

# Academy of Hair Design

## Higher Education Emergency Relief Fund Reporting Emergency Financial Aid Grants to Students

Date of First Update: August 17, 2020

Date of Last Update: September 23, 2020 - Final Report

Section 18004 (e) of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act" or the "Act"), Pub. L. No. 116-136, 134 Stat. 281 (March 27, 2020), directs institutions receiving funds under Section 18004 of the Act to submit (in a time and manner required by the Secretary) a report to the Secretary describing the use of funds distributed from the Higher Education Emergency Relief Fund ("HEERF"). Section 18004 (c) of the CARES Act requires institutions to use no less than 50 percent of the funds received from Section 18004 (a) (1) of the CARES Act to provide Emergency Financial Aid Grants to students for expenses related to the disruption of campus operations due to coronavirus (including eligible expenses under a student's cost of attendance such as food, housing, course materials, technology, health care and child care). On April 9, 2020, the Department published documents related to the Emergency Financial Aid Grants, including a letter from Secretary Betsy DeVos, a form Certification and Agreement for signing and returning by institutions to access the funds, and a list of institutional allocations under 18004 (a) (1).

The Certification and Agreement directs each institution applying for HEERF funds to comply with section 18004 (e) of the CARES Act and submit an initial report (the "30-day Fund Report") to the Secretary 30 days from the date of the institution's Certification and Agreement to the Department. The Department will provide instructions for providing the required information to the Secretary in the near future. In the meantime, each HEERF participating institution must post the information listed below on the institution's primary website. The Department would like to receive the most current information from the date when the institution received its

allocation for emergency financial aid grants to students. Accordingly, the following information is being provided to comply with the "30-day Fund Report" and will be periodically updated at minimum, every 45 days thereafter:

1. Academy of Hair Design acknowledges that it has signed and returned to the Department the Certification and Agreement and provides assurance that it intends to use no less than 50 percent of the funds received under Section 18004 (a) (1) of the CARES Act to provide Emergency Financial Aid Grants to students.
2. The total amount of funds that the institution has received from the Department pursuant to the institution's Certification and Agreement for Emergency Financial Aid Grants to students is \$186,980.
3. The total amount of Emergency Financial Aid Grants distributed to 125 students under Section 18004 (a) (1) of the CARES Act as of September 9, 2020 is \$1,503.84
4. The estimated total number of students at the institution eligible to participate in programs under Section 484 in Title IV of the Higher Education Act of 1965 and thus eligible to receive Emergency Financial Aid Grants to students under Section 18004 (a) (1) of the CARES Act is 125.
5. The total number of students who have received an Emergency Financial Aid Grant to students under Section 18004 (a) (1) of the CARES Act is 125.
6. The method used by the institution to determine which students receive Emergency Financial Aid Grants and how much they would receive under section 18004 (a) (1) of the CARES Act is as follows:

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## Distribution of Student Grants under the Higher Education Emergency Relief Fund Policy and Procedures

### **Preamble**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides emergency assistance and health care response for individuals, families, and businesses affected by the 2020 coronavirus pandemic. The CARES Act includes the provision of approximately \$12.56 billion for the Higher Education Emergency Relief Fund, Institutions of higher education are to

receive an allocated share of this fund under a formula based on student enrollment described in the Act and to be administered by the Secretary of the U.S. Department of Education. The CARES Act requires, in part, that "Institutions of higher education shall use no less than 50 percent of such funds to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to coronavirus (including eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and child care)."

As announced by the Secretary, Academy of Hair Design (the "School") is to receive \$187,980 (the "Grant Fund") for the purposes of making emergency financial aid grants to its students. This document sets forth the School's plan for allocating, disbursing and accounting for the Grant Fund.

Just as COVID-19 does not discriminate on the basis of socioeconomic status, the School recognizes that a wide array of individuals and industries have been adversely impacted by COVID-19. The School recognizes that our students' lives have been severely disrupted by coronavirus. Many are facing financial challenges and struggling to make ends meet. The School also recognizes that student financial records previously submitted to the School are dated and may not reflect a student's current circumstances. In order to provide financial relief to as many students as possible, the School will distribute emergency financial aid grants from the Grant Fund equally to all students who were enrolled on March 17, 2020 and who were not withdrawn prior to August 12, 2020, under the terms more fully described below.

### **Allocation of Grant Funds Formula**

The total allocation of the Grant Funds will be split equally between all eligible students enrolled in a Title IV eligible program. In accordance with guidance published by the U.S. Department of Education, student grants will be distributed only to students who are Title IV eligible. An eligible enrolled student includes any student that has not been withdrawn; to include students progressing via temporary distance education Students who are on an

approved Leave of Absence due to issues related to COVID-19 that began on or after March 13, 2020 are considered actively enrolled and are eligible to receive the grants. The eligible student roster will be determined by taking a census of the students who were actively enrolled on March 17, 2020. Any student withdrawn from the School prior to August 12, 2020 is not an eligible student and will not receive a grant award under this program.

### **Awarding Policy**

The School will prepare a roster of eligible students who were enrolled on March 17, 2020. The student grant award amount for each eligible student will be determined by dividing (i) the amount of the Grant Fund by (ii) the total number of eligible students.

Students that have filed a Free Application for Federal Student Aid (FAFSA) and for which the School has a current Institutional Student Information Record (ISIR) will be considered Title I eligible. Students who did not previously file a FAFSA may choose to file a FAFSA for grant purposes. The School will consider the student to be Title IV eligible if the student's FAFSA was filed no later than August 21, 2020, and upon receipt of the student's ISR and successful completion of any required verification. Alternatively, students who choose not to fill out a FAFSA but otherwise meet the Title IV eligibility criteria may verify their eligibility by completing the attestation statement (Exhibit A) in which the student attests under the penalty of perjury that the student is eligible to participate in the Title IV programs under section +84 of the Higher Education Act of 1965, as amended.

### **Awarding Procedures**

The School's Manager and Career Coordinator will oversee the awarding and currently enrolled student census. The School will deposit the Grant Fund in a separate dedicated checking account to be used for the sole purposes of administering the emergency student financial aid grants in accordance with Federal law, published guidance from the U.S. Department of Education, and this plan.

## **Disbursement Procedures**

The School will begin contacting students about the emergency financial aid grants on or about August 12, 2020. The School will make every reasonable effort to contact all eligible students to notify them of the emergency financial aid grant to which they are entitled. Included with this notice will be an attestation statement (Exhibit A) to be signed by the student wherein the student shall acknowledge that the emergency grant funds will be used to cover expenses related to the disruption of campus operations due to coronavirus, such as food, housing, course materials, technology, health care, and child-care. This notice and acknowledgment statement will be sent to the student's email address on record with the School.

The emergency financial aid grants will be distributed by checks made payable to the students. No grant checks will be disbursed to any otherwise eligible student who fails to or refuses to sign the acknowledgment statement.

Eligible students will have the option on how to receive their grant fund checks. Students may request to pick up their checks at the School, otherwise the School will mail the check to the address listed on the student's attestation statement. Students will indicate their choice for receiving the grant checks on their acknowledgement statements. The School will provide instructions for those students choosing to pick up their checks at the School which will include available pick-up times as well as safe social distancing requirements. In addition to the emergency grant fund checks, the students will receive an instruction letter from the School in the form attached as Exhibit B.

## **Accounting & Recordkeeping**

The School's Manager and Career Coordinator will be responsible for the administration of the emergency financial aid grants. All disbursements will be overseen by the School's Manager and Career Coordinator.

The School's Manager is responsible for all accounting and recordkeeping associated with the administration of the student emergency grants. She shall maintain an Excel spreadsheet to track all disbursements by student. The School's Manager shall also be responsible for completing all reports that must be submitted to the U.S. Department of Education as required by the CARES Act and any future guidance from the Department.

### **Grants of Unclaimed Funds**

It is the School's intention that the entire Grant Fund will be disbursed to all eligible students equally in the manner set forth above. However, the School recognizes amounts allocated to students that do not ultimately get disbursed as intended. For example, the School may not be able to timely locate an eligible student on an approved leave of absence. It is possible that an eligible student may decline the grant funds or refuse to sign the attestation statement.

In the event that there is any amount remaining from the Grant Fund as of September 30, 2020, the School will disburse such remaining funds via additional emergency need-based grants. The School will send an email to all eligible students informing them of the availability of additional grants. The email will include an application form to be completed by students seeking to be considered for an additional emergency need-based grant.

A committee consisting of the School's Manager and Career Coordinator will decide which students shall receive an additional emergency need-based grant and the amount of such grant. The maximum amount of any additional emergency need-based grant shall not exceed \$1,000.00, and there is no minimum dollar amount. The committee will consider the information to be provided on the student's grant application as well as information already on record with the School such as the student's dependency status, family size, expected family contribution, unmet financial need, program length, satisfactory academic progress, and expected completion date.