4 calculation if a LOA does not meet the Department of Education's guidelines to qualify as an approved LOA, the student is considered to have ceased attendance and to have withdrawn from the Academy.
- When a student withdraws during a payment period and has a Title IV credit balance created during the period, the school will not release any portion of a Title IV credit balance to the student, nor return any portion to the Title IV programs prior to performing the R2T4 calculation. The American Barber Academy will hold these funds even if it would otherwise be required to release them.
- Upon completion of R2T4, the Financial Aid administrator will perform the institutional refund calculation to determine the amount of tuition owed the school based on the percent of program elapsed taking into consideration earned/returned funds from the R2T4 calculation.

POST WITHDRAWAL DISBURSEMENT (PWD)

For a Title IV student who withdraws after the 60% point-in-time, there are no unearned funds. However, the student may be eligible for a post-withdrawal disbursement (PWD). *A disbursement paid to the student's account after the student has 100% withdrawn from the payment period.* If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she is eligible to receive a post withdrawal disbursement of the earned aid that was not received. The American Barber Academy will offer any post-withdrawal disbursement of loan funds within 30 days of the date the school determined the student withdrew and any loan funds a student accepts within 180 days of the date the school determined the student withdrew.

- The school will notify in writing the student, or parent if a Direct PLUS Loan, prior to making any post-withdrawal disbursement of loan funds. The information provided will include the information necessary for the student, or parent to make an informed decision as to whether the student or parent would like to accept any disbursement of loan funds, and must be provided within 30 days of the date of the school's determination that the student has withdrawn.
- The notification will request confirmation from the borrower of any post-withdrawal disbursement that the student or parent, wishes the school to make. It will also identify the type and amount of the loan and explain that the student, or parent may accept or decline all or a portion of the funds. It will explain to the student or parent their obligation to repay the loan funds if the student or parent authorizes such funds to be disbursed. It will also advise the student or parent about the advantages of keeping loan debt to a minimum.
- If loan funds are needed to pay educational costs, the notification will make clear that a student or parent will not receive as a direct disbursement any loan funds that the school wishes to credit to the student's account to pay educational costs due the school. If the

student, or parent does not wish to accept some or all of the loan funds that the school wishes to credit to the student's account, the school will not disburse those funds.

- The school must receive the student or parent's written authorization accepting a post withdrawal disbursement no later than 14 days from the date posted on the notification the school sent to the student or parent. If authorization from a student or parent is received after the deadline and the school chooses not to make a post withdrawal disbursement of loan funds, the school will notify the student or parent in writing that the post-withdrawal disbursement will not be made and why.
- If the school chooses to honor a late response they will disburse all the funds accepted by the student or parent as applicable. The school will not credit the student's account in accordance with the student's request, but decline to disburse post-withdrawal funds accepted as a direct disbursement.
- If a response is not received from the student or parent within the permitted time frame, or the student declines the funds, the school will return any earned funds that the school was holding to the Title IV programs.
- The school will document the result of the notification process and the final determination made concerning the disbursement and maintain that documentation in the student's file.
- The school will disburse any Title IV grant funds a student is due as part of a post-withdrawal disbursement within 45 days of the date the school determined the student withdrew.

VERIFICATION

- American Barber Academy will verify all the applications selected by the Central Processing System (CPS).
- American Barber Academy will verify applicants who reported a tax filing status of “Will Not File” but earned enough income from work to be required to file a tax return.
- American Barber Academy will institutionally verify any information it believes is incorrect or conflicting on any application. At the academy’s discretion, the academy may require a student to verify any FAFSA information and to provide any reasonable documentation in accordance with consistently applied academy policies. In either situation the academy may, but is not required to, include any of the CPS verification items not already included. Students are considered selected for verification and, as with CPS-selected applications, all other verification requirements, such as deadlines, allowable tolerances, and interim disbursement rules, apply.
- Verification is required for all selected applications prior to completing Professional Judgment. Non-selected files do not require verification before completing a Professional Judgment; however, American Barber Academy may verify the file prior to the Professional Judgment if they feel it is appropriate.
- All selected applications verified by another school will be re-verified by American Barber Academy.
- All applications that do not pass the CPS data matches (“C” code) require resolution.
- Students with Comment Codes conflicting “Marital Status” may be institutionally selected for verification.
 - Typically American Barber Academy will institutionally select these records for some type of verification of the conflict but in certain circumstances (i.e. A Married Filing Separate filing status where it appears all income was reported or a marital status of Widowed and it appears only one income was reported) where it appears there is no conflict the ISIR will be documented and no verification will be completed.
- Students will be notified of incomplete verification documents.
- American Barber Academy will collect a copy of the high school diploma, GED or transcript showing graduation date if there is conflicting information or concern about the validity of the certification of high school graduation.
- American Barber Academy will evaluate the credential of high school diplomas/transcripts from other countries. If the American Barber Academy is unable to evaluate the credential, it will instead require the student to have their credential evaluated by a company that offers such a service.

- The Financial Aid Administrator will review up to two years prior to check for any dependency status changes that may present conflicting information. If conflicting information exists, the Financial Aid Administrator will request documentation to resolve the situation.

Requesting Verification Documents

If an applicant is selected for verification, the school will notify the student of the requirements to submit the required documents along with the appropriate Verification Worksheet and other forms deemed necessary.

Consequences for Not Completing Verification

Students selected for verification must submit all required documents in order to receive financial aid at American Barber Academy. Failure to submit verification documents will result in loss of federal aid, unless it is an allowable exception listed in the Federal Student Aid Handbook.

Time Period for Submission

American Barber Academy accepts financial aid applications throughout the award year. Verification documents should be submitted to the Financial Aid Office within 7 days from the date of notification. Documents must be submitted timely for awarding to take place.

If the student fails to submit the verification documents within the time specified, they must contact the Financial Aid Administrator explaining the reason why documents cannot be submitted within the timeframe. Based on the reason, the Financial Aid Administrator may give the student additional time as deemed necessary to submit the required documentation.

Verification Items for 2018–2019

- Adjusted gross income (AGI)
- U.S. income tax paid
- Education credits
- Untaxed IRA distributions
- Untaxed pensions
- IRA deductions and payments
- Tax-exempt interest
- Income earned from work
- Household size
- Number in college
- High school completion status
- Identity/statement of educational purpose

V1—Standard Verification Group.

Students in this group must verify the following if they are tax filers:

- adjusted gross income
- U.S. income tax paid
- untaxed portions of IRA distributions
- untaxed portions of pensions
- IRA deductions and payments
- tax-exempt interest income
- education credits
- household size
- number in college

Students who are not tax filers must verify the following:

- income earned from work
- household size
- number in college

V4—Custom Verification Group. Students must verify high school completion status and identity/statement of educational purpose.

V5—Aggregate Verification Group. Students must verify high school completion status and identity/statement of educational purpose in addition to the items in the Standard Verification Group.

Tax filers:

- To verify these items, tax filers will:
 - Use the Data Retrieval Tool in the FAFSA application, or
 - Submit an IRS Tax Transcript (signature not required)
 - For an individual who filed or will file an income tax return with the relevant taxing authority of a U.S. territory, commonwealth, or with a foreign central government must provide:
 - A transcript obtained at no cost from the relevant taxing authority of a U.S. territory (Guam, American Samoa, the U.S. Virgin Islands) or commonwealth (Puerto Rico and the Northern Mariana Islands), or a foreign central government that includes all of the tax filer's income and tax information required to be verified for the tax year; or
 - If a transcript cannot be obtained at no cost from the relevant taxing authority, a signed copy of the tax return and a signed statement from the student that they were unable to obtain the transcript at no cost
 - Victims of identity theft, who were unable to request an IRS Tax Return Transcript, may authenticate with the IRS Identity Protection Specialized Unit (800-908-4490). Once authenticated, the taxpayer may request that the IRS mail the Tax Return transcript.
 - In addition to submitting the transcript the student and/or parent must also submit a signed and dated statement that they are a victim of IRS tax-related identity theft and the IRS has been made aware of the tax-related identity theft (Form 14039 does not qualify as the signed statement).

- If the file contains both the IRS Tax Return transcript and successful IRS Data Retrieval Information, the Financial Aid Administrator must:
 - Verify the information on the tax transcript to the FAFSA.

Exceptions: These tax filers cannot use Data Retrieval. They must submit the documentation listed below.

- Tax filers with amended tax returns must submit the following information:
 - A copy of their IRS Tax Return Transcript or an acceptable IRS alternative, and
 - A signed copy of the IRS form 1040X that was filed with the IRS
- Tax filers who have a marital status change after December 31 of the tax year must submit the appropriate corresponding transcripts
- Tax filers who are married but file separately must submit tax transcripts for both parties
- Tax filers who filed a Foreign Tax Return must submit a signed copy of the taxes (by documented exception)
- For late filers see FA Administrator

Non-Tax Filers must verify

- Required Verification Elements
 - All income earned from work
- To verify these items, non-tax filers will submit:
 - W-2 Forms for each source of income
 - IRS non-tax filers verification letter

Note: If the Financial Aid Administrator has reason to believe that a student and/or parent are required to file a U.S. tax return, this constitutes conflicting information. There must be a documented resolution. The Financial Aid Administrator should request a letter from the student’s/parents’ accountant on letterhead, or a copy of the applicable tax provision, or other documentation supporting the claim to non-filer status to resolve this issue.

Requesting a Tax Transcript

To request a tax transcript visit the IRS website at <https://www.irs.gov>, Automated Telephone Request – 1-800-908-9946.

Non Tax Filers

Except dependent students must submit a “Verification of Non-filing Letter” from the IRS dated on or after October 1, 2017, attesting that she did not file a 2016 IRS income tax return. She can obtain this by submitting IRS Form 4506-T and checking box 7. Form 4506-T is available in the Financial Aid Office.

Amended Tax Filers must submit a signed copy of the 1040X form that was filed in addition to the tax transcript or IRS DRT.

Filing Extensions

For students and parents granted a tax filing extension, The American Barber Academy will accept a copy of IRS Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*. The student or parent must also provide a copy of all their W-2 forms and, if self-employed, a signed statement with the amount of their AGI and their U.S. income taxes paid. The American Barber Academy may require those with a filing extension to use the DRT or submit to the school a tax transcript after the return has been filed. If you do that, you must re-verify the income information.

If a student and/or parent of a dependent student did not retain a copy of their tax information and it cannot be located by the IRS or the relevant government agency, they must submit a signed statement indicating that they did not keep a copy of their tax information as well as documentation from the taxing authority indicating that that information cannot be located. The FA Administrator must accept for an IRS filer either a copy of Form W-2 for each source of employment income received, or if the student and/or parent is self-employed, a signed statement certifying the amount of AGI and taxes paid. For someone who filed an income tax return with a government of a U.S. territory or commonwealth or a foreign central government, the FA Administrator may accept a copy of a wage and tax statement or a signed statement certifying the amount of AGI and taxes paid for tax year in question.

Verifying Number of Household Members:

Exception to this requirement

- For a dependent student, the household size reported is two with a single, divorced, separated, or widowed parent or is three with parents who are married or are unmarried and living together.
- For an independent student, the number reported is two if he is married or one if he is single, divorced, separated, or widowed.

Verifying Number of Household Members in School

Exception to this requirement

- The number in school is one (this applies to dependent and independent students)

Untaxed Income

- An applicant selected for the V6 Verification Tracking Group must verify the following items:
 - Child Support Received
 - Housing/Food/Other Living Allowances paid to members of the military, clergy, and others
 - Veterans Non-Educational Benefits Other Untaxed Income
 - Money Received or Paid on the Applicant's Behalf (Independent students only).
- To verify these items, the applicant will submit:
 - Untaxed Income Verification Form
- The V6 Verification Tracking Group also has to verify:
 - Payments to Tax-Deferred Pension and Savings
 - W-2 forms for each source of earned income or other alternative documents will be requested to verify this item

High School Completion Status

- To verify this item, the applicant will submit one of the following:
 - copy of a high school diploma
 - copy of a final, official high school transcript that shows the date when the diploma was awarded
 - copy of a General Educational Development (GED) certificate
 - certificate of a passing score on a test that the student's state authorizes and recognizes as the equivalent of a high school diploma. This includes tests similar to the GED, such as the High School Equivalency Test or the Test Assessing Secondary Completion.
 - copy of the "secondary school leaving certificate" or similar document obtained from the appropriate government agency, for students who completed secondary school in a foreign country.
 - copy of a secondary completion credential for homeschool

Identity/Statement of Educational Purpose

- To verify this item, the applicant must submit:
 - Identity/Statement of Educational Purpose Form
- Option 1: Completed in presence of school official
- Option 2: Completed in presence of Notary Public
 - Copy of an unexpired valid government issued photo ID

Verification of Homelessness Status

American Barber Academy will verify the Homelessness Status if there is reason to doubt the homelessness status of the student.

- To verify this item, the applicant will submit:
 - A statement from a homeless liaison, or a statement from a Director of an emergency shelter or transitional housing program or homeless youth shelter, or
 - The Financial Aid Administrator will document their conversation with the student regarding their homeless status.

Additional Verification Documents

When resolving conflicting information, documents may be requested as deemed necessary for resolution.

Awarding and Student Notifications

An award notification will be given to the student when their financial aid eligibility has been determined. Additional award notifications will be given to students if their financial aid eligibility has substantially changed.

Subsequent Application Selected for Verification (After Disbursement)

A student's application might be selected for verification after corrections are submitted and the student has been paid based on the previous unselected CPS transaction. The American Barber Academy must verify this application before making further disbursements. If verification does not justify aid already disbursed, then the student is responsible for repaying all aid for which he is not eligible, though he may keep any Stafford Loan money he received

Dividing Joint Tax Return Income

If verification on a student/parent record and the marital status has changed to divorced/separated and the taxes are filed jointly, W-2 forms must be submitted for the parent and/or student whose information is being reported on the FAFSA. In addition, all other documents to support the appropriate division of income and assets on the FAFSA are required (1099 forms, Pension/IRA Statements, etc.). Finally, proof of the marital status change is required.

Examples of documentation are:

1. Court paperwork showing divorce initiated or final
2. Letter from lawyer

If court proceedings have not been initiated, a letter from one of the following third party professionals (on official letterhead):

1. Member of the clergy
2. Counselor
3. Pennsylvania state case worker
4. Landlord
5. Doctor
6. Employer
7. Other valid third party professional

Types of documentation if student (parent if dependent) can NOT get ANY third party documentation:

1. Letter from student (parent if dependent) **and** proof of separate address from separated spouse (copy of both their drivers' licenses, utility bill) with dates that prove separate addresses as of FAFSA Application Receipt Date.
2. When 'Head of Household' filing status appears to be inaccurate, documentation to prove the separation status will be required for the last six months of the tax year.

Please note: Any exception to the required documentation must be approved by the Director of Financial Aid. All documentation must clearly state the student (parent of dependent) is separated and living in separate households.

American Barber Academy will use the Proportional Distribution Method for dividing income from a joint tax return.

Marital Status Updates

An initially dependent student's marital status can be updated if the Financial Aid Administrator determines that the status change will more accurately reflect the student's ability to pay. The file will be institutionally selected for verification by collecting verification of the marital status update, the income and household size will be verified.

Citizenship

The Department of Education matches all applications with the Social Security Administration (SSA) to determine if a student is a U.S. citizen or the Department of Homeland Security to determine if the student is an eligible non-citizen. The application records, for students who have data that doesn't match or citizenship that cannot be confirmed, will be flagged with a C code.

The Financial Aid Administrator will request the student to provide original documentation to prove they are a U.S. citizen or eligible non-citizen.

FINANCIAL ASSISTANCE CONTACT INFORMATION

Parents

Topic	Contact
FAFSA® submission, correction, or signature FSA ID (username and password)	Federal Student Aid Information Center 1-800-433-3243 Chat and email are available Note: The contact center can discuss FSA ID issues only with the owner of the FSA ID
Parent PLUS loan application on StudentLoans.gov	Student Loan Support Center 1-800-557-7394

Loan Repayment and Forgiveness

Topic	Contact
Make a loan payment Repayment plans, including general questions about income-driven repayment <i>Deferment and forbearance</i> Teacher loan forgiveness Closed school loan <i>discharge</i> application	Student Loan Servicer
Public Service Loan Forgiveness (PSLF) <i>PSLF Employment Certification Form</i>	FedLoan Servicing 1-855-265-4038 You can mail your completed <i>PSLF Employment Certification Form</i> to this address: U.S. Department of Education FedLoan Servicing P.O. Box 69184 Harrisburg, PA 17106-9184 You may also fax the form to 717-720-1628
Borrower defense Apply for borrower defense to loan repayment	Borrower Defense Customer Support: 1-855-279-6207 You may email or mail your completed <i>Application for Borrower Defense to Loan Repayment</i> to: BorrowerDefense@ed.gov U.S. Department of Education – Borrower Defense to Repayment P.O. Box 1854 Monticello, KY 42633

Topic	Contact
Income-driven repayment plan application on StudentLoans.gov Loan <i>consolidation</i>	Student Loan Support Center 1-800-557-7394
Defaulted loan Wage or tax refund garnishment	Default Resolution Group 1-800-621-3115 1-877-825-9923 TTY
Loan dispute (after taking all steps on Resolving Disputes page of this site)	Federal Student Aid Ombudsman Group 1-877-557-2575

Applying for and Receiving Aid

Topic	Contact
FAFSA process Using FSA ID (username and password) during FAFSA process	Federal Student Aid Information Center 1-800-433-3243 Chat and email are available Note: The contact center can discuss FSA ID issues only with the owner of the FSA ID
Getting aid (grants, loans)—how much and when Loan <i>cancellation</i> within 120 days of <i>disbursement</i> Withdrawing from school or transferring	Your school <i>financial aid office</i>
Loan agreement (MPN) Student PLUS loan application on StudentLoans.gov Entrance or <i>exit counseling</i> Using FSA ID on StudentLoans.gov	Student Loan Support Center 1-800-557-7394
Closed school	https://studentaid.ed.gov

Giving Feedback

Action	Contact
Get help with a response you received about an aid dispute (response is incorrect, or you disagree with it)	Federal Student Aid Ombudsman Group 1-877-557-2575
Submit a complaint Report suspicious activity	Federal Student Aid Feedback System