

Disclosure of Distribution of Student Grants under the Higher Education Emergency Relief Fund (HEERF) Policy and Procedures

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

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

As announced by the Secretary, Paramount Beauty Academy (the “Academy”) is to receive \$54,909.00 (the “Grant Fund”) for the purposes of making emergency financial aid grants to its students. This document sets forth the Academy’s plan for allocating, disbursing, and accounting for the Grant Fund.

Just as COVID-19 does not discriminate on the basis of socioeconomic status, the Academy Recognizes that a wide array of individuals and industries have been adversely impacted by COVID-19. The Academy recognizes that our students’ lives have been severely disrupted by coronavirus. Many are facing financial challenges and struggling to make ends meet. The Academy also recognizes that student financial records previously submitted to the Academy are dated and may not reflect a student’s current circumstances,

In accordance with guidance from the State of Ohio, the Academy closed its physical location on 18, 2020 and began providing temporary distance learning on March 30, 2020. In order to provide financial relief to as many students as possible, the Academy will distribute emergency financial aid grants from the Grant Fund to all students who were actively enrolled as of March 18, 2020 and who returned to begin distance learning.

Allocation of Grant Funds Formula

The total allocation of the Grant Fund will then be allocated equally amount all eligible students in accordance with guidance published by the U.S. Department of Education, student grants will be distributed only to students who are Title IV eligible. An eligible enrolled student includes: any student that has not been withdrawn, to include students progressing via temporary distance education. Students who are on

an approved Leave of Absence due to issues related to COVID-19 that began on or after March 18, 2020 are considered actively enrolled and are eligible to receive the grants.

Awarding Policy

The Academy will prepare a roster of eligible actively enrolled students as of our determination date March 18, 2020. The total student grant award amount for each eligible student will be determined by dividing the Grant Fund proportionately to the number of hours of the students program for each student.

Students that have filed a Free Application for Federal Student Aid (FAFSA) and for which the Academy has a current Institutional Student Information Record (ISIR) will be considered Title IV eligible. Students that have not filed a FAFSA may still demonstrate Title IV eligibility and thus eligibility for emergency federal student aid grants under this policy upon proof of:

- U.S. Citizenship or that the student is an eligible noncitizen
- a valid Social Security number; registration with Selective Service (if the student is male)
- a high school diploma, GED or completion of high school in an approved homeschool setting and
- that student is not delinquent with respect to any outstanding federal loans

Alternatively, a student enrolled as of March 18, 2020 who did not previously file a FAFSA for grant purposes, and the Academy will consider the student to be Title IV eligible upon receipt of the student's ISIR and successful completion of any required verification.

Awarding Procedures

The Academy's Administrator and Financial Aid Director will oversee the awarding and actively enrolled student censuses. The Academy will deposit the Grant Fund initially to the Financial Aid Account and then transferred to the Academy's working account.

Disbursement Procedures

The Academy will begin contacting students about the emergency financial aid grants on or about June 3, 2020. The Academy will make every reasonable effort to contact all eligible students to notify them of the emergency financial aid grant to which they are entitled. Included with this notice will be an attestation statement (exhibit A) to be signed by the student wherein the student shall acknowledge that the emergency grant funds will be used to cover expenses related to the disruption of the Academy's operations due to coronavirus, such as food, housing, course materials, technology,

health care, and child care. This notice and acknowledgement statement will be given to the students.

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

Accounting and Recordkeeping

The Academy's Administrator and Financial Aid Director will be responsible for the administration of the emergency financial aid grants.

The Academy's Administrator is responsible for all accounting and recordkeeping associated with the administration of the student emergency grants. An Excel spreadsheet will be utilized to track all disbursements to the student.

The administrator shall also be responsible for completing all reports that must be submitted to the U.S. Department of Education as required by the CARES Act and any future guidance from the Department.

Grants of Unclaimed Funds

It is the Academy's intention that the entire Grant Fund will be disbursed to all eligible students equally in the manner set forth above. However, the Academy recognizes that there may be some amounts allocated to students that do not ultimately get disbursed as intended. It is possible that an eligible student may decline the grant funds or refuse to sign the attestation statement.

In the event that there is any amount remaining from the Grant fund as of June 30, 2020, the Academy will disburse such remaining funds via additional emergency need-based grants. The Academy will send an email to all eligible students informing them of the availability of additional grants. The email will include the steps the student would need to make to apply for these funds.

The administrator and financial aid director will decide which students shall receive any additional emergency need-based grant and the amount of this grant. The committee will consider the information to be provided on the student's grant application as well as information already in the file of the student.

**HIGHER EDUCATION EMERGENCY RELIEF FUND
STUDENT**

The HERFF Grant is to aid students for expenses related to the disruption of Campus operations due to the coronavirus (including eligible expenses under the student's cost of attendance such as food, housing, course material, technology, health care, and child care. This funding is to address financial need of students due to disruption of Campus Operation Due to Coronavirus. I understand that the funds must be used for expenses listed above.

Signature_____Date_____