

Higher Education Emergency Relief Fund Report – Emergency Financial Aid Grants to Students

July 12, 2020

Arizona Academy of Beauty, Inc. (OPE ID: 008864-00) received education stabilization funds Under Section 18004(a)(1) of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law No: 116-136. This Fund Report applies to the student portion received under the Higher Education Emergency Relief Fund that is designated exclusively for emergency financial aid grants to students.

The Academy appreciates that Congress and the President have made these critical funds available for eligible students who have expenses related to the disruption of campus operations due to the coronavirus pandemic. We take receipt of these federal funds seriously and are distributing them in accordance with the CARES Act and implementing guidance.

The institution is making the below information available for transparency purposes and in compliance with the U.S. Department of Education's ("Department") Electronic Announcement of May 6, 2020. (1) For questions or concerns regarding this Fund Report, please contact Carey White, Owner, at cwhiteazacademy@gmail.com.

1. The institution signed and returned to the Department the Certification and Agreement[for] Emergency Financial Aid Grants to Students. The institution has used, or intends to use, no less than 50 percent of the funds received under Section 18004(a)(1) of the CARES Act to provide emergency financial aid grants to students.
2. The total amount of funds that the institution has received from the Department pursuant to the Academy's Certification and Agreement [for] Emergency Financial Aid Grants to Students is \$53,918.00. These funds were received by the institution on June 4, 2020.
3. The total amount of emergency financial aid grants distributed to students under Section 18004(a)(1) of the CARES Act as of the date of this Fund Report is \$53918.00.
4. The total number of students at the institution eligible to participate in programs under Section 484 in Title IV of the Higher Education Act of 1965, and thus eligible to receive emergency financial aid grants under Section 18004(a)(1) of the CARES Act, as of the date of this Fund Report is 27.
5. The total number of students who have received an emergency financial aid grant under Section 18004(a)(1) of the CARES Act as of the date of this Fund Report is 22.
6. The methods used by the institution to determine which students receive emergency financial aid grants and how much they would receive under Section 18004(a)(1) of the CARES Act are provided at Attachment A.
7. Any instructions, directions, or guidance provided by the institution to students concerning the emergency financial aid grants are provided at Attachment B.

(1) See: <https://ifap.ed.gov/electronic-announcements/050620HigherEdEmergencyReliefFundRptg>



Attachment A

Arizona Academy of Beauty, Inc. has been allocated student grant funds under the CARES Act to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to coronavirus (including expenses under a student's cost of attendance for food, utilities, housing, course materials, technology, health care, and child care).

The Academy retains discretion to determine the amount of each individual emergency financial aid grant consistent with all applicable laws including non-discrimination laws. Total grant funds will be allocated evenly amongst all eligible students. To qualify to receive a grant, students must: (1) be currently enrolled in a Title IV eligible educational program at Arizona Academy of Beauty, Inc; (2) be participating in or certify under penalty of perjury that they are eligible to participate in Title IV federal student aid programs; (3) not have been on a leave of absence from their program as of the date that the President issued the federal disaster proclamation on March 13, 2020, unless the leave of absence was extended after March 13, 2020 as a result of COVID-19; and (4) sign a verification under penalty of perjury that she/he meets these eligibility criteria and will use the funds for their intended purpose. Students who meet these criteria are referred to as a Qualifying Student.

WHO IS ELIGIBLE?

Students must have a current (2019-2020) or (2020-2021) academic year Free Application for Federal Student Aid (FAFSA) on file with the Academy to confirm eligibility. Recipients must be Title IV Eligible under Section 484 of the Higher Education Act and must:

- Be enrolled or accepted for enrollment in a degree or certificate program.
- Not be enrolled in elementary or secondary school.
- For currently enrolled students, be making satisfactory academic progress.
- Not owe an overpayment on Title IV grants or loans.
- Not be in default on a Title IV loan.
- File "as part of the original financial aid application process" a certification that includes
 - A statement of educational purpose and Student's SSN
- Be a U.S. citizen or national, permanent resident, or other eligible noncitizen.
- Have returned fraudulently obtained Title IV funds if convicted of or pled guilty or no contest to charges.
- Not have fraudulently received Title IV loans in excess of annual or aggregate limits.
- Have repaid Title IV loan amounts in excess of annual or aggregate limits if obtained inadvertently.
- Have Selective Service registration verified.
- Have Social Security Number verified.
- Not have a federal or state conviction for drug possession or sale, with certain time limitations.

You can learn more at <https://www2.ed.gov/about/offices/list/ope/caresact.html>

ALLOCATION OF FUNDING*

Total Funds Awarded	50% To Students	Student Count	Evenly Awarded	Number Awarded*	Amount Awarded*	Percentage Awarded*
\$107,836.00	\$53918.00	27	\$1996.97	22	\$43933.34	81.48%
*AMOUNT, NUMBER AND PERCENTAGE AWARDED AS OF 7/12/2020						

ALLOCATION METHODOLOGY

In considering how funds should be allocated to each Qualifying Student, we have determined that all Qualifying Students have incurred costs and expenses associated with the COVID-19 pandemic. The amount of those costs is roughly equal to the per capita distribution of the student grant funds based on an approximation of the number of FSA eligible students. We have considered whether to require each student to prove an individualized demonstration of need prior to grant disbursement. However, we believe that the time required to conduct such an individualized assessment would be substantial and would cause a significant delay in the delivery of the grants. Given the urgent need among our students for these funds, we have prioritized expediting distribution to the students. Our goal is to prevent delays associated with assessing individual student need and instead deliver the funds to students more quickly.

DISTRIBUTION OF STUDENT GRANTS

Each qualifying student will receive a one-time stipend. The amount of the Emergency Financial Aid Grants is still being determined.

Date of Determination - The student must have clocked at least one hour of education before graduating between the dates of March 13, 2020 (the date that the President issued the federal disaster proclamation) and the date the funds were deposited (June 5, 2020) or be actively enrolled in school as of the day the funds are deposited into the account, including those students who are currently on a leave of absence.

REPORTING

Documentation for detailed disbursements will be submitted to the Department of Education within 30 days of receipt of the funds and subsequently 45 days thereafter.

Disbursements will be credited to a separate ledger and will not affect the student's tuition balance. Student grants will not be applied to a tuition balance.

POLICY ON STUDENT USE OF FUNDS

- Student grants will not be applied to tuition balances.
- Students will not be asked to use the grant funds to pay for tuition, fees, or educational supplies.
- Student grant funds are to be used for expenses related to the disruption of campus operations due to coronavirus, such as food, housing, course materials, technology, health care or childcare.
- Each student must sign an acknowledgement that he/she accepted and received the grant funds and that it will be used for its intended purpose.
- Admissions personnel will be instructed that they may not discuss eligibility for CARES Act grants with prospective students. CARES Act grants may not be offered to or discussed with prospective students as an incentive to enroll.

DISBURSEMENT METHOD & STUDENT ACKNOWLEDGEMENT

Checks will be processed for each student and available for distribution through the Student Financial Aid Office. The Academy will inform students, via email, when funding is available and assign a pickup date and time where all social distancing safeguards will be in place. Students will sign the acknowledgement prior to receiving the check, certifying that they will use the funds for the intended purpose of assisting with COVID-19 related expenses.

STAFFING DURING PANDEMIC

To the greatest extent practicable, we are keeping all licensed Educators on staff.



ATTACHMENT B

June 30, 2020

Dear Student,

Arizona Academy of Beauty, Inc. has been allocated grant funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide emergency grants (“CARES Act Grants”) to students for expenses related to the disruption of campus operations due to coronavirus (including expenses under a student’s cost of attendance for food, utilities, housing, course materials, technology, health care or child care).

Am I eligible for a CARES Act grant?

Arizona Academy of Beauty, Inc. has determined that all currently enrolled students have experienced disruption and additional costs due to the COVID-19 pandemic. Federal law restricts the distribution of these funds to students who are eligible to participate in Federal Student Aid Programs. It also requires that students not be on a leave of absence as of March 13, 2020—the date that the President declared a national emergency, unless the leave of absence was extended after March 13, 2020 as a result of COVID-19.

To qualify to receive the emergency grant, students must: (1) be currently enrolled in a Title IV eligible educational program at Arizona Academy of Beauty, Inc. or have clocked at least one hour of education as of March 13, 2020 (the date that the President declared a national emergency); (2) be participating in or certify under penalty of perjury that they are eligible to participate in Title IV federal student aid programs; (3) not have been on a leave of absence from their program as of the date that the President issued the federal disaster proclamation on March 13, 2020, unless the leave of absence was extended after March 13, 2020 as a result of COVID-19; and (4) sign a verification under penalty of perjury that she/he meets these eligibility criteria and will use the funds for their intended purpose.

How much will my grant be?

The Academy has determined that qualifying students will receive an equal, pro rata share of the available grant funds. The amount of the emergency grant is still being determined.

What if I am currently on a Leave of Absence?

You are still eligible to receive this one-time grant as long as you were not on a leave of absence as of March 13, 2020, unless it was a documented COVID-19 related leave of absence and are currently attending.

What can I use these funds for?

According to the U.S. Department of Education, CARES Act Grants are to be used for expenses related to the disruption of campus operations due to coronavirus, such as food, utilities, housing, course materials, technology, health care or child care. Students must sign an acknowledgement that they will use the funds for their intended purpose. It is the policy of Arizona Academy of Beauty, Inc. that we will not ask or accept CARES Act Grants for payment of tuition balances or educational supplies.

How do I receive my funds?

The Financial Aid Director will communicate the date of Grant Pick Up via email. We will be practicing all social distancing safeguards and you will stop by the Financial Aid Office to sign your acknowledgement and pick up your check.

When can I expect the grant?

We have applied for the funds and have received the funding. You will be notified of the Grant Pick Up date early next week.

Do I need to sign an acknowledgement?

Yes, you must sign a document acknowledging receipt of funds and that you understand that the funds are to be used for their intended purpose. You must also certify that you are either participating in Federal Student Aid programs or you must certify under penalty of perjury that you are eligible to do so. Please note that a false certification of eligibility is a federal crime.

Do I have to pay these funds back?

No. This one-time grant is funded by the CARES Act and does not have to be repaid. These funds are to be used to help with increased expenses related to the disruption of campus operations due to COVID-19, such as food, utilities, housing, course materials, technology, health care or child care.



Arizona Academy of Beauty, Inc. has been allocated HEERF grant funds under the CARES Act to provide emergency financial aid grants to students for expenses related to the disruption of our campus operations due to coronavirus.

Funding for this grant has been allocated by the Department of Education to help students who have had their attendance or enrollment disrupted by the COVID-19 outbreak. Eligible expenses that can be covered by this grant are: food, utilities, housing, course materials, technology (laptop, supplies, software, etc.), health care or child care. To be eligible for this funding you must have experienced a disruption to your current attendance or had your enrollment delayed due to COVID-19 outbreak.

The Academy has been given discretion to determine the amount of each individual emergency financial aid grant consistent with all applicable laws, including non-discrimination laws. The Academy is adopting a policy that total grant funds will be allocated evenly amongst all currently enrolled students as of the date we received the funds on June 5, 2020 to students who are or could be eligible to participate in programs under section 484 of the Higher Education Act. Students will receive a one-time stipend.

You are receiving this notification because we have a Free Application for Federal Student Aid (FAFSA) for either 2019-2020 or 2020-2021 award year and have met the eligibility requirements according to section 484 of the Higher Education Act to receive an emergency HEERF grant as indicated in the Coronavirus Aid Relief and Economic Security (CARES) Act.

If you would like to request emergency funds related to the disruption of campus operations for expenses related to the disruption of campus operations due to the coronavirus, please complete the following:

Student Name: _____ (please print) SID#: _____

Please describe the emergency expenses incurred as a direct result to the disruption of campus and indicate what the funds will be utilized for:

Student Signature _____ Date Requested _____

TO BE COMPLETED BY THE ACADEMY

Student enrollment status: CURRENTLY ATTENDING LOA WARNING PROBATION

Check #: _____ Date of Check _____

Amount of Check \$ _____

School Official Signature _____ Date _____



Arizona Academy of Beauty, Inc. has been allocated grant funds under the CARES Act to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to coronavirus (including expenses under a student's cost of attendance for food, utilities, housing, course materials, technology, health care, and child care).

The school has been given discretion to determine the amount of each individual emergency financial aid grant consistent with all applicable laws including non-discrimination laws. The Academy is adopting a policy that total grant funds will be allocated evenly amongst all currently enrolled students as of the date we received the funds on June 5, 2020. Students will receive a one-time stipend.

Student Name: _____

Amount of Disbursement: _____

Date of Disbursement: _____

Check #: _____

STUDENT ACKNOWLEDGMENT

I understand that I am receiving a onetime relief fund stipend in the amount of \$ _____. These funds are to be used for any expenses related to the disruption of campus operations due to COVID-19 including expenses related to food, utilities, housing, course materials, technology, health care or childcare.

Student Signature

Date

School Signature

Date

Only students who are or could be eligible to participate in programs under Section 484 in Title IV of the Higher Education Act of 1965, as amended (HEA), may receive emergency financial aid grants. If a student has filed a Free Application for Federal Student Aid (FAFSA), then the student has demonstrated eligibility to participate in programs under Section 484 the HEA. Students who have not filed a FAFSA but who are eligible to file a FAFSA also may receive emergency financial aid grants.

The criteria to participate in programs under Section 484 of the HEA include but are not limited to the following:

- Be enrolled or accepted for enrollment in a degree or certificate program.
- Not be enrolled in elementary or secondary school.
- For currently enrolled students, be making satisfactory academic progress.
- Not owe an overpayment on Title IV grants or loans.
- Not be in default on a Title IV loan.
- File "as part of the original financial aid application process" a certification that includes:
 - A statement of educational purpose and Student's SSN
- Be a U.S. citizen or national, permanent resident, or other eligible noncitizen.
- Have returned fraudulently obtained Title IV funds if convicted of or pled guilty or no contest to charges.
- Not have fraudulently received Title IV loans in excess of annual or aggregate limits.
- Have repaid Title IV loan amounts in excess of annual or aggregate limits if obtained inadvertently.
- Have Selective Service registration verified.
- Have Social Security Number verified.
- Not have a federal or state conviction for drug possession or sale, with certain time limitations.

I swear or affirm under penalty of perjury under the laws of the United States and the laws of the State of Arizona, that the statements made above are true and correct. I have made these statements in order to certify my eligibility to participate in this program to receive federal funds. I understand that if I falsely certify my eligibility for this Student Grant that I will be violating federal and state law and will be subject to criminal prosecution. My signature below certifies that I have received a filled out and signed copy of this form.

Student Signature

Date