



LESTON COLLEGE INC. FINANCIAL AID HANDBOOK

(Rev. 062021)

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FINANCIAL AID HANDBOOK

INTRODUCTION

This manual is designed to provide effective procedure in the Financial Aids Office. It contains information regarding the regulations of the Federal Department of Education and their application in the Financial Aids Office.

This handbook describes the duties and responsibilities of the Financial Aids Officer and Financial Aid Director. It has been prepared in compliance with the requirements of the Federal Government to the educational institutions participating in the Title IV Federal Student Financial Aid programs. It sets out and describes the functions and responsibilities of the Financial Aids Office staff. Leston College Inc. is located at Calle Dr. Veve # 52 Bayamón, Puerto Rico 00961 Puerto Rico. The phone number is: (787) 787-9661; email compliance@lestoncollege.com. The web page is <http://www.lestoncollege.com/> Financial Aid office hours are illustrated below

OFFICE HOURS

Monday to Friday 8:00 am to 5:00 pm

****The office hours depend on the enrollment period ****

BOARD OF DIRECTORS

Mr. Ángel A. García Cabán
Mrs. Adan Tejada
Mr. Guillermo García

President
Treasurer
Vocal

ACADEMIC CALENDAR

HOLIDAYS AND BREAKS

JANUARY 1	NEW YEARS DAY
JANUARY 6	THREE KINGS DAY
JANUARY (4 th Monday)	MARTIN LUTHER KING, JR.
FEBRUARY (3 rd Monday)	PRESIDENTS DAY
APRIL (TBA)	HOLY WEEK
JULY 4	INDEPENDENCE DAY
SEPTEMBER (1 st Monday)	LABOR DAY
NOVEMBER 19	DISCOVERY OF PUERTO RICO
NOVEMBER (Penultimate Thursday and Friday)	THANKSGIVING
DECEMBER (Friday before Christmas)	CHRISTMAS BREAK
JANUARY 7	

GENERAL INFORMATION

INSTITUTIONAL HISTORY

LESTON COLLEGE was founded on May 17, 1996, when Mr. Ángel A. García Cabán, after 10 years of service as an Admissions Director for various institutions, decided to establish an institution where the principles of quality student service and educational excellence would become its primary mission.

The Institution began operations offering short-term courses on conversational English, flower shop, and beauty related areas. On February 24, 1997, the Council of General Education of the Commonwealth of Puerto Rico granted the **Authorization License Number V14-38**, valid until February 22, 2013. This allowed the Institution to offer non-university post-secondary vocational educational services.

On March 13, 1997, **LESTON COLLEGE, INC.** was organized as a profit organization under the laws of the Commonwealth of Puerto Rico, being the primary shareholder Mr. Angel A. García Cabán. **LESTON COLLEGE, INC.** is authorized to admit students sponsored by the Vocational Rehabilitation Act.

On June 2003, Leston College was granted authorization to administrate Title IV Federal Funds from Pell Grant, FSEOG (Supplementary Federal Scholarship) for the Basic Cosmetology Program and in October 2003 for the Barber and Stylists; and the Nail Technician Program. Later the institution included the programs Advanced Professional Master in Cosmetology, and Aesthetic and Make-Up.

LESTON COLLEGE, Isabela Branch was granted authorization to operate, by the Council of General Education of the Commonwealth of Puerto Rico, on May 26, 2017; License Number V14-38:1, with expiration date February 22, 2022. On November 5, 2018, the Accrediting Commission of Career Schools and Colleges, ACCSC awarded accreditation to the Leston College Inc. Isabela Branch. On January 14, 2019, the Isabela Branch begins operating with the following academic offer, Professional Barber and Styling, Professional Cosmetology, Professional Nail Technician and Advanced Professional Master in Beauty

PHILOSOPHY AND MISSION

LESTON COLLEGE, INC. offers the opportunity to obtain a comprehensive education, supported by a relentless quality service to students and an excellent instruction which significantly enhances student's performance in attaining his/her professional goals.

The Institution, Board of Directors realizes that employment opportunities are a direct result of the correlation between the population, the labor force and the demand of goods and services on the diverse occupational areas. Facing the new millennium, Puerto Rico will maintain a constant growth on the services sector, which will require a greater number of specialized occupations. Work-related studies reveal that jobs on the service industry such as Barbers, Hairdressers/Stylists, and Nails Technicians will

experience greater demand on the upcoming years as of job opportunities trends statistics by the Department of Labor and Human Resources of Puerto Rico.

Determined to satisfy the abovementioned occupational needs, **LESTON COLLEGE, INC.** is committed to train its students to follow through the decision-making process, develop good interpersonal relationships, and to provide efficient and effective professional services on beauty related areas, therefore producing their own income and contributing to the country-economy.

Our curriculums are designed to combine the development of cognitive (knowledge), affective (attitudes), and psychomotor (skills) areas, framed in an optimum quality environment. Consequently, our faculty is committed to self-development, proactive action, careful listening, and to grant a solid education based on the principles, and teaching-learning strategies and procedures. Furthermore, school management complements educator duties by offering complete student services, which start at first contact and are strengthen through well-organized social, cultural, and educational activities. We treat our students with respect and dignity, recognizing their uniqueness, since unique are their abilities, circumstances, and potential.

The institutional mission of **LESTON COLLEGE, INC.** is to be a high-quality educational institution that fosters students with the required intellectual, professional, and personal capabilities to achieve an effective incorporation into entry-level or dexterous occupations and perform as outstanding professionals in the service industry.

VISION

Be a vocational postsecondary institution that provides excellent knowledge that leads to the professional development of the graduate through innovative method similar to those encountered in the job field.

OBJECTIVES

Our general objectives are aligned to our school philosophy and mission:

1. Provide students the required technical knowledge, skills, and attitudes to effectively acquire, maintain, and improve their performance to **start at entry level** on occupations related with the service industry, through self-employment or the job market.
2. Develop desirable traits, values, principles, and attitudes that will enable students to become highly effective and successful individuals.
3. Motivate students to use their potential to renew themselves physically, mentally and spiritually in order to create a balance between all the dimensions of the human being and efficiently perform their various roles in life.
4. Develop students 'character traits such as: responsibility, leadership, personal management, mutual benefit (equity), effective communication and interdependency.

5. Offer the perfect environment in which the students can express their concerns and contribute with ideas that will enrich their professional development as well as their school life.
6. Provide a comprehensive education based on the learning principles, leaded to facilitate student full development.
7. Develop students 'general and technical skills that will enable them to establish their own business or to conduct a job search and be prepared to successfully undertake a job interview.
8. Develop professional ethics amongst coworkers, clients, and management officers.
9. Develop basic psychological and sociological skills in order to manage and develop a proactive customer service.
10. Develop among students a spirit of tolerance and understanding through supervised work experience that promote that all students may become active participants in a democratic society.
11. Effectively manipulate new materials, tool, equipment and technology and literacy in the field studied.
12. Cultivate an atmosphere in which student can develop self-discipline, intellectual curiosity, and moral worth.
13. Develop professional ethics amongst coworkers, clients, and management officers.
14. Develop necessary written and oral skills to be effective in the work scenario.

As a secondary objective we are determined to promote re-training and continuing education opportunities to fulfill the needs of our community. These courses are not within the school's scope of accredited programs.

PHYSICAL FACILITIES

LESTON COLLEGE, INC. Main Branch is located on the center of the downtown area in the city of Bayamón, on a three (3) story building sited at 52 Dr. Veve Street. The Institution occupies a physical area of 2,340 square feet consisting of six (6) administrative offices, four (4) theory and practice classrooms, four (4) restrooms- two in each floor, a lobby, and an Educational Learning Center. Classrooms are equipped with the necessary training materials and equipment, such as: tables, chairs, blackboard, mirrors, styling chairs, and shampoo bowls, to adequately offer our study programs. The President (Operational Director) is responsible of the inventory of all training and administrative materials or equipment available in the Institution. Applicants or students interested in reviewing these documents are welcomed to request these to the Institutional President's Office.

LESTON COLLEGE, INC. Isabela Branch is in the center of the Municipality of Isabela, on 60 Corchado St., in a two-story building. The building consist of a physical area of 2,200 square feet distributed in two (2) administrative offices, three (3) classrooms where the theory and practice of study programs is carried out, four (4) restrooms, two (2) on each floor, a reception area, and an Educational Resource Center (CRE) on the second floor. Classrooms are equipped with the necessary training materials and equipment, such as: tables, chairs, blackboard, mirrors, styling chairs, and shampoo bowls, to adequately offer our study programs. The Academic Director is responsible of the inventory of all training and administrative materials or equipment available in the Institution. Applicants or students

interested in reviewing these documents are welcomed to request these to the Academic Director's Office.

EDUCATIONAL PROGRAMS (CLOCK HOURS)

LESTON COLLEGE, INC. offers post-secondary education towards the achievement of a CERTIFICATE in the following areas: **Professional Barber and Styling** (1,350 hours), **Professional Cosmetology** (1,350 hours), and **Professional Nails Technician** (900 hours).

In addition, the Institution offers to the community the opportunity to be trained on various specialized programs, short term courses, seminars and workshops on related or unrelated areas of the mentioned educational programs. These are custom made to satisfy the need for continuing education due to the technological changes as well as governmental and community demands. For more information, you may request the flyer on Continuing Education Programs

PURPOSE AND PHILOSOPHY OF THE MANUAL

This Handbook contains information collected concerning the Financial Aid Office of Leston College Inc. Similarities with the Financial Aid Offices of other institutions are acceptable, provided that the Federal Government guidelines apply equally to all Federal Student Financial Aid Administrators.

The Financial Aid Office, aware of the financial needs of students, is responsible for guiding each of its students about Title IV Funds, financial aid programs at the institution, and the eligibility requirements for assistance programs. financial aid, reimbursement policy, method used to determine financial aid need, cost of education, and the rights and responsibilities of the student receiving federal or state financial aid.

The philosophy on which the Office of Financial Aid is governed is framed in the statement of purpose of Title IV of the Higher Education Act of 1965, as amended 20 U.S.C. Section 401. Industrial development has created jobs that allow the expectation of the following philosophy: to make the student who has been provided financial assistance become a productive citizen of our economy through employment.

PRINCIPLES

To fulfill the mission established, all Student Financial Aid Administrator must follow these principles:

1. Make every effort to satisfy, to the greatest extent possible, the financial need of its students, as to where the resources allow and in an ethical manner.
2. Grant rant assistance based on demonstrated financial need.
3. Establish the necessary controls so that the assistance granted to a student does not exceed their need.
4. Understand that Student Financial Aid is a complement to the resources of the student and/or family.
5. Help the student to the greatest extent possible in the search, application, obtaining and proper use of available financial assistance.
6. Provide literature that can clarify doubts regarding study costs not covered by the Financial Aid granted to the student.
7. Outline the conditions under which Financial Assistance is granted.

8. Maintain the confidentiality of student records; except if the student authorizes in writing the release of any information.
9. Avoid using Financial Assistance as a disciplinary and / or advertising or propaganda means for the Institution.
10. When applying for funds, do so in an honest and reasonable manner.
11. Maintain good judgment and sanity when making decisions regarding the verification of student information, or any other decision that may be made.

REVISION OF THE FINANCIAL AIDS HANDBOOK

This manual will be revised and updated periodically, as necessary based on any change in state or federal institutional policy regarding financial aids programs.

Any revision and update of this manual must be published, as defined in the previous paragraph of this section. All administrative offices must be notified immediately of any changes that affect the institution's policies.

Methods and Documents

The institution uses the following sources to stay informed about Title IV regulations:

1. "Federal Registers".
2. "The Audit Guide"
3. "Federal Student Aid Handbook"
4. "The Blue Book"
5. "Federal Regulations Compilations"
6. "Dear Colleague Letters"
7. "Electronic Announcements"
8. "Newsletters from professional associations (state, regional, and national, such as NASFAA)"

9. Other publications that provide guides, laws and regulations that impact students financial aids

10. "Information for Financial Aid Professionals IFAP".

FINANCIAL AID NEEDS

Leston College offers financial assistance to students to pay the basic costs of their education. This offers students the possibility of successfully completing a career. Currently, a large percent of our students come from families with limited economic resources, since they depend on some type of financial assistance to complete their studies. The need for financial aid is different for each student and depends on how much the student and family can contribute toward the costs of postsecondary education.

The economic assistance or financial aid that is provided to a student can be defined after analyzing the cost of education at the Institution versus the economic resources available to the student and/or their parents to defray that cost of education.

If we represent the above by means of a simple formula, we will have: Cost of education, minus the financial resources of the student and/or their parents, is equal to the need for financial assistance ($CE - RE = NEED$). We analyze the financial need of a student which is not synonymous of poverty and the need to consider several factors within the financial picture of each student to determine the need of the applicant for financial aid.

RESPONSABILITIES AND ORGANIZATION OF THE FINANCIAL AIDS OFFICE

Within the organizational structure of Leston College, the Financial Aid Office is located under the area of student affairs. The Financial Assistance Committee advises the administration of the institution in everything related to financial assistance and is responsible for updating the policies and procedures of the Financial Assistance Handbook and helps determine the policy to be adopted by the Institution regarding its financial assistance programs.

Person Responsible:

Ángel A. García Cabán - President

Luis R. Díaz – Financial Aids Director

Carlos Vázquez – Financial Aids Officer

Responsibilities of the Financial Aids Office

The duties and responsibilities of the Financial Aid Office are broad and diverse. They must be substantiated in accordance with the requirements of the Federal Department of Education, the Financial Aid Administrator must

1. Provide adequation orientation and facilitate direct service to the student.
2. Process students aids on time.
3. Carry out periodic reconciliation of financial aids funds.
4. Process withdrawals and refunds on time.
5. Coordinate and communicate with the administrative offices of Leston College in terms of student eligibility and truthful compliance of the requirements established.
6. Facilitate and support the work of the external auditors.
7. Prepare all state and federal reports required.
8. Guarantee truthful compliance with the regulations and policies of Title IV programs.
9. Keep confidentiality student information and its exclusive official use.
10. Have an ethical conduct in the administration and approval of financial aids.
11. Be able to analyze and detect fraud and inform the act to all pertinent entities.

Responsibilities of the Financial Aids Director

1. Responsible for supervising the work carried out by the Officer.
2. Serves as a link with other offices to facilitate procedures and exchange information to perform the work of determining eligibility, processing aid, and making appropriate adjustments.
3. Works in close collaboration with the Officer on the preparation and review of official reports.
4. In charge of working program funds in conjunction with the Officer.
5. Monitors the files worked by the Officer to guarantee the correct processing and

- detect any discrepancies to guarantee the proper administration of funds.
6. Provide support and give technical advice on programs, procedures, changes in regulations and consultations on regulations and procedures.
 7. Keep the President of the school informed about the operations of the office and the regulations.

Responsibilities of the Financial Aids Officer:

1. Supervise institutional compliance with the rules, policies and procedures.
2. Offer orientation to students and their parents, as necessary.
3. Verify in detail the information provided by students and their parents
4. Make the determination of eligibility fairly and equitably in accordance with the requirements.
5. Coordinate the administration of Title IV programs and other financial, state and/or institutional assistance programs.
6. Determine the financial need of students
7. Process origination and scholarship disbursements.
8. Prepare payroll for disbursements and corresponding adjustments
9. Monitor in collaboration with the Registrar's Office to determine the academic progress of the students and the accumulation of hours to process the disbursements of the subsequent periods.

Responsibilities of the Institution

1. The Institution must comply with all rules and regulations that govern the Title IV programs in which it participates.
2. The Institution will be responsible for conducting annual audits of these federal funds. In addition, the Financial Aids Office has a duty to regularly evaluate its own operations.
3. The office must participate in an institutional quality control plan to perform them

accurately and to detect and solve problems.

POLITICS OF STUDENT FILES RETENTION

Federal Pell Grant. In accordance with 34CFR 668.29 (e) student records are retained for a minimum of three years until the last academic year in which the scholarship was disbursed.

Accrediting Agency (ACCSC). As required by the accrediting agency, we keep the records for a minimum period of 5 years. After the same the files will be confiscated with total security

Note: If the student's record is under federal investigation or program review, the record will be kept until the situation is resolved.

Buckley Amendment (Family Educational Rights and Privacy Act of 1974)

Buckley Amendment ("Family Educational Rights and Privacy Act of 1974 - FERPA") is a federal law that indicates:

- a) that the school must establish a written institutional regulation.
- b) that the school must provide a report of the procedures adopted that guarantees student's rights and privacy. The law establishes that the institution will safeguard student's academic files

The Institution grants all the rights of law to the students. No one outside the Institution will have access, nor will the Institution disclose, any information from the students' educational records without their written consent, except for authorized personnel, Officers of other Institutions in which students request to enroll, persons or organizations. that grant financial aid to students, accrediting agencies that carry out their accrediting duties, persons who comply with a court order, the Comptroller's office, federal and state agencies covered by law, and the appropriate parties when knowledge of such information is necessary in an emergency, to protect the health or safety of students or others. All these exceptions are allowed by law.

Access to the educational records of students is only allowed to members who, individually or collectively, act in the educational interest of the students. These members include, but are not limited to, personnel from student affairs offices: Registrar, Financial Aid, Admissions, and auditors, and other personnel upon request, within the limitations of their need for information.

The Institution may, at its discretion, provide the "Directory" information, in accordance

with the provisions of the Law, which includes student name, student number, social security number, classification, address, date and place of birth. Students may object to the disclosure of the "Directory" information, notifying (the corresponding office) in writing within (the period of time established by the Institution). The Institution will honor the student's authorization for one year only. Annually and within the dates indicated by the Institution, the student may modify his previous authorization. In the cases of inactive students, information will be given in accordance with the last authorization. If there are none, it will be necessary to present the corresponding written authorization from the former student.

The Law provides students with the right to inspect and review the information contained in their academic records, to obtain a hearing if the result of the review is not satisfactory; and to submit explanatory statements for inclusion in their files, if they consider that the decisions of the hearing panel are unacceptable. The Registrar, on behalf of Leston College Inc., has been appointed by the Institution to coordinate the inspection and review procedures of students' educational records, which include admission, personal, and academic documents. The must request it in writing to the Registrar listing the subject (s) of interest. Only the files covered by the Law will be available within forty-five days from the date of request. Students can obtain copies of their transcript of credits, except for exceptions (For example: a copy of the academic record where it appears "Order to Withhold: for financial reasons or an original document or model that can be obtained in another place or Educational Center). Nor files of law enforcement, medical and psychological records of students, employment records or records of former students. Medical and psychological records, however, may be reviewed by physicians selected by the student.

The student may not inspect or review the following, as listed by Law: financial information submitted by their parents; confidential letters and recommendations related to admission or honors in respect of which they have waived their rights of inspection and review; or educational records that contain information on more than one student, in which case, the Institution will allow access only to the part of the record that belongs to the student who requests it.

The student may present significant evidence and may be assisted or represented at the hearings by one or more persons of his or her choice, including attorneys, at the student's expense. The review appeal panel will be constituted by designated school Officers.

The decisions of the hearing panels will be final; based exclusively on the evidence presented at the hearing and will consist of written statements that summarize the evidence and state the reasons for the decisions and will be delivered to all interested parties. Academic records will be corrected or amended in accordance with the decisions of the hearing panel if the decisions are made in favor of the student. If not satisfied, the student may include in the academic records, statements stating the

disagreement with the decisions of the hearing panel. The statements will be incorporated into the academic record and kept as part of them and will be included in the documents in question each time they are disclosed.

If the student considers that the decisions are unfair or have not been in accordance with the provisions of the Law, may request in writing the intervention of the President of the Institution. Also, the student who considers that their rights have been violated, can present their complaints to the "Family Educational Rights and Privacy Act Office, Department of Health, Education and Welfare, 330 Independence Ave., SW, Washington, DC 20201 ", in relation to the alleged deficiencies of Leston College in the fulfillment of the Law.

STUDENT ELIGIBILITY REQUISITES TO RECEIVE FEDERAL TITLE IV FUNDS

Student eligibility is determined before completing any application. Federal Title IV funds require students to:

1. Be a US Citizen or eligible foreign (for details see Federal Financial Aid Handbook, Chapter 2- Appendix)
2. Be a regular student.
3. Have a high school diploma or equivalent.
4. Be enrolled, at least half time, in an eligible program.
5. Be registered in the Selective Service (18-25 years of age)
6. Demonstrate financial need.
7. Keep a satisfactory academic progress as defined by the institution.
8. Do not have any debts with student loans (Default).
9. Not exceed the limit of use of Pell Grant.
10. Not have disbursement debts of Federal funds in other institutions.
11. Not be enrolled concurrently in an Elementary or secondary school.
12. Have a valid social security.

DEFINTION OF ACADEMIC YEAR FOR FINANCIAL AIDS PURPOSES

Leston College Inc. divides the calendar into pay periods and carries out an academic evaluation for each period. The Federal Government provides, for the purposes of Title IV programs, that if the institution operates by payment periods, federal financial assistance must be divided into an equal number of payment periods in the academic year (690.2; 690.3 (3) (1) Federal Register Dec. 30, 1980.

FEDERAL PELL GRANT PROGRAM

This program was instituted by the Federal Government as the foundation of financial aid programs for students. It is a scholarship that provides money that does not have to be repaid. To participate in the Federal Pell Grant program, the first step that the student must take is to complete online at the following link: Studentaid.gov If the student needs help to complete the application, the financial aid office will be able to assist you to complete the application.

Although the form contains detailed information on how to complete it, the student may need assistance. The Financial Aid Officer may offer to help the student to complete it. The Institution participates in the Electronic Pell System (Ed Express), the requests are transmitted electronically, and the result is received within 72 hours. This electronic result is called the "Institution Student Information Report" (ISIR).

The signed original Free Application for Federal Student Aid (FAFSA) must be kept in the student's file, as well as the signed documentation of the corrections to the original "ISIR".

The amount of the scholarship depends on the number of EFCs, the cost of the Institution's education, whether the student is enrolled full-time or part-time, and the duration of the program.

Important: All scholarship applications must have been processed on or before June 30 of the year in question. The school will not accept applications after this date, regardless of the reason for the delay. Only cases of corrections by verification will have until July 31 to be sent to the CPS. All corrections, with the corresponding signatures, must be kept in the student's file.

FINANCIAL AID PROCESS

The following procedures will be observed for the Student Financial Aid process: students visit the Admissions office, the person in charge, who offers the pertinent information and provides the necessary documents to process admission.

The student visits the Financial Aid Office to receive orientation and is offered assistance to complete the FAFSA (Scholarship). Students who have requested on their own will be requested a duplicate of the ISIR through the "Data Release Number" (DRN) electronically. Currently most Federal Pell Grant students are processed electronically. (Edexpress)

1. If the student is granted federal funds;
 - a. if the ISIR has an Asterisk in the EFC, the student must be verified.
2. If the student is not granted federal funds:
 - a. verify the information to detect possible errors;
 - b. if there are errors these will be corrected electronically;
 - c. transmit the corrections, the corrected ISIR must be received in the next forty eight (48) school hours.
 - d. Once the ISIR is corrected the FA officer Will verify that all items have been corrected.

PELL ELECTRONIC PROCEDURE

1. Login in to the EDExpress Program (Password and user ID)
2. Create a new file with the student's social security number. Complete the demographic information to access the Pell Grant or Update to make corrections in the file created or to login in to renewal in the system.
3. Once the file is created or accessed the financial aid officer will create an origination of payments. This origination requires to enter information for each student.
4. Once the data is entered, a list of all the applications that are ready to be transmitted (ready to send) is printed to determine the number of originations that will be transmitted, together with the corresponding amount of Pell Grant for the academic year according to its EFC (Pell Grant index) approved by the Federal Department of Education, this report shows the name of the student, social security number, amount to be processed, date of shipment, total number of students and global amount to be registered
5. Then the electronic data files (batch) are created, and the information is sent to the EDConnect program (communication program) to be transmitted to the Electronic Data Processing Center (CPS) of the Federal Department of Education.
6. The batch is sent to the CPS through a personal computer (PC).

7. Once received by the EDConnect program, they are exported to the EDExpress program in the form of an electronic file (batch) so that their answers can be printed and verified.
8. If any origination is rejected, corrections are done once again.
9. If there are no problems with the originations, the disbursements of the Pell Grant payments with their respective disbursement dates are done; once they are ready to send, the disbursement list is printed with the name of the student, social security, the date of disbursement and the status of 'COD' (origination and / or disbursement) of each of the disbursements, in addition to all the information entered in the originations
10. The electronic data files are then created as a batch and the information is sent to the EDConnect program (communication program) to be transmitted to the Electronic Data Processing Center (CPS) of the Federal Department of Education
11. Responses to these electronic disbursements can take between 24 to 72 business hours from the Federal Department of Education and are also received as electronic file (batch).
12. If a disbursement is rejected corrections are done and sent again.
13. Once the electronic file (batch) is received, it is imported into the EDExpress program to print the list of disbursements (Pell Grant payments) with the disbursement dates and the Pell amounts accepted by the COD (Common Origination and Disbursement).

FUNDS MANAGEMENT

Through the electronic disbursement and origination system known as the Common Origination & Disbursement (COD), Leston College sends payment documents electronically to the Federal Government. These documents indicate how much has been paid and/or will be paid to each student. The figure indicated in this document is added by the computer; the total of scholarships is reflected in the Statement of Account (Authorization of Funds) the month prior to the projected disbursement.

This authorization indicates the maximum amount of funds that can be requested at any given time. The Institution requests the money through the system (G5). These requests should not exceed the next three days. When the money is received, it is deposited in

a special, restricted account that does not accrue interest. Funds are transferred to the regular operation account, upon the institution's operational needs, and it is reflected in the student's financial account. On the other hand, when direct disbursements must be made to students, if applicable, these are made with checks drawn from the regular operating account.

POLICIES TO DISBURSE FEDERAL PELL GRANT FUNDS

The Federal Pell Grant allocation for every Leston College student will be divided into two or three disbursements as General Policy. These will correspond to two or three (as applicable) "payment periods" during the academic year. If the student comes in transfer and has used part of the Federal Pell Grant for the current year, the exceptions listed below will apply:

1. Transfer students:
 - a. Any student who has used Federal Pell Grant at another institution during the current year must be notified to the "National Student Loan Data System" (NSLDS) under the new "Student Transfer Monitoring" procedure.
 - b. The Financial Assistance Officer must enter the website (NSLDS) with the User ID and the password obtained. The procedure established in the Dear College Letter GEN-01- 09 July 2001 will be used.

SUPPLEMENTARY AIDS PROGRAM

This program provides supplemental financial aid to economically disadvantaged students enrolled in eligible institutions. This aid will be supplemental to other funds received by students. The amount to be assigned will not be greater than the need shown by the student according to the Federal Need Analysis.

SUPPLEMENTARY SCHOLARSHIP

The Educational Opportunities Law creates the Council for Scholarships and Educational Aids, an entity that is in charge of distributing state, federal, and private funds to create scholarships and educational aid. The Council allocates funds to the Postsecondary Development Office in the Puerto Rico Council of Education. This in turn established two programs: Scholarship Program and Supplementary Educational Aid Program.

Eligibility Requirements

1. Be a US Citizen or eligible resident.
2. Be Officially enrolled in an institution and be an active participant in an authorized program.
3. Demonstrate financial need as established by the Federal Department of Education.
4. Keep academic progress according to the Federal Regulation norms.
5. Enrolled in a regular study program.

GRANTS OF FUNDS

Fund grant are be based on the percentage of enrollment informed in the application of funds to the Council of Education of Puerto Rico.

Eligibility will be based on the financial need of the student. The costs of attendance for the academic year will be established. The funds will be granted to new students, and in order of arrival by program at the time of enrollment at the Institution. The distribution will be made as follows: if there are additional funds, students of previous enrollments will be considered if: the student demonstrates additional financial need. The costs of attendance for the academic year will be established. Funds will be awarded to students who meet the requirements of this program as follows. eligible students divided in the funds allocated between two disbursements per year

PROCEDURES TO DISBURSE FINANCIAL AID FUNDS

To disburse financial aid funds for each payment period:

1. The Registrar Office will certify enrollment and academic progress.
2. The Financial Aid Office will put the students who qualify and who have the complete file on the payroll. If the student has not shown academic progress before the end of the payment period, a warning will be issued, depending on the program the student is taking. Depending on the case, the student could lose the right to the disbursement (s) of the aid (s) for that period. If they make satisfactory academic progress and/or succeed the "warning", the aid (s) will be reactivated for the next payment period

FINANCIAL AID VERIFICATION

Leston College verifies the information in the Federal Financial Aid file of those students whose "ISIR" (result of the Application for Federal Student Aid) shows an asterisk (*) next to the EFC.

1. To complete this process:
 - a. The student will be informed of the process and the documents required.
 - b. The documents required are:
 - (i) Dependent student (parent and/or student income tax)
 - (ii) Independent student (student income tax) (previous year).
 - (iii) If the student or his/her parent/s do not fill income tax or these are not required by federal or state laws, the student must present the W-2; an employer certification or a written certification by the student is self-employed.
 - (iv) If the student does not submit evidence of income:
 1. Letter by the agency that supports the student.
2. The student must submit the required documentation not later than July 31 of the next award year.
3. If the student does not submit the documentation at the date established, the funds will not be valid and will lose the right to use them. If any interim disbursement was done, the student must refund these.

The processes established in this document are subject to changes in accordance with Federal Department of Education, state and federal, and accreditation agencies regulations.

VERIFICATION

Leston College established that the institution will only verify ISIR's selected by the Federal Department of Education. Also, conflictive ISIR's or ISIR's with comments will be verified.

VERTIFICATION OF ELEGIBILITY CRITERIA

There are several reasons why a Federal Pell Grant response may present criteria for reconciliation or evidence. The Federal Department of Education identifies these cases in the scholarship reply with a C.

Below is a breakdown of these criteria and how they work:

- * **Immigration status** - if the Department of Homeland Security does permanent resident eligibility, the student must submit evidence to support the information. If the student does not submit the evidence within 30 days, will not be eligible for federal aid.
- * **Citizenship** - it is a requirement to be a citizen or permanent resident with authorization for studies. In cases where citizenship is not confirmed, it will be checked if the person has a Certificate of Naturalization or passport to retain a copy on file.
- * **NSLDS (overpayments & default)** - a person who owes an overpayment or has an embezzlement loan will not be eligible for Title IV funds. The need e student must present evidence of balance to counter this information.

Conflicting demographic information (student and/or parents) with social security records - if the response reflects problems with the date of birth, name and/or social security of the student and/or parents, evidence will be requested. Otherwise, the student must visit the Social Security Offices to resolve the discrepancy.

Drug conviction - if the person answers yes to question # 23, drug possession or sale conviction, the person is interviewed to determine if the offense occurred while receiving Title IV funds. If so, the person will be ineligible to receive Title IV funds.