

Types of Financial Aid Programs

Students may apply for various need and non-need based programs to assist in paying for the expenses related to attending school. Financial Aid generally consists of a combination of grants and loans which supplement the student's (and possibly parent's) contribution toward the Cost of Attendance. Student should visit the Federal Student Aid website at <http://studentaid.ed.gov/> for additional information.

Federal Student Aid and State Grants

Federal Pell Grant – The Pell grant is gift assistance which generally does not have to be repaid. Pell is awarded to students who have a financial need as determined by the U.S. Department of Education standards. Students must re-apply for eligibility for this grant for each award year. For the 2016-17 award year, the maximum grant amount is \$ 5,815. To apply students must complete the Free Application for Federal Student Aid at the following site: <http://www.fafsa.ed.gov/>.

Students who receive a Pell Grant are subject to a life-time aggregate that they cannot exceed. As of 7/1/12, the aggregate limit is 600% of the student's total Pell Grant eligibility; students can monitor their aggregate balance on the NSLDS website at http://www.nsls.ed.gov/nsls_SA. In addition, in the Department of Education's attempt to prevent fraud and abuse in the Federal Pell Grant program, students with unusual enrollment (UEH) histories may be flagged during the application for Federal Student Aid process. Some students may have legitimate reasons for their unusual enrollment history, so institutions are required to request documentation from students, to determine if there are valid reasons for the unusual enrollment history. This UEH flag needs to be resolved before students can receive additional Federal Student Aid.

Federal Supplementary Education Opportunity Grant (FSEOG) - The FSEOG is gift assistance which generally does not have to be repaid. FSEOG is awarded to students who have an exceptional financial need as determined by the U.S. Department of Education standards. Students with the lowest "Expected Family Contribution" (EFC) are awarded FSEOG before students with higher EFCs. The average award amount varies from school to school. FSEOG is based on the annual allocation of funds provided to the school by the U.S. Department of Education. FSEOG is awarded to all students until the funds are depleted. The school cannot guarantee every eligible student will receive an FSEOG award.

Federal Work Study - The Federal Work Study program is an award made by the school (Campus-Based Aid) from limited funds provided by the federal government. The award is given to eligible students that are employed under the Federal Work Study program by the school in which the student is enrolled (on campus). Federal Work Study recipients may also be employed off campus by federal, state, or local public agencies, or certain private nonprofit or for-profit organizations. Not all Dorsey Schools campus locations may offer the Federal Work Study program, see your campus financial aid office for more information.

Michigan Merit Award - Eligibility for the Michigan Merit Award has now expired for all students unless they have served or are currently serving in the **military**. Students who have or are serving in the military should contact the Student Scholarships and Grants Division at 1-888-4-GRANTS (1-888-447-2687), for information on claiming this award. For additional information, please visit the Michigan Merit Award website at <http://www.michigan.gov/mistudentaid/>.

Michigan Rehabilitation Services (MRS) - This state agency provides vocational rehabilitation services to Michigan citizens that are physically or mentally impaired. MRS may arrange, provide, or purchase the services necessary to achieve an individual's employment plan. Further information can be obtained through Dorsey Schools or Michigan Rehabilitation Services at 1-800-605-6722.

Workforce Investment Act (WIA) - If you are "unemployed" or "underemployed," you may be eligible to receive a training fund voucher (ITA) to reduce your educational costs. For information, contact the financial aid office at any Dorsey Schools campus location; they can also provide the location of the local Workforce Development Board office.

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Veteran's Benefits (VA) - Several Dorsey Schools locations offer programs that have been approved to accept Veteran Education Benefits; the campus will work with the student and Department of Veteran Affairs to process benefits for students. Eligibility is determined by the Department of Veteran's Affairs.

United Auto Workers (UAW) Tuition Assistance Plan - Dorsey Schools are nationally accredited and are approved to participate in tuition assistance and scholarship programs provided by UAW-Chrysler, UAW-Ford and UAW-GM for employees, retirees, and their eligible dependent children. Contact your local union to determine your eligibility.

Institutional Scholarships or Grants

Dorsey Schools offer various scholarships and grants to eligible students. Dorsey Schools award memorial scholarships and a military scholarship to high school graduates each year. To apply, candidates must complete a scholarship application signed by a representative of Dorsey Schools and submit a copy of their high school diploma or GED. Applicants must also provide a letter of recommendation and an application essay with the completed scholarship application, no later than October 15th. See information on each scholarship programs listed below. Students should refer to the school catalog or visit the financial aid office at their school for more information.

Ruth Dorsey Memorial Scholarship - This scholarship is offered in memory of Ruth Dorsey, founder of Dorsey Schools. Dorsey Schools awards one (1) full scholarship annually for any Dorsey Schools career training program of the student's choice, up to \$16,000. (Full scholarship, after application for Federal Pell Grant, will be disbursed on a quarterly basis.)

Karen Cortis Memorial Scholarship - This scholarship is offered in memory of Karen Cortis, a long-time Director of Education at Dorsey Schools. One (1) half-scholarship per campus will be awarded annually, for any Dorsey Schools career training program of the student's choice, up to \$8,000. (Half scholarship, after application for Federal Pell Grant, will be disbursed on a quarterly basis.)

Memorial Scholarship Application Requirements

To be eligible, applicants must:

- Be scheduled to graduate high school or have passed the test of General Educational Development (GED) any time during the scholarship period. *
- Possess a minimum cumulative grade point average (CGPA) of 2.0 through his/her junior and senior years of high school or GED equivalent.
- Complete a scholarship application, signed by a representative of Dorsey Schools, and submit a copy of the high school diploma or GED.
- Provide evidence of acceptance to any of Dorsey Schools' training programs.

* Refer to the scholarship application for exact dates.

Military Award Scholarship - Dorsey Schools will offer two (2) annual scholarships per campus to any active duty member or honorably discharged veteran of any United States military service branch for attendance at the selected campus. The value of this scholarship is \$1,000, and awards will be made by the Dorsey Scholarship Committee. The purpose of the Military Award Scholarship is to help those with military service receive a career education and make the transition from military to civilian life. (Scholarships will be disbursed on a quarterly basis, one scholarship per student).

Military Scholarship Application Requirements

To be eligible, applicants must:

- Be admitted to a certification program at Dorsey Schools;
- Be a member of the United States Armed Forces or an Honorably Discharged Veteran;
- Maintain satisfactory academic progress at Dorsey Schools.

A maximum of one (1) scholarship may be awarded to any single applicant. Recipients of scholarships must commence training as indicated in the scholarship application.

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Dorsey Schools Grant

Effective for students enrolling on or after August 15, 2016

The Dorsey Schools Grant is awarded based on the following criteria: Students must first apply for Federal Student Aid funds using the FAFSA on the Web application. Students that are not eligible to receive Pell Grant at the time that they start the program may be eligible to receive the Dorsey Schools Grant. If a student becomes Pell eligible for any term after the Dorsey Schools Grant has been awarded, the student will no longer be eligible for the Dorsey Schools Grant.

The Dorsey Schools Grant is awarded at the campus (Institutional Aid) from a limited allocation of funds, and will be awarded to eligible students until the allocation for the calendar year has been met. The Grant is awarded by term, up to a maximum amount based on the total number of credits in the program the student is enrolled in, as follows:

<i>Credit Hour Program</i>	<i>Maximum Award Amount</i>	<i>Amount per Term</i>
54 credits	\$1,500	\$300
48 credits	\$1,200	\$300
Less than 48 credits	not eligible	not eligible

Students enrolled in clock hour programs are not eligible to receive the Dorsey Schools Grant.

This institutional grant is intended to help some students reduce or eliminate the need to utilize a private loan, including the Dorsey Institutional Loan. To remain eligible to receive the disbursement, students must be in an active school status. Disbursements of the Dorsey School Grant will be posted to a student's account at the end of the completed term(s). The Dorsey Schools Grant can only be used to cover direct cost incurred by the student (e.g. tuition, fees); it cannot be used to cover other educationally related expenses that a student may have (e.g. travel, room & board, etc.). If students become eligible for Pell Grant for the same term or payment period that they received a Dorsey Schools Grant, any portion of the Dorsey Schools Grant not needed to cover institutional charges, will be refunded.

Tuition Reimbursement

Dorsey Schools will accommodate any student eligible for employer or employee-related benefits to secure such benefits by completing required forms and submitting required performance reports or other documentation. However, the student will be responsible for all tuition charges incurred, in the event reimbursement requests are not honored as expected.

Federal Stafford Loan Program

Effective July 1 2013, interest rates will be established each year for Direct Subsidized, Direct Unsubsidized, and Direct PLUS loans for which the first disbursement is on or after July 1 through the following June 30. The rate will be the sum of a uniform "index rate" plus an "add-on" that varies depending on the type of loan (Subsidized/Unsubsidized or PLUS) and the borrower's grade level (undergraduate or graduate/professional). Thus, interest rates will be the same for Direct Subsidized Loans and Direct Unsubsidized Loans taken out by an undergraduate student. The interest rate for a loan, once established, will apply for the life of the loan – that is, the loan will be a fixed-rate loan.

For Subsidized and Unsubsidized loans first disbursed on or after July 1, 2016 the interest rate is 3.76%. Borrowers with other outstanding loans may be eligible to consolidate eligible loans into one consolidated payment. Students should refer to their Loan Entrance counseling package for additional information.

Direct Subsidized Stafford Loan - The Subsidized Stafford Loan program provides low interest loans through the U.S. Department of Education's Direct Loan Program. The maximum annual loan amount for the first academic year is \$3,500 for undergraduate students, less origination and other fees (if applicable). The federal government pays the interest while the borrower is in school. Borrowers of subsidized Stafford Loans first disbursed on or after July 1, 2014 are once again eligible for an interest subsidy during the 6-month grace period. Interest does not begin to accrue until the student leaves school

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or drop below a halftime enrollment status, and after the grace period has ended. Subsidized Federal Stafford loans provide many flexible repayment plans as outlined in the loan counseling materials. Payments are based on the repayment plan selected by the student.

For first time borrowers after July 1, 2013, there is a limit on the maximum period of time (measured in academic years) that a student can receive Direct Subsidized Loans. In general, students may not receive Direct Subsidized Loans for more than 150% of the published length of their program. This is called the “maximum eligibility period”. Students can find the published length of their program of study in the school’s catalog. After a student has received Direct Subsidized Loans for the maximum eligibility period, they are no longer eligible to receive additional Direct Subsidized Loans. However, the student may continue to receive Direct Unsubsidized Loans. Student may also lose interest subsidy on previously received loans.

Direct Unsubsidized Stafford Loan – If you do not qualify for a full or partial Subsidized Stafford Loan based on your financial need, or need additional loan funding, you may qualify for an Unsubsidized Stafford Loan through the U.S. Department of Education’s Direct Loan Program. The federal government does not pay the interest on unsubsidized loans while you are in school. Student loan borrowers are responsible for all interest that accrues on the loan while enrolled, during your grace period, and any deferment periods. Students may elect to make interest payments while in school to avoid the capitalization of interest and lower the overall repayment debt. Loan repayment begins six months after leaving school or six months after you elect to attend less than half time. Independent students can borrow up to \$9,500 (Subsidized and Unsubsidized combined) for the first academic year. Dependent students can borrow up to \$5,500 (Subsidized and Unsubsidized combined) for the first academic year.

Direct PLUS Loan (For Parents) - The Federal PLUS loan is available to parents who wish to apply for additional assistance for their dependent child’s education. A parent’s decision not to apply for a PLUS loan does not guarantee the dependent student may receive additional financial aid assistance. The amount of the PLUS loan cannot exceed the student’s cost of attendance less other student aid awarded. PLUS loans through the Federal Direct Loan Program disbursed on or after July 1, 2016 will have a fixed rate of 6.319%. Loan repayment begins 60 days after the final loan disbursement; however, parents may apply for a deferment. Payments will include both principal and the interest that accumulates.

Aggregate Limits for Subsidized/Unsubsidized Loans

Type of Loan	Subsidized Limit	Aggregate Limits (Subsidized and Unsubsidized)
Dependent Undergraduate <i>(Excludes students whose parents cannot borrow PLUS)</i>	\$23,000	\$31,000
Independent Undergraduate <i>(Includes dependent students whose parents cannot borrow PLUS)</i>	\$23,000	\$57,500
Direct Plus Loan – Eligibility based on approved credit check, cost of attendance and other financial aid awarded.		Cost of Attendance less other financial aid awarded.

Private Educational Loans

Private Educational Loans – Students have a variety of options if they choose to apply for private loans. Dorsey Schools does not use a preferred lender list, we provide students with a list of private education loan lenders that have offered private loans to our students over the past four years. Students should select a private lender of their choice – they are not required to use any of the lenders we have listed. Dorsey Schools will promptly process the application for any lender that is selected by students. Students and parents should first apply for Federal Student Aid before resorting to private educational loans.

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Dorsey Institutional Loan - Dorsey Schools also offers a private institutional loan to eligible students that have a gap in their Federal Student Aid and the amount of their institutional tuition and fees. This institutional loan can only be used to cover direct cost incurred by the student (e.g. tuition, fees); it cannot be used to cover other educationally related expenses that a student may have (e.g. travel, room & board, etc.). Contact your financial aid office for additional information.

See the summary of Federal Student Aid awards below; contact your Financial Aid Administrator for further information.

Pell Grant

Maximum award for full time enrollment – \$5815

Supplementary Educational Opportunity Grant (SEOG)

From \$150 to \$1200

Federal Work Study Program (FWS) – *This program is designed to assist students with their educational expenses through part-time employment, and encourage community service involvement. Employment earnings are paid directly to the student.*

Direct Subsidized Stafford Loan - *No interest is charged while you are enrolled at least half-time or during deferment periods. For loans first disbursed before July 1, 2012, and after July 1, 2014, no interest is charged during your grace period also.*

First Year – \$3500

Second Year – \$4500

Third or Fourth Year - \$5500

Additional Direct Unsubsidized Stafford Loan (Dependent Students whose parents were not denied a PLUS loan) - *Interest is charged during all periods, including while you are in school, during grace period and deferment period.*

First Year - \$2000

Second Year - \$2000

Third or Fourth Year - \$2000

Direct Unsubsidized Stafford Loan (Independent Students and Dependent Students whose parents were denied a PLUS loan) - *Interest is charged during all periods, including while you are in school, during grace period and deferment period.*

First Year - \$6000

Second Year - \$6000

Third or Fourth Year - \$7000

Direct Parent Loan to Assist the Student (PLUS) – *This loan program allows parents to borrow for eligible students. The eligibility amount is up to the Cost of Attendance less other financial aid awarded, after an approved credit check.*

Prevention of Financial Aid/Scholarship Fraud

Every year, millions of high school graduates seek creative ways to finance the markedly rising costs of a college education. In the process, they sometimes fall prey to scholarship and financial aid scams. On November 5, 2000, Congress passed the College Scholarship Fraud Prevention Act of 2000 (CSFPA). The CSFPA enhances protection against fraud in student financial assistance by establishing stricter sentencing guidelines for criminal financial aid fraud. It also charged the Department, working in conjunction with the Federal Trade Commission (FTC), with implementing national awareness activities, including a scholarship fraud awareness site on the ED web site.

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According to the FTC, perpetrators of financial aid fraud often use these telltale lines.

- The scholarship is guaranteed or your money back.
- You can't get this information anywhere else.
- I just need your credit card or bank account number to hold this scholarship.
- We'll do all the work.
- The scholarship will cost some money.
- You've been selected to receive a 'scholarship' in a contest you never entered.

To file a complaint, or for free information, students or parents should contact the Federal Trade Commission student response center at 1.877.FTC.HELP (1.877.382.4357) or visit:

www.ftc.gov/scholarshipscams.