

KC's School of Hair Design is licensed by

Mississippi State Board of Cosmetology

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Printed and Published April, 2010

Updated May, 2018

KC'S School of Hair Design

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# KC's SCHOOL OF HAIR DESIGN

## Administration and Staff

### ADMINISTRATION

Heather Black  
Crystal Short

School Director/Instructor  
Director of Admission/Title IV Coordinator

### STAFF

Heather Black  
Amy Wilkins  
Crystal Short  
Virginia Langley  
Monica Roaton  
Deanna Lewis

Director/ Instructor  
Director of Education/ Instructor  
Title IV Coordinator/Instructor  
Instructor  
Instructor  
Instructor

Heather Black:

Heather has been in the Cosmetology industry since 1990. She is a member of the MS Cosmetology Association and is a member of the MS Cosmetology School Association.

Amy Wilkins:

Amy has been in the Cosmetology industry since 1988. She is a member of the MS Cosmetology Association, member of the MS Cosmetology School Association, and is an active owner/stylist in Pontotoc, MS.

Crystal Short:

Crystal has been in the Cosmetology industry since 2012. She is a member of the MS Cosmetology Association and is a member of the MS Cosmetology School Association.

Virginia Langley:

Ms. Langley has been in the Cosmetology industry since 1975. She is a member of MS Cosmetology Association and is an active owner/stylist in Houston, MS

Monica Roaton:

Monica has been in the Cosmetology industry since 2012. She is a member of the MS Cosmetology School Association.

Deanna Lewis:

Deanna has been in the Cosmetology industry since 1990. She is a member of the MS Cosmetology School Association and is an active stylist in New Albany, MS.

**\*All Instructors have numerous hours in continuing education.**

**KC's School of Hair Design is owned and operated by Kudzu Shanty Inc.**

## **GENERAL INFORMATION**

KC's School of Hair Design is situated in the northwest corner of Mississippi. The school is a modern facility with 12,000 square feet of space. It is located at 187 Hwy 15n Pontotoc, MS. KC's is recognized for projecting a unique image through new techniques and fashion trends. The school's director and staff attend educational seminars and workshops annually.

### **Mission Statement**

Quality education has always been our priority at KC's School of Hair Design. The need for well trained professionals is vitally important to the growth of the cosmetology industry. Each student admitted to the school receives individual instruction in technical skills, professional services, business and job related information. Each student participates in closely-supervised cosmetology services while apprenticing in the clinic. It is the mission of KC's School of Hair Design to provide a quality education so that students can become licensed and placed in the field for which they trained and studied.==

Additional objectives of the program are:

- To develop technical abilities to the highest level of each student
- To develop professional qualities within each student
- To counsel each student in the variety of opportunities within the fields
- To introduce and teach the techniques involved in the required products, equipment, and styling trends

### **Admission Policy & Requirements**

Enrollment for the basic Cosmetology, Nail Technician and Esthetics Programs

KC's admits as a regular student:

- 1) High School graduates
- 2) Holders of high school graduation equivalency certificates
- 3) Must be at least 17 years of age

The course is only taught in English so you must be able to read, write and speak English

We do not have the Ability to Benefit Policy. All prospective students must have G.E.D. or High School Diploma.

All applicants are required to visit the school for a personal interview with the director of admissions.

An applicant is encouraged to apply for admission as far in advance of the starting date as possible.

#### **Transfer Student**

Transfer students from other accredited (approved) schools will be given credit accordance with the regulations of the Mississippi State Board of Cosmetology. Transfer students may enroll thirty days after previous instruction at a former school. A portion of credit will be given for all legally acquired hours or previous training as certified by the state board under whose authority work was completed on an hourly basis and the skill of the student. An entrance fee of \$175 will be charged. Your tuition at "KC's" will be based on the total hours of instruction needed to complete the course. You will need to buy the equipment and supplies necessary to complete your course of study. If a student wants to transfer out to another school, all hours will be transferred once a release form is completed by that student, and the final bill is settled.

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**Admissions for Instructor Training**

An applicant for instructor training shall be registered in the usual manner and shall:

1. Have a current Mississippi Cosmetology License
2. Be no less than twenty-one years of age
3. Have a high school education or equivalent
4. Be a graduate of a state accredited (approved) cosmetology school in this or any other state.

**Enrollment Dates and Holidays**

- Cosmetology classes begin the first Tuesday of every other month, such as Jan., March, May, July, September and November.
- Nail Technician start the second Tuesday of every month

Holidays are, Spring Break (4 days), July 4<sup>th</sup>, Labor Day, Thanksgiving Day (2 days), Winter Break

**HOURS:**

Day Classes are in session Tuesday-Friday 8:00 am – 4:00 pm

**COURSES OFFERED:**

Complete Cosmetology Course.....	1500 hours
Complete Instructor Course.....	1000 hours
Complete Nail Technician.....	350 hours

A payment of \$175.00 registration fee is due at the time the enrollment agreement is signed. A \$1300.00 fee for the student books and kit are due on the first day of school (\$400.00 book fee for Instructor course.) This expenditure is part of the tuition.

**Cosmetology Course Tuition:**

Tuition: \$13,025.00  
Program total cost: \$ 14,500.00

**Instructor Course Tuition:**

Tuition: \$4925.00  
Program total cost: \$5500.00

**Nail Technician Course Tuition:**

Tuition: \$3300.00  
Program total cost \$4775.00

\*Each program has a \$175.00 registration fee and a Books & Kit fee of \$1300.00 figured into the cost of the programs. The school offers payment plans and financial aid offered to those who qualify. Students can apply for federal funding at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) Students may pay tuition by means of a check, money order, cashier's check or cash.

Payments are due on the 1<sup>st</sup> of each month and if not paid by the 10<sup>th</sup>, a \$25 late fee; not paid by the 25<sup>th</sup> a \$50 late fee and not paid by the 30<sup>th</sup> a \$75 late fee will apply.

A cancellation fee of \$150.00 will be charged if a student withdraws. Subject to change, except for students already enrolled and attending.

**SCHOOL GRADING SYSTEM**

Students written test are graded according to the following system.

A: 95-100.....Excellent  
B: 85-94.....Good  
F: 0-84.....Failure

Formal evaluation of student practical work is graded based on a YES/NO format that is converted into a percentage and into the GPA.

Daily work on the clinic floor is graded as follow

4.....Excellent  
3.....Good  
2.....Satisfactory  
0-1.....Unsatisfactory

Clinic work is NOT factored into the overall GPA.

Students are expected to maintain satisfactory progress consistent with their own ability with a minimum average of 85.

Tests are given in each subject, theory and practical. All tests must be completed and passed before the student can take the final examination. Upon passing the final examination and completed hours a diploma is awarded. A monthly progress report is given each month.

**LIBRARY**

Students may check out materials from the school library. It offers a wide variety of audio-visual aids, plus outstanding reference materials, such as transparencies, charts, slides, journals, and many books. All materials remain the property of the school.

## SCHEDULE

### Daily Schedule: Day Classes

#### Tuesday thru Thursday Schedule

Theory Class.....	8:00-10:00 am
Break (Alternating Periods).....	10:00-10:10am
Students in Practical Class or on Clinic Floor.....	10:10am-3:30pm
Lunch-30 minutes (Alternating).....	11:00am-12:30pm
Afternoon Break (Alternating).....	2:00-2:10 pm
Students in Practical Class or on Clinic Floor.....	2:10pm-3:30pm
Theory of Bacteriology, Sterilization, Sanitation and Duties	
Includes All Students.....	3:30-4:00 pm
Check Out.....	4:00 pm

#### Friday Schedule

All Students (with required amount of hours) Work on Clinic Floor.....	8:00am – 3:30pm
Break (Alternating).....	10:00-10:10am
Lunch-30 minutes (Alternating).....	11:00am-12:30pm
Afternoon Break (Alternating).....	2:00-2:10pm
Students in Practical Class or on Clinic Floor.....	2:10pm-3:30pm
Sanitation and Duties-Includes All Students.....	3:30-4:00pm
Check Out.....	4:00pm

## COURSE: COSMETOLOGY

### Day Class

Thirteen months of continuous training is required, consisting of not more than seven and a half hours each day or more than 30 hours per week for a minimum total accumulation of 1500 (clock) hours. The State of Mississippi Law requirements for theory and practical classes in cosmetology are divided approximately into 60 percent clinic work and 40 percent classroom work (both theory and practical application). 230 Theory hours must be completed for this program.

### COURSE OBJECTIVE

The cosmetology course (1500 hours) is designed for those entering the field of cosmetology to qualify for and obtain the initial license as a professional cosmetologist. This course includes training in all phases of cosmetology.

SUBJECT:	HOURS:
Shampooing.....	75
Facial Massage.....	25
Eyebrow Arch.....	15
Scalp Treatments.....	30
Chemistry.....	20
Manicuring.....	30
Hand and Arm Massage.....	10
Permanent Waving.....	90
Hair Shaping:	
Razor.....	35
Scissors.....	70
Wet waving, Hair setting, Pin Curls.....	80
Comb Outs, Iron curls, Blow Drying.....	100
Hair Tinting:	
Hair Tints.....	35
Bleaching.....	35
Eyebrow and Eyelash Dye.....	10
Color Rinses:	
Temporary.....	15
Semi Permanent.....	15
Wig and Hair Goods.....	10
Chemical Relaxing.....	25
Lectures and Instruction on Sanitation, Sterilization, Care and Treatment of Skin, Scalp and Equipment.....	140
Electricity as Pertaining to Salon Work.....	10
Written and Oral Tests.....	75
Theory and Demonstration.....	400
Salesmanship, Business Training and Law Relating to Cosmetology.....	150
<b>Total Course Hours.....</b>	<b>1500</b>



### COSMETOLOGY COURSE KIT

The cosmetology kit includes the following:

Manicure Kit	Color Comb	1 State Board Law Book
Manicure Nippers	Shampoo Cape	Blow-dryer
Manicure Pusher	Box of Clippies	Curling Iron
Manicure Brush	1 Practical Workbook	Pick
Orangewood Stick	Tweezers	Teasing Comb
Emery Boards	Razor	Teasing Brush
4 Hair Brushes	Box of Razor Blades	Scissors
Perm Rods (8 doz)	Milady Textbook	Spatula
6 OZ Rollers	Manikin	Cosmetology Exam Review Book
4 Styling Combs	Tint Brush	

All materials must be replaced if lost. They may be purchased from any source, or may be purchased from the school at current market prices.

### COURSE: INSTRUCTOR

This course is offered to persons with a current cosmetology license.

### COURSE OBJECTIVE

The instructors training course is designed to assist licensed cosmetologist in preparing to qualify for the teacher's examination and licensing required teaching cosmetology. This course includes preparatory training and supervised teaching. The teacher trainee shall acquire eighty hours of observation prior to practicing teaching.

Theory.....	56 hours
Skill.....	98 hours
The Professional Teacher.....	214 hours
The Teacher	
Preparation Teaching	
Classroom Management	
Teaching Materials	
Student Motivation and Learning.....	150 hours
Testing and Evaluation.....	126 hours
Methods, Management and Materials.....	336 hours
Cosmetology Law-Rules and Regulations.....	20 hours
<b>Total.....</b>	<b>1000 hours</b>

A registration fee is payable on or before the starting date. The balance can be paid in cash or a convenient time payment plan is available. If the student desires to use the time payment plan, the balance is payable monthly.

### Course Objective

Upon completing this course, the instructor trainee will be prepared in the areas of classroom, clinic floor, platform training for lecture and demonstration, and advanced training for special education. The graduate will be prepared to teach all aspects and age groups and will be qualified to test and evaluate on group and individual levels.

**Course: NAIL TECHNICIAN**

350 hours

Enroll the Second of Tuesday of every month

**Course Objective**

To perform basic manipulative skills in the areas of manicures, pedicures and nail tip enhancements and to perform the basic analytical skills to determine proper nail services and nail shaping for the client’s overall image and needs.

**Curriculum**

350 Hour Training Program for Manicurist

Professional Practice.....	150 Hours
Arms and Hands (Anatomy and Physiology).....	50 Hours
Chemistry in Manicuring.....	25 Hours
Sanitation and Safety Measures.....	25 Hours
Sculptured Nails.....	100 Hours
<b>Total.....</b>	<b>350 Hours</b>

**Nail Technician Course Kit**

Sanitation & Safety Supplies	Nail Tips & Adhesive Supplies	Acrylic Supplies
Files & Implements	Manicure & Pedicure Supplies	Polishing Supplies
Textbook	Workbook & Exam Review Book	State Law Book

An enrollment fee is payable on or before the starting date. One half of the tuition is payable on or before the starting date. If the student desires to use the time payment plan, the balance is payable weekly.

**School Dress Code**

Black or White Scrub pants (no sweat pants or jeans), Black or White scrub shirts or jackets, school t-shirt and tennis shoes.

**Career Development**

Let’s explore some of the options or related career opportunities available to the KC’s graduate. Many graduates make their career in a styling atmosphere. Some choose to return to their respective hometown, others may decide to relocate to a different city or state to begin their practice. Some will choose beauty salons; others may go into barber styling salons. Because of the advanced curriculum offered at KC’s, graduates find the transition from the school to workplace to be smooth. Students are

taught how to write resumes, how to make a business plan, record keeping and how to have an interview.

### **Employment Assistance**

The school cannot guarantee job placement. Students are provided information including names and phone numbers of salons interviewing for employees. Job opportunities are posted on the cork board in the hallway. Although we do cover professionalism, resume development, interview preparation and job search skills are all covered in the Milady textbook materials, it is the responsibility of the student to apply for jobs and participate in interviews.

### **School Level**

At the salon or styling level there are many advanced opportunities both in money and positions. As your experience grows with time and advanced education, your pricing structure should correspond. Those who show leadership qualities in the workplace could rise to management positions, As in many other fields, the beauty industry has reached the age of specialization. This means that in some of the larger salons throughout the nation there are hair designers who elect to specialize in one or more of the many services performed in a full service salon. Perming, color, make up/skin care, are just a few of these fields. Of course, owning your own business is also a possibility. This would require a capital investment and a working knowledge in business management. There is always a need for progressive salons.

### **Teaching Level**

This level can be broken down into two areas:

The first is cosmetology school instructor. This requires a dedicated individual who has, or is willing to acquire the overall knowledge it takes to teach in all phases of the cosmetology profession. Instructors are usually paid a salary and have the possibilities of moving up to school manager, styles director, or even school owner.

Secondly, there is a demand for those who possess that touch of "show biz." We call these talented people "guest artist." Their job requires teaching licensed hairdressers the most modern methods and styles. Guest artist do shows in many different regions of the country, which calls for quite a bit of traveling. They are paid for their expenses, plus a guest artist fee. Styling on stage in front of possibly hundreds of your peers requires public speaking talents as well as technical and advanced artistic knowledge. Guest artist most often work for manufactures and distributors of cosmetology products.

### **Manufactures**

The companies that produce or manufacture cosmetology products need people to call on salons, schools, and distributors to demonstrate and sale their products. These people are called field representatives or field technicians. This career also calls for extensive travel and specialized training through the companies' own program. This position provides many advancement opportunities.

### **Distributor Level**

Here you would function primarily as a sales consultant. This would include such functions as the introduction of new products, inventory control, retail merchandising, salon equipment design and advice, and, in some instances, basic business advice. The distributor acts as a liaison between the manufacturers and the working stylist or salon owner.

We hope to have given you some additional ideas as to the career opportunities that are available in this exciting and ever-expanding profession. The ladder to success belongs to you, how high or how fast you

climb is your decision. We at “KC’s” through our professional approach to education will provide you with the necessary knowledge and training to guide you to the top of your ladder of success.

### **Credit System: Practical Clinic Services**

Each student has to complete the required credits pertaining to each practical service rendered. This can be accomplished by practicing on a manikin, fellow students or patron. The required number of services must be completed by the time hours of training is finished. Failure to do so will defer graduation.

### **Graduation Requirements**

A certificate of completion is granted once the student: (receive a ) Passing average grade of 85 must be made on the school final report; The student must successfully complete the required hours for our course being studied; All fees are paid with school.

### **Certification of Completion**

Upon completion of training, a student will be given a certificate which indicates that the program of training has been satisfactory completed. If the student fails to complete the course, a written record will be furnished to the student on request which shows the portion of the course which have been completed

### **State Board Examination**

#### **Cosmetology, Instructor, and Nail Technician**

After completion of training, students are required to take the state examination by the Board of Cosmetology. The exam is given by Professional Credential Services, INC. at testing centers around, scheduled on your own time. The fee for taking the exam is \$195 for the practical test and \$90 for the theory test. You can register on-line at [www.pearsonvue.com](http://www.pearsonvue.com) or mail it in with your voucher. The state examination consists of practical skills and a written test on the Theory of Cosmetology. Our school prepares you for this exam.

### **School Rules and Regulations**

#### **Student Conduct**

The student agrees to abide by all the rules and regulations in effect, or those which may become effective in the school during the period of enrollment. Rules and regulations will be read to each student, after which the student will sign stating they understand them. Any action by a student which interferes with normal classroom activity or clinical operation will be cause for dismissal. Every student is given an opportunity and reasonable time to correct the problem. If the student does not correct his or her individual shortcoming, he or she will be dismissed. A student who is dismissed for misconduct will be furnished a written statement which will outline the reason for such action, if such statement is requested. A student who is dismissed for misconduct is not permitted to re-enroll.

### **Academic Progress Policy**

Satisfactory Progress in attendance and academic work, as well as complying with regulations of the school, is a requirement for all future professionals enrolled in this school. In order to be considered to be making satisfactory progress towards a certificate/diploma, a future professional must maintain specified grade averages as well proceed through the course at a pace leading to completion in the specified time frame. Time Frame or Program Completion Policy is reviewed during Orientation. In the State of Mississippi for Cosmetology, this equates to 1500 attended hours, 1000 attended hours for Instructor and 350 attended hours for Manicuring. Students receiving funds under any Title IV financial aid program must maintain Satisfactory Progress in order to continue eligibility for such funds. For purposes of determining Satisfactory Progress, all students will be measured on meeting both academic and attendance progress. Progress evaluations are done by KC's School of Hair Design—called Satisfactory Academic Progress Evaluations. The complete policy is explained starting on page 15 of this catalog.

### **Previous Credit Evaluation**

The school maintains a written record of the previous education and training of each student. This record indicated that appropriate credit has been given. The student and any other appropriate agency will be notified of this evaluation.

### **Attendance Policy**

KC'S is required to take attendance by the actual time the student attends, attendance records of each student are maintained. These records indicate the student's presence, absence, or tardiness for each scheduled class period. These records are maintained in such a manner as to make the student's attendance habits readily interpretable by authorized personnel. All absences will be considered unexcused. Students must attend 67% of contracted hours for each month. By 8:15 doors are locked and no student is allowed in until 10:00am that's when theory class is over.

No responsibility is assumed by the school for any negligence, carelessness, or lack of skill by one or more students while practicing any part of the school course upon another; nor for the loss, or damage, of any instruments and equipment issued to the student at the time of enrollment or that the student has purchased after enrollment.

### **Termination and Makeup Policy**

If a student is terminated by KC's School of Hair Design, it shall occur no more than fourteen days from the last day of physical attendance, or, in the case of a leave of absence, the documented date to return. Exceptions will be made if a student can show proof of hospitalization during his or her absence. You will still be on probation if you were on probation when you drop or took a leave, you will re-enter at the same standard. Makeup time is only available when approved by director.

### **Leave of Absence**

A student may have a leave upon written request. Should a student find it necessary to be out of school for a significant period of time, a leave of absence should be requested in writing. During an approved leave of absence, the student may not receive financial assistance. A student is allowed up to 3 leaves not to exceed 180 days of leave per enrollment (6 months if the leave is requested by a doctor). When re-enrolling from a temporary leave, you will re-enter with the same satisfactory progress in academic and attendance progress. A Leave of Absence is defined as an approved interruption of training for an extenuating circumstance and has no effect on the Satisfactory Progress Standard. If the future professional was deemed maintaining Satisfactory Progress prior to a Leave of Absence or withdrawal of training, upon his/her return, the future professional is deemed in good standing and may continue the

program from the point of interruption. A Leave of Absence will be granted if the request is submitted in writing to the School Director/Dean and/or the Financial Aid Director. *NOTE:* Complete documentation and certain conditions are needed to support this request. *ie:* jury duty, military reasons including National Guard requirements, and circumstances meeting criteria covered under FMLA (Family & Medical Leave Act of 1993). However, in the case of a sudden incident (*ie,* accident, death of a family member, etc.) it is possible for the school to grant an LOA without the written request from the student. In this circumstance, the information will be documented in the file. A student who has been granted an LOA will be considered withdrawn if he/she does not return to school at the end of the LOA. In said case, the withdrawal date will be the last day of recorded attendance at KC's School of Hair Design. LOA will extend the students contracted graduation. No additional fees will be accrued during the LOA.

## Satisfactory Academic Progress Policy

### Maximum Time Frame Allotted for Course Completion

**SAP-6**

<u>Student Schedule</u>	<u>Normal/Minimum Time Frame</u>	<u>Maximum Time Frame</u>
A. <u>COSMETOLOGY</u>		
1. Ft./Day Students –30 hrs./wk.	50 Weeks	75 Weeks
B. <u>INSTRUCTOR</u>		
1. Ft./Day Students 1000 hrs. - 30 hrs./wk.	30 Weeks	50 Weeks
C. <u>NAIL TECHNICIAN</u>		
1. Ft./Day Students – 30 hrs./wk.	11 Weeks	16 Weeks

**1. Overview**

Enrolled students are required to achieve and maintain satisfactory progress in attendance and academics. Satisfactory progress standards apply to all students regardless of whether they participate in financial aid programs. Students must maintain satisfactory progress to be eligible for funding from Title IV financial aid programs. SAP is provided to applicants prior to enrollment. **SAP-2, SAP-4**

**2. Minimum Satisfactory Progress Levels for Attendance SAP-5**

The minimum attendance level for enrolled students is 67% of the total scheduled attendance hours. The minimum attendance level is calculated by dividing the cumulative actual hours by the cumulative scheduled hours recorded during the student’s enrollment (e.g. 575 actual hours/600 scheduled hours = 96% attendance).

**3. Maximum Timeframe for Course Completion SAP-6**

The maximum timeframe for course completion is 150% of the published length of the program.

**4. Minimum Satisfactory Progress Levels for Academics SAP-5**

Students are expected to maintain average score of at least 85% on practical and theory testing.

**SCHOOL GRADING SYSTEM SAP-9**

Students written test are graded according to the following system.

A: 95-100.....	Excellent
B: 85-94.....	Good
F: 0-84 .....	Failure

**SAP-8**

Formal evaluation of student practical work is graded based on a YES/NO format that is converted into a percentage and into the GPA.

Daily work on the clinic floor is graded as follows:

4.....	Excellent
3.....	Good

- 2. ....Satisfactory
- 0-1.....Unsatisfactory

Clinic work is NOT factored into the overall GPA.

Students are expected to maintain satisfactory progress consistent with their own ability with a minimum average of 85.

Weekly written test are given in each subject, theory and practical. All tests must be completed and passed before the student can take the final examination. Upon passing the final examination and completed hours a diploma is awarded. A monthly progress report is given each month.

**5. Measurement and Reporting Periods SAP-10, SAP-12**

Each student’s cumulative attendance and academic performance is formally measured for Satisfactory Academic Progress at the following intervals **(based on actual hours)**:

Cosmetology: 450, 900, 1200

Instructor (1000): 500

Nail Technician: 175

Students who meet the academic and attendance requirements are considered to be making satisfactory progress until the next evaluation. Students must make satisfactory progress before the midpoint of the course or midpoint **SAP-11** of the academic year, whichever is shorter. Only students who maintain satisfactory progress are eligible to receive Title IV assistance. Students who meet the minimum requirements for attendance and academic progress shall be considered to be making satisfactory progress until the next scheduled evaluation. **SAP-13**

**6. Failure to Maintain Satisfactory Progress/WARNING SAP-14**

If a student fails to maintain the minimum satisfactory progress levels for attendance or academics at a required evaluation point, he or she will be placed on warning, with the opportunity to meet requirements for the next evaluation period (payment period), but will still be considered as making satisfactory progress while on warning and is deemed eligible to receive Title IV funds. The student will be notified via written means (progress report) and will have access to this information, as applicable. **SAP-19, SAP-25** of any evaluation that impacts the eligibility for financial aid, if applicable. A student can re-establish satisfactory progress by meeting the academic and/or attendance requirements by the next evaluation. **SAP-15, SAP-17a** If a student does not meet the minimum satisfactory progress levels at the next payment period evaluation, the student is not meeting SAP and he/she will be placed on a probation provided that the student prevails upon appeal and is mathematically able to achieve satisfactory academic progress by the next evaluation or is put on an academic plan.

**7. Probation & Appeal SAP-16, SAP-17**

After the warning period, if the student is not meeting satisfactory academic progress standards they will be placed on “Probation” **SAP-16a** provided that the student appeals the **SAP-16b**



negative progress determination in writing at the beginning of the probationary period and prevails upon appeal. An appeal is allowed if there were extenuating circumstances **SAP-17b** (i.e., death of a relative, an injury or illness of the student, etc.) that prevented the student from meeting the SAP requirements and it is **SAP-16c** determined that the SAP standards can be met by the end of the subsequent evaluation period. **SAP-17c** Documentation must be submitted regarding why the student failed to make satisfactory academic progress and what has change in the student's situation that will allow the achievement of SAP at the next evaluation. The results of the appeal will be documented in the student file. **SAP-17d** The student is responsible for all tuition costs. While the student must strive to achieve satisfactory academic progress, he/she is still eligible to receive Title IV aid. The student has until the next evaluation period to bring his/her grades and/or attendance up to minimum requirements and up to the requirements set forth in the agreed upon academic plan. **SAP-16d** By meeting the academic and/or attendance requirements, the student will have successfully met the SAP requirements and re-establish eligibility for financial aid, if applicable. At the end of the probationary period, if the student has not achieved the SAP requirements is no longer eligible for Title IV, HEA program funds, if applicable, unless the student is on warning or has prevailed upon appeal of the determination that has resulted in the status of probation. **SAP-18**

**8. Leave of Absence SAP-7, SAP-20**

A student returning from an excused leave of absence or other official interruption of training will return to the school in the same satisfactory progress status he or she maintained immediately prior to the leave, and the contract end date and maximum time frame will be extended the same amount as the leave. All missed academics must be made up within 30 days of returning to school. A leave of absence is determined at a minimum of 7 days and a maximum of 180 days in a 12 month period. LOA must be in writing.

**9. Course Incompletes, Repetitions, and Non-Credit Remedial Courses SAP-23**

Course incompletes, repetitions and non-credit remedial courses do not apply and have no effect on a student's progress.

**10. Re-entry SAP-21**

A student who re-enters after termination or withdrawal retains his or her attendance and academic history from their previous enrollment. A student making satisfactory progress at the time of withdrawal or termination may apply for re-entry. A student not making satisfactory progress at the time of re-entry and will not be eligible for financial aid upon re-entry until he or she meets the minimum satisfactory progress levels at a required evaluation point.

**11. Transfer Hours and SAP SAP-24**

Transfer hours from another institution that are accepted toward the student's educational program are counted as both attempted and completed hours for the purpose of determining when the allowable maximum time frame has been exhausted. SAP evaluation periods are based on actual contracted hours at the institution.

### Re-Admission Policy

Future professionals may reapply to be re-admitted to the institution after being dismissed after waiting a period of 3 months (90 days). Such future professionals will be enrolled on a probationary status. With

respect to financial aid, a future professional must complete a period of 2 months with at least a 85% grade average and maintain attendance at 67% for that period as well as comply with all regulations of the school, before financial aid awards will be made. This procedure applies only to dismissals caused by lack of Satisfactory Progress and will never be granted more than once. It does not apply to voluntary withdrawals. Re-entering future professionals will be charged at the current tuition rates for newly entering future professionals. Amounts paid during the 1<sup>st</sup> period of enrollment will be credited to this account. If the future professional re-enters within 6 months of the withdrawal, the administration fee will be waived.

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### **Facilities and Equipment**

The 12,000 square feet of floor space at “KC’s” is divided into a reception area, offices, dispensary, theory room, practical classroom, facial room, clinic, storage room, manicurist room, lounge and restrooms.

Equipment at “KC’s” includes stations, shampoo bowls, sterilizers, manicuring tables, manikins, dryers and other cosmetology furnishings for the benefit of the students. Education class equipment consists of all basic cosmetology material for use by students.

### **Additional Expenses Incurred by Student**

1. State of Mississippi registration and exam fee of \$195.00 for practical test and \$90.00 for theory test and \$50.00 2 year licensure fee.
2. Any books, supplies or equipment that is not included with the kit
3. Transportation cost for examinations.
4. Cost to replace lost supplies.
5. Replacement badge fee of \$15.00 for each.

### **Student Advising**

A private office is available for student advising, placement and other personal services for the benefit of the student. Students are free at any time to discuss problems of any nature that may affect their learning capacity or future employment.

**TIME CLOCK:**

Each student must record on the time clock when:

- starting and completing daily instruction and training
- Leaving and returning to the school premises.
- Commencement and termination of lunch period.

No attendance credit will be allowed unless a time card or time sheet verifying attendance is on file.

**Student Housing**

The school does not provide housing facilities; however, a list of close, desirable housing accommodations are provided. The director of admissions will gladly assist out of town students in securing satisfactory housing facilities.

**Communications and Complaints System**

All complaints shall be made to school owner/director Heather Black. All verbal and written complaints and communication shall be recorded in a log and will include,

1. Date of first contact
2. Name and address of complaint(s)
3. Nature of the complaint
4. Action taken
5. Date of resolution, if any, is provided within ten business days.

If for any reason the complainant is not satisfied with the resolution offered, he or she may direct the complaint to the Mississippi State Board of Cosmetology, 239 North Lamar, Suite 301, P.O. Box 55689, Jackson, MS 39296-5689, Phone: (601) 354-5316 or to NACCAS at 3015 Colvin Street, Alexandria, VA 22314, (703) 600-7600.

**REFUND POLICY**

Should a student, for any reason, terminate his/her education at "KC's", the following tuition adjustments shall apply. When prepaid tuition is being refunded or when unpaid tuition is being determined, two calculations based on the following chart shall be made and compared.

- A. If the student is rejected for training by KC's School of Hair Design, the student will receive a 100% refund of all money paid.
- B. If the Student or parent/legal guardian (if student is a minor) cancels this Agreement and request a refund in writing within three business days of signing this Agreement, regardless if the student has started training or not, the student will be entitled to 100% refund of all money paid. Official cancellation or withdrawal shall occur on the earlier of the dates that a student notifies the institution of his/her withdrawal. This policy applies whether or not the student has begun training. If after three business days, but prior to starting class, the student wishes to withdraw, the student will be entitled to a refund of all monies paid less the registration fee of \$175.00.
- C. For students who enroll in and begin classes, the following schedule of tuition adjustments is utilized.

<b>Percentage of Scheduled Time Enrolled To Total Course</b>	<b>Total Tuition School Shall Receive/Retain</b>
0.01-4.9%.....	20%
5.0-9.9%.....	30%
10-14.9%.....	40%
15-24.9%.....	45%

25-49.9%.....	70%
50% and over.....	100%

- D. If buyer is a minor; notice of termination must be made by parent/legal guardian.
- E. A cancellation fee of \$150 will be charged if a student withdraws.
- F. Enrollment time is defined as the time elapsed between the actual starting date and the buyers last day of physical attendance in the school. Cancellation or termination date is determined by the postmark on written notification or the date notice of cancellation is delivered to the school administration in person. The refund is calculated based on the student’s last date of attendance. Official cancellation or withdrawal shall occur on the earlier of the dates that a student is expelled by the school. Any money due shall be refunded within 45 days of formal cancellation by the student or formal termination (expulsion) of the school, which shall occur no more than 30 days from the last day of physical attendance, in case of unofficial withdrawal the institution will monitor attendance every 14 days and make a determination of withdrawal date within 14 days of the students last day of attendance: or in case of a leave of absence, the withdrawal determination date will be the earlier of the date that the student informs the school that he or she will not be returning, or the documented date of return. When the student requests a transfer to another school, KC’s School of Hair Design may charge a reasonable fee not to exceed \$10 plus and fees owed to the school. Unofficial withdrawals for clock hour students are determined by the school through monitoring clock hour attendance at least every thirty (30) days.
- G. In case of Buyer’s prolonged illness, accident, death in the family, or other circumstances that make it practical to complete the course, KC’s School of Hair Design shall make a settlement which is reasonable and fair to both parties.
- H. In the event the buyer wishes to withdraw or is terminated after three business days but prior to entering classes, the Buyer is entitled to a refund on books and kit.
- I. If a school is permanently closed and no longer offering instruction after the Buyer enrolled, the buyer shall be entitled to a pro-rata refund of tuition.
- J. If a course is canceled subsequent to a Buyer’s enrollment, the school shall, at its own:
  - a. Provide completion of the course at another location with Buyer’s approval or
  - b. Provide a full refund of all money
- K. If a course is canceled after students have enrolled and instruction has begun, the school will provide a pro-rata refund for all students transferring to another school based on the hours accepted by the receiving school.
- L. Student must cancel in writing.
- M. Collection procedures reflect good taste, sound and ethical business practices.
- N. If a Title IV financial aid recipient withdraws prior to course completion, a calculation for return of TIV funds will be completed and any applicable returns by the school shall be paid, as applicable, first to unsubsidized Federal Stafford Student Loan Program; second to subsidized Federal Stafford Student Loan Program; third to Federal Pell Grant Program; fourth to other Federal, State, private or institutional student financial assistance programs; and last to the student. After all applicable returns to TIV aid have been made, this refund policy will apply to determine the amount earned by the school and owed by the student. If the student has received personal payments of Title IV aid, he/she may be required to refund the aid to the applicable program.

**Attendance:** In the event that I fail to satisfactorily complete the period contracted for in the specified amount of time stated in the agreement, then in the sole discretion of the school, I may be permitted to pursue the course until completion. When permission is so granted, my sponsoring parent/legal guardian, if any, and I agree to pay the sum of \$10.00 per hour.



### **Access to student records/Release of Information to a Third Party**

A student may request to see his/her file at any time, but must be accompanied by an instructor at all times. The school guarantees the right of students (and their parents or guardian if deemed a minor, if written permission is given) to have access to their cumulative records. The school will provide the proper supervision and interpretation of student records when they are being reviewed. Each student must give written authorization before the student's records are released. Authorization forms must be signed and dated each time student records are released.

- A. The student and/or parent or guardian of a dependent student, has the right to inspect his/her files and
- B. No information will be released to a third party without written consent from the student and/or parent or guardian of a minor student
- C. Government agencies-Mississippi State Board of Cosmetology members and accrediting agency are exempt from the third-party release requirement.

### **Right of Privacy**

"KC's" has a form which the student must sign when he/she approves opening of files. This is right of privacy statement and is kept in the student's file at all times.

### **Non Discrimination and Handicap Policy**

"KC's" is in compliance with the Civil Rights Act of 1974, as amended, which prohibits discrimination on the basis of sex, religion, age, race, color, ethnic origin or national origin. The school is in compliance with the Rehabilitation Act of 1973 in that no qualified person, by reason of handicap, will be excluded from enrolling in the course of instruction. The school will work with physically challenged applicants to ensure that any special needs or services are available.

This is to certify that the contents and policy as set forth in this bulletin are true and correct.

## **Attendance Progress Evaluation**

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At the completion of each month of training, the future professional must demonstrate the ability to complete all program requirements within the allotted time frame by scheduled attendance/make-up work. Time Frame or Program Completion Policy is reviewed in Orientation Class. For a future professional to be deemed maintaining satisfactory attendance, he/she must complete 67% of hours required during the evaluation period.

Transfer of scheduled session is permitted once during training. Request for change must be made in writing to the Educational Leader or Financial Aid Department with a valid reason. In the event of such transfer, the scheduled completion date, maximum time frame and financial plan will be revised. *Note:* This does not include allowed 1200 Hour Mark Transfer. See Enrollment Contract for necessary criteria for transferring. In the case of Leave of Absence, the maximum time frame will be extended by the number of days in the Leave. (LOA)

## **Campus Security Policy**

KC's is committed to providing students with a safe environment in which to learn and to keep parents and students well-informed about campus security. To that end, and in accordance with the Crime Awareness and Campus Security Act of 1990, The institution collects campus crime statistics and prepares a report for distribution to all students, employees and applicants for enrollment or employment. It is hoped that the institution's comprehensive policy will help combat violence in the workplace and on campus.

By September 1 of each year, the school publishes and distributes the annual campus security report to all current students and employees directly by hand delivery. In addition, the report is provided upon request to all prospective students and prospective employees. Such individuals are informed of the report's availability and given the opportunity to request a copy.

**Beauty Salon Chart of Jobs**

**Licensed:  
Cosmetologist, Cosmetician, Operator, Beauty Culturist, Hairdresser**

<b>Hair stylist</b>	<b>Hair Coloring Technician</b>	<b>Permanent Waving Technician</b>	<b>Scalp and Hair Specialist</b>
<b>Facial Expert</b>	<b>Make-Up Artist</b>	<b>Electrologist</b>	<b>Manicurist</b>
<b>Shop Owner</b>	<b>Shop Owner Or Concessionaire</b>		<b>Shop Supervisor</b>
<b>In a Beauty Shop</b>	<b>in a Chain of Shops</b>	<b>in a Department Store</b>	

**Chart of Jobs in the Educational Field**

**Experienced:  
Cosmetologist, Cosmetician, Operator, Beauty Culturist, Hairdresser**

<b>Public Vocational Schools</b>	<b>Private Cosmetology Schools</b>	<b>Outside of Cosmetology Schools</b>
<b>Cosmetology Teacher</b>	<b>Cosmetology Teacher (General)</b>	<b>State Board Inspector</b>
<b>Teacher of Related Science</b>	<b>Cosmetology Teacher (Specialized)</b>	<b>State Board Member</b>
<b>Substitute Teacher</b>	<b>Supervisor or Dean</b>	<b>Educational Director For a Manufacturer</b>
<b>Department Head</b>	<b>Director</b>	<b>Teacher-Trainer</b>
<b>Guidance Counselor</b>	<b>School Owner</b>	<b>Guest Artist</b>



## **2016 Outcome Rates**

**Graduation Rate: 65%**

**Placement Rate: 91%**

**Licensure Rate: 100%**

# KC's School of Hair Design

**187 HWY 15 N  
Pontotoc, MS  
(662) 489-8176**

## Pre-enrollment checklist

**Applicant Name:** \_\_\_\_\_ **Program:** \_\_\_\_\_

I have received written information concerning the following topics prior to signing my enrollment agreement.

- \_\_\_\_\_ School Catalog
- \_\_\_\_\_ School's Completion Rate
- \_\_\_\_\_ School's Licensure Rate
- \_\_\_\_\_ School's Job Placement Rate
- \_\_\_\_\_ Licensing Requirements
- \_\_\_\_\_ Pre-Requisites for Employment
- \_\_\_\_\_ Satisfactory Progress Policy
- \_\_\_\_\_ Course Outline

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

KC's School of Hair Design  
187 HWY 15 N  
Pontotoc, MS 38863

## THE FINANCIAL PROCESS

KC's Financial Aid Process consists of several steps which are outlined below:

- ADMISSION  
You must first be accepted for admissions to KC's School of Hair Design. The school has a formal Admissions Procedure.
- FAFSA  
An appointment must be set w/the Financial Aid Director after Admission's acceptance to complete the Free Application for Federal Student Aid (FAFSA) which is the only form needed to apply for aid. Although the form can be received from a high school Guidance Counselor as well as on the Web, we ask that you wait for your FA appointment at this school and complete the form w/the Director.
- SAR  
After your FAFSA is received by the US Dept. of Education, it generates a SAR or Student Aid Report. This SAR lists your EFC or Expected Family Contribution which colleges are required to use in determining your federal and state financial aid eligibility.
- VERIFICATION  
The US Dept. of Education has developed a system to verify a students' information that was submitted on the FAFSA – this is called Verification. Applicants are randomly selected by the US Dept. of Education for this process. If you are selected, you will be asked to prove that the information you supplied on your FAFSA is accurate and true. This verification process allows counselors to review the information reported on your FAFSA. Our Financial Aid Director will contact you for additional information should this occur. This is done using a "Verification Worksheet" and a signed copy of your federal 1040/1040A/1040EZ Tax Form (If dependent—copies of parents). Do know that our office cannot finalize your financial aid award until the Verification Process is complete should you be chosen. Therefore, it is important to respond in a timely manner.
- AWARDING  
Once the file is complete (including verification if applicable) the student is awarded financial aid. An Award Letter will be generated for the student approximately one to two weeks after their file is complete.

## VERIFICATION

### FEDERAL PROCESS TO AFFECT FINANCIAL AID FOR STUDENTS

The federal government has legislated an application review process called Verification. This process will be applied to all federal program funds including Direct Loans and Pell Grants. The following questions and answers are designed to assist you in understanding the process and its possible effect on your financial aid.

### WHAT IS VERIFICATION?

The review process called verification is to ensure that all data provided on the federal application upon which you applied for financial aid is correct and complete. Students and their families may be asked to provide additional documentation, or to update their data by the school. Documentation will be requested, if necessary, in order to complete the verification process.

An outline of the policies and procedures that govern the verification process is provided in this material. Your responsibilities and the deadlines you must meet are also provided. If you do not submit this information, you will not receive your aid. If you have any questions regarding the verification process, please contact the school.

### WHY WAS I SELECTED?

The selection of an application for verification review could happen under one of the following conditions:

- a) The school elects to verify the applicants information on the application.
- b) Central Processing System, through its own edit process, will randomly select a number of applicants for verification (this does not mean that your information is incorrect).
- c) Central Processing System, through its own edit process, due to inconsistent data being used by the applicant, will flag that particular application for verification.

Do the following if Selected for Verification:

- a) You must complete a *VERIFICATION WORKSHEET* which will be given to you by the school. This form collects income and asset information from both the student and parent (s). In addition, students must submit all pages of their (and your spouse's if married) tax forms (or their parents' tax forms and if dependent.)
- b) If everything checks out, the school will certify the loan and process for payment.
- c) If there is conflicting data, the school will contact the student for further

clarification before the Stafford Loan can be certified and processed for payment.

If not selected Verification, the school will immediately certify the loan and process for payment.

#### REQUIREMENTS IF SELECTED FOR VERIFICATION

1. You must complete a *VERIFICATION WORKSHEET* which will be given to you by the school. In addition, students must submit all pages of their (and their spouse's if married) tax forms. If the student is dependent, their parents' tax forms must be submitted additionally.
2. Payment will not be made until this information is verified by the school.

#### WHAT ARE THE DEADLINES?

The deadlines and the time periods to complete verification/certification vary depending on when you start the program. Verification under normal conditions should be completed within two weeks of notification.

#### THE CONSEQUENCES OF NOT COMPLYING!

Your failure to provide the requested documentation within the specified time period could result in the following:

1. Loss of financial aid for an award period or academic year.
2. Future applications for financial aid may not be processed; or

.

#### HOW WILL I KNOW WHEN VERIFICATION HAS BEEN COMPLETED?

When verification is completed, you may receive the following:

1. An award letter confirming your financial aid.

#### WHERE CAN I GET MORE INFORMATION ON VERIFICATION?

Contact the school to set up an in person or telephone appointment.

## Return to Title IV Funds

The law specifies how KC's must determine the amount of Title IV program assistance that you earn if you withdraw from school. The Title IV programs that are covered by this law are: Federal Pell Grants, Direct Loans and PLUS Loans.

When you withdraw during your payment period the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula. If you received (or your school or parent received on your behalf) less assistance than the amount that you earned, you may be able to receive those additional funds. If you received more assistance than you earned, the excess funds must be returned by the school and/or you.

The amount of assistance that you have earned is determined on a pro rata basis. For example, if you completed 30% of your payment period, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period you earn all the assistance that you were scheduled to receive for that period.

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, you may choose to decline the loan funds so that you don't incur additional debt. Your school may automatically use all or a portion of your post-withdrawal disbursement (including loan funds, if you accept them) for tuition, fees, and supplies. For all other school charges, the school needs your permission to use the post-withdrawal disbursement. If you do not give your permission, you will be offered the funds. However, it may be in your best interest to allow KC's to keep the funds to reduce your debt at the school.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement. From the date the institution determined the student withdrew, grant funds must be paid within 45 days and loan funds must be paid within 180 days.

Return of Unearned Aid is allocated in the following order:

1. Unsubsidized Federal Stafford Loan
2. Subsidized Federal Stafford Loan
3. Federal Perkins Loan
4. Federal Parent (Plus) Loan
5. Federal Pell Grant
6. Federal Supplemental Opportunity Grant
7. Other Title IV Assistance

There are some Title IV funds that you were scheduled to receive that you cannot *earn* once you withdraw because of other eligibility requirements. For example, if you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not earn any Direct loan funds that you would have received had you remained enrolled past the 30<sup>th</sup> day.

Title IV Future Professionals reentering within 180 days of withdrawal date will resume at the same status as prior to withdrawal.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that your school may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. Your school may also charge you for any Title IV program funds that the school was required to return. If you don't already know what your school's refund policy is, you can ask your school for a copy. Your school can also provide you with the requirements and procedures for officially withdrawing from school.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on *Student Aid on the Web* at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

## **Default Prevention and Management: A Plan for Student and School Success**

- Section I    Overview**
- Section II    Early Stages of Enrollment**
- Section III    Late Stages of Enrollment**
- Section IV    After Student Leave School**
- Section V    Enhances Entrance and Exit Counseling**
- Section VI    Tools and Activities for Schools**

### **Section I Overview**

This Default Prevention and Management Plan provides all schools with activities, techniques, and tools to promote student and school success and reduce student loan defaults in the Federal Family Education Loan (FFEL) and William D. Ford Federal Direct Loan (Direct Loan) programs. Schools participating in the FFEL or Direct Loan programs for the first time, or schools participating in the FFEL or Direct Loan programs that have undergone a change of ownership that resulted in a change in control are required to use a default prevention and management plan to participate in the Title IV Programs (34 CFR 668.14 (b)(15)). For such schools, implementation of the nine Default Prevention and Management Activities listed below will satisfy that requirement. Schools required to adopt a default prevention and management plan have the option to submit their own plans to the Department in lieu of adopting this Default Prevention and Management Plan. However, all schools are required to follow regulatory guidance including : entrance counseling and exit counseling for borrowers, reporting timely and accurate enrollment information to the U.S. Department of Education (the Department), and sharing satisfactory academic progress information across campus. In addition to these regulatory requirement, schools that are not required to use a default prevention and management plan should strongly consider implementing some or all of the non-regulatory measures in the plan. Additionally, many of the activities that you apply to your school's FFEL and DL borrowers may be successfully applied to your school's Perkin's loan borrowers.

### **Benefits of Adopting a Default Prevention and Management Plan**

The activities in this Default Prevention and Management Plan promote student and school success by increasing retention and reducing delinquency and default. Schools and students receive benefits when schools implement the activities, techniques, and tools outlined in the plan. Schools benefit by avoiding any limitations on participation in the loan programs due to excessive cohort default rates (CDRs). Students benefit by having continued access to Title IV Student Financial Assistance Programs, learning good debt management practices, and establishing a healthy credit history. Schools that are actively committed to promoting student success help their students learn, graduate, obtain employment, and demonstrate financial responsibility through repayment o the funds borrowed to finance their education.



## **Consequences of Default for Borrowers**

Borrowers who default on student loans face serious consequences. Stafford Loans are considered in default after 270 days without payment. At the time of default, outstanding interest is capitalized and collection fees may be added, resulting in a loan balance that is higher than the amount borrowed. Defaulted loans are reported to credit bureaus, causing borrowers to sustain long-term damage to their credit rating. Defaulters may also face difficulty in securing mortgages or car loans, may have their wages garnished, and their federal income tax refunds and other federal payments seized. Until the default is resolved, collection efforts continue and the defaulter will be ineligible for additional federal student aid. The Department, guarantors, and servicers undertake many activities to prevent borrower from defaulting. With the minimal amount of time, effort, and expense, schools can play a critical role in helping borrower avoid the damaging consequences of default.

## **Consequences of Default for Schools**

Schools may face serious consequences due to high CDRs. Consequences include the loss of participation in the FFEL, Direct Loan, and /or Pell Grant programs. Schools may also be provisionally certified. Effective, easy-to-implement tools that reduce defaults, promote student and school success, help preserve the integrity of the loan programs, and costs to taxpayers are available to schools.

## **Section II Early Stages of Enrollment**

The Department recommends that every school implement a default preventions and management plan. Schools and borrowers benefit when schools incorporate default prevention and management activities into their operations. Schools can undertake these required and recommended activities that make up a default prevention and management plan as early as during student enrollment in order to reduce the incidence of default.

### **Entrance Counseling**

Regulations require that the first time borrowers of FFEL and Direct Loan program loans receive entrance counseling. During entrance counseling, schools must explain how the master promissory note works, emphasize the importance of repaying the loan, describe the consequence of default, and show borrowers sample monthly repayment amounts based on their program of study at your school. Schools may enhance entrance counseling to include financial literacy and ensure that borrowers thoroughly understand all information. In addition, schools should collect as much contact information about borrowers as possible during entrance counseling to facilitate future contact if needed. These activities will ensure more knowledgeable, responsible borrowers, and result in fewer defaulters as well. (Section V Enhanced Entrance and Exit Counseling)

### **Financial Literacy for Borrowers**

The Department recommends that schools provide borrowers with information concerning the income potential of occupations relevant to their course of study, counseling at various stages of enrollment, interactive tools to manage debt, repayment options, and school contact information. Schools can offer this information through an options and school contact information, Schools can offer this information through a variety of media such a counseling, classes, publications, e-tutorials, electronic newsletters to email accounts, adding the information to award letters, or using a combination of methods. To help students manage their debt, some schools are limiting access of credit card companies to their

campuses. Schools should also provide borrowers with entrance counseling material and the following resources, at the minimum, at the enrollment the following graduation or withdrawal:

- Estimate of required monthly payments on the borrower's loan balance
- Calculators to help estimate and manage debt
- Loan servicer contact information
- Contact information for delinquency and default prevention assistance on campus
- Introduction to NSLDS for Students
- Repaying Your Student Loans publication

### **Early Identification and Counseling for Students at-Risk**

Students at-risk generally refers to borrowers who withdraw prematurely from their educational programs, borrower who do not meet standards of satisfactory academic progress or both. Counseling at-risk borrowers should focus on the causes of withdrawal or unsatisfactory academic progress and solutions to resolve these matters. The end result of working with at-risk students will be more borrowers completing their educational programs, equating to a higher retention rate for the school and lower number of defaulted borrowers.

### **Communication Across Campus**

Communication of information relevant to the prevention and management of defaults must be a school-wide effort and should not be the responsibility of the only single office. While communication certain information across campus is mandatory, communicating additional information is highly recommended. To promote success, school officials should examine their communication procedures for effectiveness and inclusiveness. Information regarding borrowers academic progress and enrollment status should be components of the information received by all relevant offices across campus including the office that disburse funds and authorize payment. Accurate and timely communication among school entities and Department not only ensures the right aid is getting the right student, but such communication will help schools comply with regulations regarding the school's standards of administrative capabilities, accurate and timely reporting of borrowers enrollment status, and satisfactory academic progress.

### **Default Prevention and Retention Staff**

Having dedicated default prevention and management staff has proven invaluable for many schools. The Department recommends dedicated staff because they are in an excellent position to establish working relationships with borrowers from early in the students experience through repayment. Many schools are also dedication staff to student retention activities, a key to school and student success as well as default reduction. Where resources are limited, the Department recommends combining these two functions, as they are similar in nature, an emphases on both will particularly benefit at-risk borrowers.

### **Section III Late Stages of Enrollment**

During the later stages of enrollment and after students have left school, there are many default prevention and management activities that will help reduce defaults and help ensure borrower and school success.

### **Exit Counseling**

Regulations require that schools provide exit counseling. Exit counseling is an effective way to prevent defaults and is often the last opportunity that borrowers have to work with someone at the school regarding their loans. In-depth counseling that focuses on fully explaining repayment plans and choices that fit the borrowers' needs is essential. Exit counseling is the opportunity to clear up any misconceptions students may have about their loan obligations and re-emphasize the consequences of default. Schools should take full advantage of this opportunity to work with their students. A large percentage of borrowers in delinquency either did not have the benefit of receiving the information or did not receive it timely. Thorough exit counseling is cornerstone of default prevention and is mandatory. (Section V Enhanced Entrance and Exit Counseling)

### **Withdrawals**

Many borrowers who default on their loans are borrowers who withdrew from school prior to completing their academic programs. These borrowers, at the highest risk of default, can often be identified while still on campus. Early identification and timely intervention can improve student retention and reduce the number of defaulted loans. In addition to fulfilling the regulatory requirements to provide exit counseling to students, schools should attempt to work with students even after they have left school by encouraging them to complete their programs of study and helping them resolve the issue(s) that prompted their withdrawal. Consider offering job placement service for a limited timeframe to students who have withdrawn. In addition to providing a valuable service, schools can take advantage of the borrower's return to campus to provide counseling. Note that an employed borrower, even one earning less than if he/she had completed school, is better able to make loan payments than an unemployed borrower. There is a direct correlation between late or inaccurate enrollment reporting and loan defaults.

### **Timely and Accurate Enrollment Reporting**

Timely and accurate enrollment reporting to the Secretary or the guarantor as appropriate is required by regulation and promotes school and student success. There is a direct correlation between late or inaccurate enrollment reporting and loan defaults. This school activity ensures that borrowers receive their full grace period, and further ensures that contacts from the loan servicer such as correspondence and telephone calls occur in the appropriate timing and sequence. The servicer's contacts are signed to increase the likelihood that borrowers will satisfy loan obligations. Timely and accurate reporting of changes in enrollment status is required of all schools. Adhering to a monthly schedule of reporting changes in enrollment status will help with data accuracy and is recommended (Section VI Tools)

### **Sections IV After Students Leave School**

There are simple and effective default prevention and management activities for schools that will help borrowers during repayment. In addition, there are activities to help schools correct data and improve prevention and management practices and initiatives.

### **NSLDS Date Entered Repayment (DER) Report**

The DER Report is available to schools upon request from NSLDS. The Department recommends that on a bi-monthly basis schools compare their DER Report to their institutional records, and make any necessary corrections to their borrower's status using NSLDS Enrollment Reporting. Schools should not assume that a borrower's DER is correct, as it is subject to change. Lenders can change a student's enrollment status based on data from the clearinghouse or a student's request. Likewise, a school can update enrollment information based on information it receives from the student or another reliable source. Reviewing the DER Report will result in more accurate data, assuring accurate cohort default rates (CDRs). (Section VI Tools)

### **Early Stage Delinquency Assistance (ESDA)**

ESDA begins at the time of separation or early in the grace period. ESAD is highly focused effort by lenders, guarantors, and schools to assist particular borrowers to prepare for entry into loan repayment. Certain borrowers, such as those who have failed to complete their academic program, or borrowers who share specific characteristics or academic or related experiences, may be more likely to encounter difficulties initiating and maintaining on-time loan repayment. ESDA activities afford lenders, guarantors, and schools an opportunity to provide focused, enhanced loan counseling, borrower education, and personal support during the grace period, and in so doing help decrease aversion assistance offered by guarantors and similar assistance from the Direct Loan Servicer for borrowers who are at least 60 days delinquent.

### **Late Stage Delinquency Assistance (LSDA)**

Though guarantors and the Direct Loan Servicer and extremely effective in working with borrowers throughout repayment, they lose touch with some borrowers. Schools can often help to re-establish this critical communication during the late stages of delinquency, serving as a liaison between delinquent borrowers and staff experienced in borrower assistance. LSDA techniques enable schools to rescue severely delinquent borrowers, those who are more than 240 but less than 361 days delinquent, from default. LSDA can be successfully implemented with a minimal investment of time and staff. Even for a large school, the number of borrowers in this delinquent group is generally small. Several telephone calls a month lets the most delinquent borrowers know that they have options, and that is available. (Section VI Tools)

### **Maintain Contact with Former Students**

Schools find that all of the practices and strategies mentioned previously are much easier to employ if they are able to reach and keep in contact with their former students after they have left campus. By collecting ample reference information including cell phone numbers, e-mails addresses, and numbers and names of a variety of family members such as grandparents and cousins, schools have the resources to maintain contact with former students. Allowing borrowers to continue to use school e-mail accounts after they have left campus is not only a convenience to borrowers, but also a quick, easy, and effective method of contacting them after they have left school. One of the best methods schools can employ to avert defaults is to work with borrowers during every stage of repayment. Work with lenders, guaranty agencies, and servicers to identify delinquent and hard to reach borrowers, or those who have not been contacted at all to assist them with their repayment options and obligations. Contacting borrowers is an essential activity upon which successful default prevention and management can be built. Contact from the school may be the only effective technique to save a borrower from the negative consequences of default

## **Loan Record Detail Report (LRDR) Data Review**

Although an aggressive and proactive approach to default prevention and management is a must for all schools, school responsibilities do not end with prevention plans, initiatives, and strategies. Schools, borrowers, and the loan programs in general all benefit from a thorough examination of the draft and official CDR data to ensure that the rates are accurate and include the correct borrowers and loans. Upon receiving their rates, schools should examine their LRDR, the report containing all the data that comprises the CDR calculation. The Department recommends that all schools review their LRDR regardless of their CDTR. It is the school's responsibility to challenge incorrect data reflected in their draft CDR, or request an adjustment. Or submit an appeal of inaccurate data as reflected in their official CDR. (Section VI Tools)

## **Analyze Defaulted Loan Data to Identify Defaulter Characteristics**

No matter how effective and far-reaching a default prevention and management plan is some borrowers default. A major part of any plan is to periodically review progress in preventing defaults. One element of this review is a comprehensive analysis of defaulters. Schools should gather information to discern who is defaulting and why. Schools can then use this information to improve their default prevention and management practice and initiatives. Internal data includes key information such as management practices initiatives. Internal data includes key information such as high school attended, program of study, demographics, grades, etc. Reviewing the LRDR also provides key data about borrowers that can assist in determining common characteristics among defaulters. Causes for defaults can include, but are not limited to, absent or incomplete internal procedures, practices, and communication, particular programs and course requirements or structure, and ineffective counseling. Frequent examination of defaulter characteristics coupled with an assessment of default prevention and management successes and shortcomings provide valuable information. Schools promote success by taking preventive measures to correct ineffective practices thereby preventing current and future borrowers from experiencing the same difficulties that plagued past defaulter. One solution to preventing future defaults lies in understanding what caused past defaults.

## **Section V Enhanced Entrance and Exit Counseling**

In addition to complying with the applicable requirements in 34 CFR 682.604, 34 CFR 685.304, 34 CFR 668.165 and 34 CFR 668 Subpart D, the Department recommends that entrance and exit counseling also include the following:

### **Request for Borrower Information**

- During entrance and exit counseling, obtain information from borrowers regarding references and family members beyond those requested on the loan application, and ask for cell phone numbers and email addresses for borrowers and for family members.
- During exit counseling, obtain updated information from borrowers including their addresses, cell phone numbers, email addresses, and addresses of their references and various family members.

### **Information about repaying the Loan**

- Estimated balance of loan(s) when the borrower complete the program
- Interest rate on the borrower's loan(s)
- Name, address and telephone number for the borrower's lender

- During exit counseling, provide a sample loan repayment schedule based on the borrower's total loan indebtedness
- Estimated monthly income that the borrower can reasonably expect to receive in his or her first year of employment based on the education received at your school
- Estimated date of the borrower's first scheduled payment.

### **Reminders about Personal Financial Management and Title IV Loans**

- Schools should provide financial literacy resources to borrowers at enrollment, throughout attendance, and following graduation or withdrawal
- Students should borrow only what is needed and can cancel or return any funds in excess of what is needed
- Borrowers must inform their lenders immediately of any change of name, address, telephone number, or social security number
- If a borrower is unable to make a scheduled payment, he or she should contact the lender before the payments due date to discuss a change in repayment plan or other repayment options
- General information should be provided about
  - Repayment option
  - The sale of loans by lenders and the use by lenders of outside contractors to service loans.

### **Section VI Tools and Activities for Schools**

These recommended tools for schools ensure data accuracy and employ effective loan counseling and default prevention and management techniques to aid students and schools.

#### **Where do I begin?**

FSA Assessment for Default Prevention and Management

<http://ifap.ed.gov/gamodule/DefaultManagement/DefaultManagement.html>

#### **Loan Counseling**

Students and Counselors

<http://www.studentaid.ed.gov>

The Student Guide and NSLDS for Students

<http://www.studentaid.ed.gov>

How much will it cost?

<http://nces.ed.gov/ipeds/cool/>

<http://www.dissonline.com/tools/search.asp> (for Direct Loan Borrowers)

How will I pay for it?

[http://studentaid.ed.gov/students/publications/student\\_guide/index.html](http://studentaid.ed.gov/students/publications/student_guide/index.html)

Will I make enough money in my chosen occupation to repay student loans I receive?

<http://bls.gov/search/ooh.asp?ct=OOH>

<http://data.bls.gov/PDQ/outside/jsp?survey=nc>

Repaying Your Student Loans

[http://www.studentaid.ed.gov/students/publications/repaying\\_loans/index.html](http://www.studentaid.ed.gov/students/publications/repaying_loans/index.html)

Ombudsman Office

<http://www.ombudsman.ed.gov>

Ensuring Student Loan Repayment Best Practices for Schools

<http://www.ifap.ed.gov/eannouncements/0019stuhbkbestprectice.html>

SFA Assessments for Schools

<http://www.ifap.ed.gov/IFAPWebApp/qualityassurance/SFAAssessment.jsp>

Mapping Your Future

<http://www.mapping-your-future.org>

Jump Start Coalition for Personal Financial Literacy

<http://www.jumpstart.org>

### **Enrollment Reporting and Data Accuracy**

NSLDS Enrollment Reporting Guide, formerly SSCR user's Guide

<http://www.ifap.ed.gov/nsldsmaterials/010904NSLDSEnrollRepGuide.html>

NSLDS Data Entered Repayment Report, School Repayment Information Loan Detail Report, and Enrollment Reporting Summary Report

<https://nsldsfap.ed.gov>

NSLDS Reports, requesting and formatting questions

<https://nsldsfap.ed.gov> Report Tab

NSLDS User ID

CPS/WAN Technical support 1-800-330-5947

NSLDS Customer support 1-800-999-8219

Corhort Default Rate Guide for information on challenges, adjustments and appeals

<http://ifap.ed.gov/DefaultManagement/DefaultManagement.html>

### **Default Prevention**

FSA Assessments

<http://www.ifap.ed.gov/qamodule/DefaultManagement/DefaultManagement.html>

Ensuring Student Loan Repayment Best Practices

<http://www.ifap.ed.gov/eannouncements/0019stuhbkbestprectice.html>

NSLDS Reports and Exit Counseling

<http://nsldsfap.ed.gov>

NSLDS Reports, requesting and formatting questions

<https://www.nsldsfap.ed.gov> Reports Tab

NSLDS User ID

CPS/WAN Technical support 1-800-330-5947

NSLDS Customer support 1-800-999-8219

Late Stage Delinquency Assistance (LSDA) Guide:

For Direct Loan Schools

Direct Loan Servicing/Schools website, accessed via COD website

<http://www.cod.ed.gov>

For FFEL Schools

Default Prevention Strategies

<http://www.ifap.ed.gov/qamodule/DefaultManagement.html> or contact your guaranty agency

### **General Connections/Publications**

Information for Financial aid Professionals (IFAP) Library with publications, training, tools, references, laws, etc.

<http://www.ifap.ed.gov>

The Office of Federal Student Aid

<http://www.ed.gov/about/offices/list/fsa/index.html>

The Student Guide

<http://www.studentaid.ed.gov>

NSLDS

<https://www.nslddsfa.ed.gov> or <http://www.nsldfsap.ed.gov/secure/logon.asp>

Ed Pubs, the Department of Education Online Publication Ordering System, helps you identify and order free publications from the Department. Examples of resources available at ED include the following:

- Repaying Your Student Loans (in English and Spanish)
- The Student Guide
- Getting Ready to Pay for College
- Counselors and Mentors Handbook

[www.edpubs.org](http://www.edpubs.org)

1877-4ED-Pubs or [edpubs@inet.ed.gov](mailto:edpubs@inet.ed.gov)

### **U.S. Department Of Education Default Prevention and Management Team**

If you require any assistance creating a default prevention and management plan at your school, or to discuss any part of this document, please contact:

[fsa.schools.default.management@ed.gov](mailto:fsa.schools.default.management@ed.gov) or 202-377-4259