Federal Financial Aid at Health Works Institute and Guidelines for Completing the 2015/2016 FAFSA

BEFORE BEGINNING TO COMPLETE THE FAFSA, PLEASE SEE THE FINAL PAGE OF THIS BROCHURE FOR THE CORRECT ANSWERS TO SPECIFIC QUESTIONS ON THE FAFSA. THESE ANSWERS MUST BE USED, BECAUSE HEALTH WORKS IS A DIPLOMA-GRAZNTING SCHOOL WITH A CLOCK-HOUR PROGRAM SCHEDULE.

One of the requirements for admission to our programs is a specific, realistic plan for meeting your financial obligations to the school. If you want to consider obtaining Federal Financial Aid, your first step in the admission process must be to submit the FAFSA. When our Financial Aid Administrator has determined the amount of aid for which you are eligible, you will use that information, as well as other details, to write your financial plan, which must be submitted with your other admission materials. When your admission materials have been received, you will be interviewed by the school Director, who will ask you questions about your financial plan. When your financial plan has been approved by the school Director, and when you have met all other admissions requirements, you will be accepted to the program.

Types of Aid
Health Works Institute is approved by the U.S. Department of Education to administer Pell Grants, Direct Loans, and PLUS (Parent Loans for Undergraduate Students). Eligibility for all three types of aid is based on the student’s financial need compared to the costs of attendance, which include tuition, fees, and other school costs, as well as typical costs of room and board and personal expenses. Direct Loans and the PLUS must be repaid. The Pell Grant does not need to be repaid. Pell Grants are not available to students with bachelor’s degrees or postgraduate education. Health Works Institute does not offer SEOGs, work study, or any other federal, state, local or private student aid programs.

Financial Aid Application Process
To determine your eligibility for any or all of these financial aid programs, you must complete a Free Application for Federal Student Aid (FAFSA) online at www.fafsa.ed.gov. Your eligibility for the various programs cannot be determined before the FAFSA has been submitted to and accepted by the Department of Education.

To ensure that you correctly answer all of the questions on the FAFSA that are directly related to Health Works, use the “Guidelines for Completing the FAFSA for Applicants to Health Works Institute.” The Guidelines are on the last page of this document. If you run into problems, you may contact Alexa Freeburg, the school’s Financial Aid Administrator, to ask get help and clear directions. Alexa is prohibited by regulations of the Department of Education from completing the FAFSA for you.

Once you have completed the FAFSA online, you will receive an email message from the Department of Education about your application. If there is a problem with any item(s) on the FAFSA, you will need to make corrections. When the FAFSA is complete and all requested corrections have been made, a Student Aid Report (SAR) will be emailed to you, and a similar report will be emailed to Health Works. This typically takes about two weeks from the date on which your FAFSA is accepted by the Department of Education as complete and accurate.

When you have received your SAR, the Financial Aid Administrator at Health Works will be able to describe to you all of the programs for which you appear to be eligible, as well as the amounts of funding you may receive from each program. This is a tentative determination of your eligibility. The final determination will be made once your information has been reviewed by our third party servicer, the Boston Educational Network. This company completes several of the steps in the financial aid application and disbursement process on behalf of Health Works.

The Financial Aid Administrator will review details of your aid and your entire financial plan during the first week of school. During this meeting, she will also create a financial plan contract using the financial information provided. She will explain the monthly billing process, and she will provide advising related to your financial aid. If you have outstanding federal student loans from your attendance at another school, she will assist you in having those loans deferred while you are enrolled at Health Works, if you so choose.
Verification
Approximately every other student is randomly selected by the Department of Education for a process called verification. This process uses various documentation like a Tax Return Transcripts to confirm that the information you submitted on the FAFSA is true and accurate. If you have been selected for verification, a note to this effect will be on your SAR. The same note will be received by Health Works. The Financial Aid Administrator will discuss the verification process with you and will answer related questions. She will provide you with a verification worksheet which you must complete and return to her, along with whatever documentation is necessary to complete your verification process. The worksheet and required documentation are then sent to the Boston Educational Network. Based on their review, the specifics of your eligibility will either be confirmed or changed.

Current Amounts of Aid Available for Massage Therapy Program as of 7/1/15:
Pell Grant $5,775 Maximum -- very few students qualify for the maximum amount.
Direct Loans $3,500 and $6,000 Maximum -- actual amount depends upon many factors.
PLUS Maximum - $15,000 for students age 23 and under who are not married or do not have children and whose parents have been approved for this loan.

Current Amounts of Aid Available for Esthetics Program as of 7/1/15:
Pell Grant $5,133 Maximum -- very few students qualify for the maximum amount.
Direct Loans $3,111 and $5,333 Maximum -- actual amount depends upon many factors.
PLUS Maximum - $11,000 for students age 23 and under who are not married or who do not have children and whose parents have been approved for this loan.

Costs of Attending School Compared to Amount of Financial Aid
Please refer to a current cost chart (in the school catalog and available at www.healthworks.edu) to review all amounts associated with attending the program. Some items listed are optional; most are required. The cost chart does not include any personal expenses such as food and rent that need to be covered during your participation in the program.

The amount of aid for which you are eligible MAY OR MAY NOT cover all program costs or any of your personal expenses. It is essential that you create a budget that includes estimates of all school costs as well as routine personal expenses. You can then compare all of your costs to the amount of aid you will be receiving. This will allow you to determine if you can afford to attend school at this time.

Deciding Whether or Not to Accept the Aid for Which You Are Eligible
When you have received your SAR and when you have determined the amount of aid that you need to meet your obligations to the school and your personal expenses, you must make an important decision. Accepting Direct Loans and/or a PLUS means that you and/or your parents are taking on debt. These loans must be repaid. The loans will not be cancelled if you and/or your parents declare bankruptcy; the loans will not be cancelled if you do not graduate from the program; and the loans will not be cancelled if you do not become a massage therapist or esthetician. If you fail to make your loan payments, your credit rating will be affected, and you will not be able to obtain additional financial aid, either at Health Works or at any other accredited school. When making this important decision, you and/or your parents must consider the risks associated with taking on debt, as well as your ability to fulfill your obligation to repay each loan in its entirety. Consider the following estimates of minimum monthly payments when making your decision:

<table>
<thead>
<tr>
<th>Type of Loan</th>
<th>Minimum Monthly Payment (Approximately)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLUS of $8,000</td>
<td>$100</td>
</tr>
<tr>
<td>$3500 Direct Subsidized Loan</td>
<td>$50</td>
</tr>
<tr>
<td>$6000 Direct Unsubsidized Loan</td>
<td>$75</td>
</tr>
</tbody>
</table>

Students’ Rights and Responsibilities Related to Federal Financial Aid
This pamphlet sets forth several responsibilities that students have when they agree to receive federal financial aid. There are many other responsibilities and many rights of students that are set forth in detail in the Master Promissory Note that students will complete online once they have decided to accept federal financial aid. The topics addressed in the Master Promissory Note include use of your personal information by lenders, privacy rights regarding your personal information, paperwork reduction, laws that apply to your loans, how you may use your loan money, information that you must provide to the loan servicing center, amount you may borrow, interest payments, repayment details, etc. While completing the Master Promissory Note you may choose whether or not you would like to make interest payments on your federal loans while you are in school. Most of this information will have been reviewed with you prior to your decision to accept financial aid; however, it is important that you thoroughly review the Master Promissory Note when you complete it online.

Receiving Your Aid: Unless you are receiving a PLUS, THE ENTIRE FIRST HALF OF YOUR PELL AND/OR LOAN WILL BE RETAINED BY THE SCHOOL. Health Works Institute will receive the second half of your Federal Financial Aid after you begin your 2nd term. This second disbursement will be applied to your outstanding balance. If you have received more in Federal Financial Aid than is due to the school, you will be given the choice of having the school maintain a credit balance for you or requesting a check that you may use for personal and/or school-related expenses. THE CREDIT
When your aid is sent to the school, it is automatically deposited in a special bank account which is used for no other purposes. Your account at the school is then credited in the amount of aid that has been received on your behalf.

**Required Entrance Counseling**
If you are receiving a Direct Loan for the first time, you are required to attend an entrance advising session that will be held at Health Works Institute. You will receive notice of this advisory session from the Financial Aid Administrator. Details are presented regarding interest rates, repayment terms, loan cancellation and deferment options, the importance of keeping all aid documentation organized and in a secure location, personal budgeting, consequences of defaulting on loans, etc.

**Your Responsibilities during the Program**
While you are enrolled in the program, you will receive monthly statements and notifications regarding your aid. You must respond promptly to all requests for meetings and/or actions that you must take. When you have any questions regarding your aid, your account balance and/or any other related matter, contact the Financial Aid Administrator without delay to resolve your questions or concerns.

**Access to Your Financial Aid File**
If you would like to inspect the information on file at the school regarding your federal financial aid, please make an appointment with the Financial Aid Administrator. At this meeting, the Administrator will show you your file, explain the contents, and answer your questions to the best of her ability. She may need to consult with the US Department of Education and/or the Boston Educational Network.

**Impact of Academic Progress on Continuing Eligibility for Aid**
Failure to comply with the Satisfactory Academic Progress Policy (SAPP) may result in a reduction of your financial aid. Please read the SAPP section of the Catalog or Student Handbook to understand how academic progress is measured and reported to you. In order to reestablish your eligibility for aid, you will need to comply with all of the conditions that are set forth in the written notice of your failure to comply with the SAPP. These conditions typically include re-taking failed courses or maintaining compliance with specific standards of conduct.

**Required Exit Counseling**
Within the month prior to the scheduled date of graduation, an exit advising session will be held at the school. You will receive advance notification of the time and date, and you MUST attend. During the session, details will be reviewed about several of the topics presented at the entrance advising session, and emphasis will be placed on repayment of your loans. If you withdraw or are dismissed you must also attend an exit advising session with the Financial Aid Administrator.

**Your Responsibilities after Program Withdrawal, Dismissal or Graduation**
When you are no longer a student at the school, you still have obligations to the school. The failure of any of our graduates to repay their loans in strict accordance with the repayment terms may have a serious negative impact upon the school's ability to continue to offer federal aid to students. If graduates default on their loans, it is possible that the U.S. Department of Education will withdraw their permission for Health Works Institute to administer financial aid. As a student who has benefitted from receiving aid, you are expected to fulfill your obligations, so that future students may enjoy the same benefits. Whenever the school learns that you have missed loan payment, the school will contact you and assist you in coming back into full compliance with repayment requirements.

**Loan Repayment**
Repayment of Direct Loans begins six months after you graduate from the program. If you withdraw or are dismissed from the program, repayment begins immediately upon your withdrawal/dismissal. Repayment of the PLUS begins 60 days after the second disbursement. This means your parent will begin repayment while you are still in school.

Details about loan repayment are provided at the entrance and exit advising sessions as well as from your servicer.

**Finding Information on Your Own**
Federal Student Aid information can be found at [www.studentloans.gov](http://www.studentloans.gov) or [www.studentaid.ed.gov](http://www.studentaid.ed.gov)
Guidelines for Completing the 2015-2016 FAFSA (Free Application for Federal Student Aid) for Students Applying to Health Works Institute

IMPORTANT NOTE: For the purpose of completing tax returns, the IRS has guidelines for determining whether or not a child is a dependent of a parent or guardian. For the purpose of applying for Federal Financial Aid, the federal Department of Education uses different guidelines for determining whether or not a student is a dependent of a parent or a guardian. If the student is under 24 years of age, is not married and does not have any children, the student is a dependent for financial aid purposes. The Department of Education expects parents of dependent students to contribute to the cost of their child’s education and offers a loan (see the “PLUS” below) to parents who need financial assistance to contribute toward the dependent child’s educational expenses.

Please go to www.fafsa.ed.gov to begin the process of applying for Federal Financial Aid. You will be asked to Create an FSA ID which consists of a Username and Password. It is a lengthy process, but the Department of Education has made your information more secure. A parent will need to Create a FSA ID also. Please write down all of your FSA IDs, because you will be using them repeatedly.

- ***IMPORTANT: Do not use your browser’s back arrow button to see a previous page.

“Link to the IRS”
- On the financial information page of the FAFSA, there is a link that takes you to the IRS website. By clicking on this link and following the steps, the IRS will populate the fields on the FAFSA with your financial tax return information, thereby avoiding any mistakes. If you are age 23 or younger, are not married or have any children, your parent’s tax and other financial information will be needed.

“When you begin the 2015-2016 school year what will be your grade level?”
- Select either “never attended college/1st year” or “attended college before/1st year”. Do NOT choose any other response!

“When you begin the 2015-2016 school year, what degree or certificate will you be working on?”
- Check the box “Certificate or diploma (occupational, technical, or educational program of less than two years).”

“Federal School Code”
- Health Works Institute’s Federal School Code is 037783.

“Housing Plans”
- Choose either: “With Parent” or “Off Campus”. HWI does not offer on-campus housing.

Be sure to electronically sign your FAFSA using your FSA Username and Password. If you are considered a Dependent student, you must have your parents sign using their Username and Password. The process cannot move ahead until everyone has signed the FAFSA.

In about a week, Health Works Institute will receive a report from the Department of Education. The Financial Aid Administrator at Health Works Institute will send you an email message notifying you if there are any further actions you need to take to determine your eligibility. Health Works Institute will then be in touch with you regarding how much financial aid you are eligible to receive.

Call 406-582-1555, extension 12, or email finance@healthworks.edu if you have any questions.