



## REFUND AND CANCELLATION POLICIES

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### REFUND AND CANCELLATION POLICIES

Dorsey College adheres to the following policy in determining refunds of tuition and fees paid in advance or sums due to the institution when a student withdraws or is terminated from the institution prior to the completion of the program. All refunds, when due, are made without requiring a request from the student and are made within 45 days (1) of the last day of attendance if written notification has been provided to the institution by the student, or (2) from the date the institution terminates the student or determines withdrawal by the student. Dorsey College policies comply with refund and cancellation policy requirements of applicable state, federal, and accrediting agencies.

#### INSTITUTIONAL CANCELLATION POLICY

##### PROGRAM CANCELLATION

If tuition and fees are collected in advance of the start date of a program and Dorsey College cancels the program, 100% of the tuition and fees (including fees identified as non-refundable) collected are refundable. Such refunds, when due, will be made within forty-five (45) days of the planned start date.

##### PARTIES RIGHT TO CANCEL

Dorsey College applies the following cancellation policy to all applicants:

- (1) If the applicant's enrollment agreement is rejected by the school, all tuition and fees paid by the applicant will be returned within forty-five (45) days of the date the applicant's enrollment agreement is rejected.
- (2) Applicants that enroll into a program at Dorsey College may cancel their enrollment in person or in writing. If the applicant cancels or terminates the enrollment agreement with the school within three (3) business days after signing the enrollment agreement, all tuition and fees paid by the applicant will be returned within forty-five (45) days of the date the institution receives the cancellation request.
- (3) If the applicant or institution cancels enrollment prior to the applicant posting attendance in the third week<sup>1</sup> of their first module/quarter, the applicant<sup>2</sup> will not incur tuition and fee charges. The applicant will be financially responsible for any books, tablets, uniforms, and other supplies received and not returned to the school in acceptable condition. Applicants that receive Federal Student Aid will be subject to the Return of Title IV Calculation applied to funds received during this period.

<sup>1</sup>A week of a term is defined as seven consecutive calendar days starting on the date a term of instruction begins; all subsequent weeks follow thereafter.

<sup>2</sup>Does not apply to students re-entering to complete the same program version, at the original campus of enrollment, within 180 days of their original last date of attendance. In the aforementioned scenario, the institutional refund policy would be applicable.

##### STUDENTS ENROLLED PRIOR TO VISITING THE INSTITUTION

Students who have not visited a Dorsey College campus prior to enrollment will have the opportunity to withdraw without penalty within three (3) days following either attendance at orientation or a tour of the facilities and inspection of equipment. Refunds, when due, will be made within forty-five (45) days of the withdrawal date. A student who has not visited a campus prior to enrollment and the student or institution has not cancelled the enrollment within the cancellation periods listed above, will be considered a student and refunds, when due, will be calculated as set forth under "Institutional Refund Policies for Students Withdrawn or Terminated After the First Day of Class".

## **INSTITUTIONAL REFUND POLICIES FOR STUDENTS WITHDRAWN OR TERMINATED AFTER THE FIRST DAY OF CLASS**

The following institutional refund policies applies to all students who withdraw, or are terminated for any reason, by either party, including the student's decision, course or program cancellation or closure of the school after the beginning of the program. The period of obligation is defined as the term or payment period billed in which the student withdrew or was terminated from. Students are responsible for any balances due to the school for unpaid institutional charges.

The official withdrawal or termination date is the postmark date on the written notification, or the date the school is notified in person, or the date the school notifies the student in person. The unofficial withdrawal date is the student's last date of attendance; the institution monitors clock hour attendance weekly. If a student withdraws from enrollment after the first day of class any refund owed, when due, will be paid to the student within forty-five (45) days of any notice of withdrawal or the date the school determined that the student officially or unofficially withdrew or was terminated.

### **NON-REFUNDABLE COURSE FEES, KIT FEE, EXTERNSHIP FEE AND TEXTBOOK FEES**

Amounts billed for all course fees, kit fees, and externship fees, as well as textbook fees for cosmetology career programs only, are not included in tuition; these separately billed fees are non-refundable for students that withdraw or are terminated after the first day of class. Externship Fees are billed in the last quarter (12 weeks) of a student's program. Amounts billed for all fees are not included in the institutional refund calculation charts shown below.

### **STUDENTS ENROLLED IN CREDIT HOUR PROGRAMS GREATER THAN TWELVE (12) MONTHS IN LENGTH**

Students enrolled in a credit hour program longer than twelve (12) months who withdraw during the first twelve (12) months of their program are not obligated to pay tuition for future periods beyond that first twelve (12) months. Students who withdraw during any subsequent period following the first twelve (12) months will have their tuition refund calculated by applying the same credit hour chart shown below.

### **STUDENTS ENROLLED IN CREDIT HOUR PROGRAM**

Students enrolled in a credit hour program less than twelve (12) months who withdraw prior to the end of their program are not obligated to pay tuition for future terms or payment periods beyond the term or payment period that they withdrew in. Students who withdraw or are terminated after the first day of class and who are enrolled in a credit hour program will have their tuition refund calculated as follows:

<b>Time of Withdrawal or Termination during Period of Obligation</b>	<b>Refundable Amount</b>	<b>Amount Owed by Student</b>
Week 1 – 2	90% of Tuition	10% of Tuition
Week 3	50% of Tuition	50% of Tuition
Week 4 – 6	25% of Tuition	75% of Tuition
Week 7 – 12	No refund	100% of Tuition

\* The first week of the period of obligation is defined as seven consecutive calendar days starting on the date the term of instruction begins; all subsequent weeks follow thereafter.

### **STUDENTS ENROLLED IN CLOCK HOUR PROGRAMS**

Students who withdraw or are terminated after the first day of class and who are enrolled in a clock hour program twelve (12) months or less in length will have their tuition refund calculated as follows:

<b>% of Scheduled Hours In Period of Obligation Prior To Last Date Of Attendance</b>	<b>% of Tuition For Payment Period Retained By School</b>
0.01 to 59%	0.01 to 59.99%
60 to 100%	100%

Tuition charges owed by the student will be calculated on a pro rata basis, based on the percentage of program hours scheduled up to and including the student's last date of attendance. This calculation is not based on the hours attended nor hours earned. For example, if a student was scheduled for 30% of the hours in the period of obligation prior to the last date of attendance, the school will retain 30% of the tuition charged for that period. Students

scheduled for 60% or more hours in the period of obligation will be charged the full tuition for that period. The refund ratio is calculated by dividing the number of hours the student was scheduled, by the total number of hours in their period of obligation, and applying this ratio to the tuition charged for the period.

Per CFR 21.4255, Dorsey College utilizes a pro rata refund policy for the refund policy for the refund of unused portion of tuition, fees, and other charges in the event the veteran or eligible person fails to enter the course, withdraws, or is discontinued therefrom at any time prior to completion.

#### **STUDENTS NOT RECEIVING FEDERAL TITLE IV FINANCIAL AID**

Students who do not receive Federal Student Aid that withdraw or are terminated from school will be solely subject to the Institutional Refund Policies described above.

#### **STUDENTS RECEIVING FEDERAL TITLE IV FINANCIAL AID**

Students receiving Federal Student Aid that withdraw or are terminated from school will be subject to the Institutional Refund Policies described above, in addition to the Return to Title IV Calculation Policy described below.

The school or the student may be required to return some of the federal funds awarded to the student as described below. The student may also be eligible for a refund of a portion of tuition paid to Dorsey College for the payment period. If the student received financial assistance from an outside source, a portion of the refund may be returned to that or other sources from which assistance was received. Any funds in excess of those (1) returned to Title IV aid, or (2) due and payable to Dorsey College shall be used to repay other private sources and the student in proportion to the amount received from each non-federal source.

#### **RETURN TO TITLE IV FUNDS POLICY**

Students considering withdrawing from school should contact the Financial Aid Office to determine the amount of federal student assistance funds, if any, that must be returned on the student's behalf. Any student electing to withdraw from school is responsible for any balance due and payable to the school as a result of the Return to Title IV calculation.

Dorsey College must determine if a Refund Calculation is required by reviewing whether the student successfully completed 49% of the payment period or ½ time coursework. If it is determined that the student completed 49% or more an R2T4 is not required. If it has been determined that the student has not satisfied the 49% completion, an R2T4 is processed.

The U.S. Department of Education requires institutions to determine the amount of federal student aid the student earned if they withdraw from school. The Title IV programs that are covered by this law are Federal Pell Grants, Iraq and Afghanistan Service Grants, Direct Loans, Direct PLUS Loans and Federal Supplemental Educational Opportunity Grants (FSEOGs).

A student's withdrawal date is the last date of academic attendance as determined by the attendance records. This date is used for all students that cease attendance and those that officially withdraw.

The amount of funds earned is based on the amount of time the student completes during the payment period of their program; see the Payment Period section of this catalog for definitions.

If a student received (or the school received on the student's behalf) less assistance than the amount that is earned, the student may be able to receive those additional funds. If more assistance was received than was earned, the excess funds must be returned.

The Return to Title IV calculation is determined on a pro rata basis. For example, if a student completed 30% of their payment period or period of enrollment, they earn 30% of the assistance they were originally scheduled to receive. Students completing 60% of the payment period or period of enrollment, earn all the assistance that they were scheduled to receive for that period. This process must be completed no later than 45 days after it is determined that the student withdrew.

If the student does not receive all of the funds earned, they may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, the school must obtain the student's permission before it can disburse them. The student may choose to decline some or all of the loan funds so that they do not incur additional debt. The school may automatically use all or a portion of the post-withdrawal disbursement of grant funds for tuition and fees. However, we (the school) need permission from the student to use the post-withdrawal grant disbursement for all other school charges (if any). It may be in the best interest of the student to allow the school to use the funds to reduce the debt at the school.

There are some Title IV funds that the student was scheduled to receive that cannot be disbursed once the student withdraws, because of other eligibility requirements. For example, if the student is a first time, first-year undergraduate student and they have not completed the first 30 days of their program prior to withdrawal, the student will not receive any Direct Loan funds that they would have received had they remained enrolled past the 30th day.

Dorsey College is required to return any required excess funds. The amount of the excess funds the school returns is the lesser of the:

- Institutional charges multiplied by the unearned percentage of the funds, or
- Entire amount of the excess funds.

If Dorsey College is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds that a student (or the student's parent for a PLUS loan) must return, the student repays as regular monthly loan payments in accordance with the terms of the promissory note. That is, the student (or student's parent) makes scheduled payments to the holder of the loan over a period of time.

Title IV funds are returned to the program from which the student received aid during the payment period, in the following order:

- Unsubsidized Direct Loans (other than Direct PLUS Loans)
- Subsidized Direct Loans
- Direct PLUS Loans
- Federal Pell Grants
- Federal Supplementary Educational Opportunity Grants
- Iraq and Afghanistan Service Grant

Any amount of unearned grant funds that a student must return is called an overpayment. In the event of a grant overpayment, the maximum required for the student to repay is 50% of the grant received, or were scheduled to receive. In addition, regulations clarify that students are not required to repay grant overpayments, which are \$50 or less. Students responsible for a grant overpayment must make arrangements with the School or US Department of Education to repay the funds. Failure by the student to repay the required overpayment will result in a loss of future Federal Student Aid (Title IV programs).

The Return to Title IV Funds policy is distinct and separate from the Institutional Refund policy. Students should refer to the Refund Policy section of this catalog for information regarding any additional refund calculations the school is required to perform. Students are responsible for any balances due to the school for unpaid institutional charges..

#### **FINANCIAL AID WEBSITE**

Additional financial aid information and resources are available on the Dorsey College Financial aid web page at <http://www.dorsey.edu/financial-aid.php>. The Dorsey College website also contains a copy of our Annual Notice – Availability of Consumer Information. Dorsey College provides a notice directly to all potential students during the enrollment process.

Dorsey College also provides an annual notice directly to all enrolled students describing the availability of the consumer information. This notice contains a brief description of the various disclosures and how to obtain the full disclosures. All disclosures are available on the exact electronic website listed in the notice. Students may also request a physical copy from the sources outlined in the notice.