



**california  
college of  
music**

**FEDERAL FINANCIAL AID  
HANDBOOK**

**ACADEMIC YEAR 2023-2024**

LAST REVISED: 23 APRIL 2023

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## Introduction

The basic philosophy behind financial aid programs is that no prospective student should be denied access to higher education because of financial burdens. However, financial aid is not intended to replace the financial responsibility of the student; rather, it is intended to supplement what the family can provide. Regardless of source, the College encourages students to make every effort to minimize their reliance on student loans, as those loans will ultimately require repayment.

With this in mind, the Director of Administration & Financial Aid Officer is dedicated to the administration of student financial aid in the most equitable manner to the largest number of qualified students to meet their educational goals. He is here to simplify the process of identifying and applying for grants and loans, answer any of your questions concerning financial aid and to assist you with any financial challenges you may have while you are a student at California College of Music.

The Administration Office is here to serve you, the student, but the office must also protect the integrity of the funds committed to its care. This ensures that students in the future can continue to take advantage of the dollars available from these programs. The Director coordinates a variety of state, federal, private, and institutional programs of financial aid, each with different regulations, requirements, procedures, and forms. The primary objective is to administer these programs so that they may benefit the maximum number of students.

Throughout this handbook, the institution will provide students and parents with information and resources to help guide them through the intricacies of the financial aid process and supply necessary steps and information to help students make informed and responsible decisions concerning tuition payment, and loan repayments.

## Federal Financial Aid

California College of Music (CCM) participates in Federal Financial Aid programs, as listed below, and are available to those who qualify. The Financial Aid Officer can meet one-on-one with students and their families to examine each individual situation, and the best funding solution to meet their educational goals. Regardless of source, the College encourages students to make every effort to minimize their reliance on student loans, as those loans will ultimately require repayment. CCM also offers other institutional financial support such as:

- Talent-Based Scholarship
- Economic Tuition ReductionZero Interest Monthly Payment Plans

For questions and assistance regarding federal financial aid or any institutional financial support programs, students may contact:

**Admin@ccmla.edu**

**626.577.1751**

**Administrative Office Hours:**

**Monday-Friday 9:00am - 5:00pm**

**Note:** Financial aid is not intended to replace the financial responsibility of the student; rather, it is intended to assist with costs associated with attending college.

## Financial Aid Officers

In order to efficiently operate within the compliance standards issued by the U.S. Department of Education, CCM employs a team of administrative personnel to effectively manage the financial aid procedures of the institution.

Individuals in the role may include members of the office administration, management team, or expert consultants on Title IV financial aid procedures.

The current order of operations for financial aid award packaging and disbursements will have the Director of Administration and the Student Service/Admissions Coordinator occupying the roles of the institution's financial aid office, with the possibility of consultation from professionals in the field of federal financial aid to be approved by the institution's President and Dean.

Under the scope of the financial aid office:

The **Director of Administration** will be responsible for:

- Retrieving and over-viewing prospective student ISIR's.
- Creating new student files for administrative and financial aid purposes
- Creating financial aid award letters for qualified students.

The **Student Service/Admissions Coordinator** will be responsible for:

- Disbursing financial aid award packages.
- Notifying students of their electronic funds transfer.
- Advise students on required entrance and exit loan counseling.

## Eligibility

**Before considering Federal Financial Aid, students must have/be the following:**

- Be admitted to CCM in a Title IV approved program
- Be a U.S. citizen or eligible non-citizen
- Not been previously defaulted on student loans
- Not have exceeded annual and/or aggregate student loan limits for a particular award year
- Valid Social Security Number
- High school diploma or equivalent
- Males between the ages of 18 and 26 must be registered with Selective Service
- Must maintain satisfactory academic progress while attending CCM

- Satisfactory repayment status of prior Federal student loans
- Satisfactory payment arrangements of prior Federal grant over payments

## Approved Programs Eligible for Title IV

At this time, the only program CCM offers that is approved to award Title IV federal financial aid is the Certificate in Songwriting & Music Production program.

## Free Application for Federal Student Aid (FAFSA®)

Students are required to complete the Free Application for Federal Student Aid (FAFSA) each year they are seeking financial aid. The information provided is used to create an analysis of each student's financial ability to contribute toward their educational costs.

## Application Process

**How to complete a FAFSA:**

- Complete the FAFSA Application at [www.studentaid.gov](http://www.studentaid.gov). Be sure to contact 1.800.433.3243 if you have FAFSA submission questions.
- In order to submit the application online, the student must create their own FSA ID. An FSA ID is a username and password that is used to log in to FAFSA or other Department of Education websites; it identifies a student as someone who has the right to access their own personal information.
- Students and parents/guardians may not share a FSA ID. Parents/guardians of a dependent student will need to obtain their own FSA ID.
- Within the FAFSA, the student should enter **CCM's School Code: 04293000.**

Financial aid applications will be processed in the order in which they are received. Submitting the application by CCM's stated deadlines is essential to have timely processing. Only completed files containing the required documentation will be processed. Required documents and information consist of:

- A valid FAFSA containing CCM's federal school code: **042930**
- Any other documentation requested by the Financial Aid Officer for completion of the verification process.

Federal regulations prohibit offers of financial aid to any individual who under IRS regulations is delinquent in filing a federal tax return. If a tax return has not yet been filed but is not delinquent, estimates may be used when applying. However, it is the student/parent's responsibility to make sure they file in a timely manner.

## Criteria for Determining Financial Aid Awards

Financial need is determined by applying a formula to the information provided in the applicant's FAFSA. The formula uses the *Cost of Attendance* and the *Expected Family Contribution* (EFC). The EFC is the amount of money the applicant and family are expected to be able to contribute toward the applicant's educational expenses; is used to determine the amount of federal student aid the applicant may obtain; and, is a projection of funds determined to be available for the cost of attendance and other financial obligations.

The Financial Aid Officer will calculate financial need using the following formula:

**FINANCIAL NEED = COA - EFC - FPG - OTHER**

- COA = Cost of Attendance
- EFC = Expected Family Contribution
- FPG = Federal Pell Grant (if eligible)
- OTHER = all other aid/resources (see below)

**Note:** Eligibility is determined one award year at a time. Students should renew their FAFSA applications annually as soon as possible after October 1st.

## Verification Process

CCM is required by the General Provision regulations to verify all applicants selected for verification by the Central Processing System (CPS). The Financial Aid Officer may choose to verify any applicant if they have reason to believe that the information provided is inconsistent. All conflicting information must be resolved before any funds are disbursed. The verification requirements are applicable to all financial aid recipients under the following Student Financial Assistance Programs:

- Federal Direct Loan Program
- Federal Pell Grant
- The Federal Supplemental Educational Opportunity Grant (SEOG)
- Federal Work Study

If an applicant is selected for verification, the Financial Aid Officer will notify the student immediately with an email notification letter and/or by phone. The applicant must submit all documents requested on or before the due date specified by the Financial Aid Officer. The processing of the student's federal aid will be delayed and temporary hold of registration from the program if the requested documents are not received within the specified time frame.

The verification is completed when the verification process shows that all of the student's verifiable information reported on the FAFSA is correct, and there are no outstanding issues or conflicting information in the file. If there are any changes that would affect the student's eligibility as a result of the verification, then the Financial Aid Officer will notify the student in writing and/or by phone that they are required to sign a revised Award Letter.

## Cost of Attendance

The Cost of Attendance is an estimate of a student's expenses related to a program which includes tuition and fees, books and supplies, housing, personal and transportation costs within an Academic Year (30 weeks or 3 quarters).

### *Living with parents*

- Tuition / \$17,910
- Materials, Books, Fees / \$1,017
- Room & Board / \$7,360
- Transportation / \$3,592
- Personal/Misc. / \$6,552
  - **TOTAL / \$36,431**

### *Living off campus*

- Tuition / \$17,910
- Materials, Books, Fees / \$1,017
- Room & Board / \$10,984
- Transportation / \$3,592
- Personal/Misc. / \$6,552
  - **TOTAL / \$40,055**

## Deadlines

CCM's priority deadline for completing the FAFSA for the 2023-24 academic year is September 2, 2023. We encourage all eligible students to complete the FAFSA on/before the deadline in order to receive early consideration for limited federal funding, such as the Federal SEOG. However, please note that the FAFSA may be completed at any time throughout the academic year (July 2023 - May 2024).

## Entrance Counseling for Student Loan Borrowers & Disbursements

In accordance with CFR code 685.304(a)(6) each first-time borrower must complete entrance counseling prior to a disbursement.

The financial aid officer will direct a student to complete entrance counseling located at [studentaid.gov/entrance-counseling](http://studentaid.gov/entrance-counseling) and must verify that they have received a record of the students completion prior to issuing any disbursement.

The institution is required to provide information published by the U.S. Department of Education to students at any time that information regarding loan availability is provided. The publication includes information about rights and responsibilities of students and schools under the Title IV, HEA loan programs.

## Participating Federal Aid Programs

CCM is eligible to participate in the following listed Title IV, HEA programs:

1. Federal Direct Student Loan Program  
(Subsidized, Unsubsidized, Parent PLUS)
2. Federal Pell Grant Program

Below is a brief description of each Federal Aid program. *Please note* that grants are funds that do not need to be repaid and loans are borrowed money that must be repaid with interest.

## Federal Direct Student Loan Programs

The federal student loan program grants eligible students and parents to borrow directly from the U.S. Department of Education.

To qualify for Federal Direct Loans, students must:

- Meet all eligibility requirements to receive Title IV Aid;
- Be an undergraduate student enrolled at least half time;
- Demonstrate financial need;
- Not have exceeded aggregate loan limits.

Types of Direct Loans include:

### Federal Direct Loan-Subsidized for Undergraduate Students

This program is available to students with financial need. This “subsidized” loan accrues interest, but the federal government pays all of the interest on the student’s behalf while they are in school. This loan program allows a student to borrow up to \$3,500 during the first academic year. The interest rate for the in-school period for 2023-24 is 3.73%. The loan is subject to origination fees and the interest begins to accrue as soon as the loan has been disbursed from the lender.

### Federal Direct Loan-Unsubsidized for Undergraduate Students

This program is available for all eligible students, regardless of income or assets. This loan accrues interest while the student is attending school. Students may choose to defer payment of the interest until six months after leaving school. Students may borrow a maximum of \$20,500 annually (depending on the status as a dependent or independent student, the status as an undergraduate or a graduate student, and the total cost of attendance). The interest rate for the in-school period in 2023-24 is 3.73%, and may change annually. The loan is subject to origination fees.

### Federal Parent Loan for Undergraduate Students (PLUS)

The PLUS loan is available to parents of dependent students as a supplemental source of funds to be used toward their child’s educational expenses. Parent borrowers begin repayment within 60 days after the loan is issued. However, parents may request a deferment while their child is enrolled at least half-time and for an additional six months after their child graduates, leaves school, or drops below half-time enrollment. The parent does not have to make any payments while their loan is deferred. The 2023-24 interest rate is 6.28% and may change annually. The lender obtains a credit report in order to determine eligibility for this loan. Should the parent be denied a PLUS loan, the Financial Aid Officer may be able to assist the student in obtaining an

Unsubsidized Stafford Loan by using the denial letter as documentation of need.

## Procedures To Apply For Federal Direct Loans

To be considered for a Direct Subsidized/Unsubsidized Student Loan or Parent Plus Loans you must:

- Complete a FAFSA;
- Complete verification, if selected;
- Complete Loan Entrance Counseling (first time borrowers only);
- Sign a Master Promissory Note (first time borrowers only).

## Grants

Grants are need-based forms of financial aid that you do not have to repay.

To qualify for grants, students must:

- Meet all eligibility requirements to receive Title IV Aid;
- Be an undergraduate student enrolled at least half time

Types of Federal grants include:

### Federal Pell Grant

These funds are awarded to eligible undergraduate students who have not yet earned a bachelor’s degree to help pay for their education. The maximum Pell Grant for the 2023-24 award year is \$6,495 and maximum Pell Grant award for each quarter is \$2,165. These are grants that do not need to be repaid. Not all students will qualify, but all are encouraged to apply.

## Federal Supplemental Educational Opportunity Grant (SEOG)

This grant is also awarded to students who demonstrate exceptional need. Federal SEOG funds are very limited as the federal government gives the college a set amount of money to use each year based on the federal budget.

## Procedures To Apply For Grants

To be considered for a Direct Subsidized/Unsubsidized Student Loan or Parent Plus Loans you must:

- File a FAFSA;
- Complete verification, if selected;

## Procedures To Apply For Federal Work-Study

To be considered for Federal Work-Study, students must:

- File a FAFSA; and
- Complete verification, if selected.

## Disbursements

The financial aid funds that you qualified for will be disbursed quarterly at the start of each quarter. The first disbursement is received during the first quarter of attendance, and subsequent disbursements are received in following quarters.

Students will be notified by email of disbursements made to their student account. Once your tuition balance has been paid in full, any remaining disbursements that create a credit balance on your account will be disbursed to you for other school-related costs.

## Exit Counseling

In accordance with CFR codes: 685.304(b); 668.42; 674.42(b) the institution must provide counseling to borrowers of loans under the FFEL, Federal Direct Loan, or Perkins Loan programs (other than consolidated or Parent PLUS loans) shortly before the student borrower ceases at least half-time study at the school.

Exit counseling is mandatory when a student graduates, leaves the institution (approved leave of absence, withdraws or transfers), or drops below part - time enrollment (6 credits). Exit counseling provides important information that students need to prepare to repay their federal student loan(s). This includes students with Direct Stafford (Subsidized or Unsubsidized) Loans.

In addition to students completing Exit Counseling located at: <https://studentaid.gov/exit-counseling/> The CCM Financial Aid Officer will host an invitation - only workshop for graduating and completing students. Students will review loan repayment, grace period, billing options information, and collected updated borrower information. It will provide the borrower with the rights and responsibilities as a federal loan recipient.

Below are sample loan repayment schedules for a 10 year period.

### Federal Direct Subsidized and Unsubsidized Loans – Undergraduate

Total Debt at Repayment*	Monthly Payment Amount	Total Amount Paid	Total Interest Paid
\$5,000	\$50	\$5998	\$998
\$10,000	\$100	\$11,996	\$1,996
\$15,000	\$150	\$17,994	\$2,994
\$20,000	\$200	\$23,992	\$3,992
\$25,000	\$250	\$29,990	\$4,990
\$30,000	\$300	\$35,998	\$5,998



*\*Payment calculated using a fixed interest rate of 3.73% over a 10 year period.*

### Federal Direct PLUS Loan

Total Debt at Repayment*	Monthly Payment Amount	Total Amount Paid	Total Interest Paid
\$5,000	\$50	\$6,746	\$1,746
\$10,000	\$112	\$13,492	\$3,492
\$15,000	\$169	\$20,238	\$5,238
\$20,000	\$225	\$26,984	\$6,984
\$25,000	\$281	\$33,730	\$8,730
\$30,000	\$337	\$40,475	\$10,475

*\*Payment calculated using a fixed interest rate of 6.28% over a 10 year period.*

## Rights & Responsibilities Of Students Receiving Financial Aid

The Higher Education Amendment of 1998 requires continued eligibility for federal grants and loans to be based on a student's (1) Satisfactory Academic Progress and (2) successful completion of the studied program. If a student withdraws from school, the amount of financial aid available to pay expenses will be prorated based on the amount of time spent in attendance (if the student has completed 60% or less of the quarter).

CCM must return excess funds to Title IV/HEA programs in the sequence required by the U.S. Department of Education. Students should be awarded the remaining responsibility for all appropriate changes not covered by Federal Student Aid.

## S.A.P. and Re-Establishing Eligibility

Per federal regulations, financial aid recipients are required to maintain SAP toward their degree or diploma program in order to maintain financial aid eligibility.

As per federal regulations and institutional policies, financial aid recipients must meet all Satisfactory Academic Progress (SAP) standards as set by the college in order to continue to receive financial aid.

Students who fail to meet S.A.P. are placed in Academic Probation ([see General Catalog](#)) and a Financial Aid Warning Notice will be issued at the end of the evaluation period.

Title IV recipients may continue to receive assistance under the Title IV, HEA programs for one payment period.

At the next evaluation period, if the student does not meet SAP standards, then the College shall issue the student a Notice of Financial Aid Suspension. The student shall be informed he/she shall not be eligible to receive financial aid while on Financial Aid Suspension.

Any quarter without Title IV, HEA funds shall still be counted toward the maximum time frame towards program completion. During this period, to reinstate Title IV, HEA funds that have been terminated, the student must meet the minimum standards of SAP by the end of the quarter.

Additionally, the US Department of Education conducts database matches to determine whether a student meets certain eligibility criteria for financial aid.

The result of these matches will appear on your Student Aid Report (SAR). These include matches with: Selective Service, National Student Loan Data System (NSLDS), US Citizenship and Immigration Services (USCIS), Department of Veterans Affairs (VA), and Social Security Administration (SSA).

CCM will only disburse financial aid if a student successfully passes all database matches. If there is a failure of any database matches, CCM cannot disburse ANY type of financial aid until the status from these matches has been confirmed and resolved. Failure to resolve any conflicting database matches during the federally required time frame will result in cancellation of estimated financial aid awards.

## Private Education Loan Disclosures

The College is not currently affiliated with ANY lenders that provide private education loans, therefore we cannot provide any preferred lender lists. However, CCM encourages students to consider Direct Subsidized and Unsubsidized loans first, as they generally have lower fixed interest rates and more flexible repayment options.

Additionally, federal student loans offer deferment options and income-based repayment plans

## Self-Certification Forms For Private Lenders

Students who seek private education loans must fill out a Private Education Loan Applicant Self-Certification form provided by the U.S. Department of Education. You may request this form from the Financial Aid Officer.

## Terms and Conditions

As a recipient of Federal Student Aid at California College of Music, all students who receive an award must agree to the following terms and conditions:

- Aid as offered is provided to supplement payment of educational costs associated with your attendance at California College of Music. Students are expected to use the funds for educational expenses.
- The Financial Aid Officer reserves the right to review or modify your award in determination of

eligibility at any time due to changes in your status, conflicting information in your records, or because of availability of funds. You understand the aid offered is made in good faith; however, may be canceled or reduced if funds become unavailable.

- You must notify the financial aid office of any changes in name or address, enrollment status or major program of study. These changes may result in an adjustment to your financial aid award.
- Federal and state regulation restricts the receipt of financial aid funds to attendance at one institution. Under certain conditions, students may be concurrently enrolled at two or more institutions, but may only receive aid at one institution. Receiving aid while attending concurrently at two or more colleges requires an agreement signed by both institutions.
- You are required to be enrolled in an eligible program offered by the college.
- You must also maintain satisfactory academic progress as defined in the Satisfactory Academic Progress (SAP) policy.
- Receiving an overpayment of funds, withdrawing, dropping, or not attending class, may result in a repayment of federal financial aid funds. A portion of the tuition refund will be returned to the appropriate financial aid fund. You are responsible for reading and understanding the financial aid Return of Title IV Funds/Overpayment policy.
- You are responsible for knowing your Rights as a financial aid student.

## Return of Title IV Funds

The College shall perform a Return to Title IV (R2T4) calculation when a student withdraws from his/her program (or from all courses for the quarter) voluntarily or involuntarily before the Friday of Week 7, whether any credits were earned or not the College shall return the aid to the Title IV programs from which it was received. If a student withdraws after completing more than 60% of the quarter, all Title IV aid is considered earned.

**INSTITUTIONAL RETURN OF UNEARNED AID:** The College shall return the lesser of the total amount of unearned Title IV assistance as calculated by subtracting the amount of Title IV assistance earned by the student from the amount of Title IV aid that was disbursed to the

student as of the date of the College's determination that the student withdrew. The College shall return the amount of Title IV funds for which it is responsible as soon as possible but no later than 45 days after the date the College determines that the student withdrew from his/her program. The date of determination (DOD) is determined by the date the College receives the student's Program Withdrawal Form or the date the College administratively withdraws or expels the student.

Within 30 days of the date the College determines that the student withdrew, the College shall send a Notification of Title IV Overpayment to any student who owes a Title IV, HEA grant overpayment as a result of the student's withdrawal from the institution in order to recover the overpayment.

### **DETERMINING PERCENTAGE OF PAYMENT PERIOD**

**COMPLETED:** The College shall determine the percentage of payment period completed by dividing the total number of calendar days in the payment period into the number of calendar days completed in that period as of the student's withdrawal date. The total number of calendar days in a payment period includes all days within the period that the student was scheduled to complete except any scheduled break weeks. These break weeks are excluded from the total number of calendar days in a payment period and the number of calendar days completed in that period. Additionally, the total number of calendar days in a payment period does not include days in which the student is on an approved leave of absence. Days completed shall be determined using the Last Date of Attendance (LDA) as documented by Attendance & Grading Ledger provided by faculty. Days attended are then divided by days in the term the student was scheduled to complete to calculate the percentage completed. Example: 12 completed days (divided by) 50 scheduled days in a quarter = 24% payment period completed.

**DETERMINING AID RETURN BY THE COLLEGE:** Once the percentage of the payment period completed is calculated, that percentage is multiplied by total aid provided on behalf of the student to determine the amount of aid earned (% completed (x) total aid = earned aid). Next, the College will subtract the earned aid from the total aid provided to determine unearned aid to be returned (total aid – earned aid = unearned aid). Once unearned aid has been determined, the College shall determine the total institutional charges and multiply

that figure by the percentage of unearned aid (100% - % completed = % unearned). Institutional charges (times) % unearned = amount returned by the College.

Example:

John Doe stopped attending classes on April 17 (his Last Date of Attendance or LDA) and filled out a Program Withdrawal Form that same day. The quarter began on April 6 and is 75 days long. John attended 12 days of the quarter and earned 16 percent of his financial aid (12 days divided by 75 days equals 16 percent).

Federal Direct Parent PLUS Loan \$2,500

Pell Grant \$2,000

Total aid Spring Quarter \$4,500

1. The amount of federal aid earned is 16% x \$4,500 = \$720
2. Total federal aid unearned is \$4,500 - \$720 = \$3,780
3. The second calculation determines the percentage of the amount unearned based on school charges for tuition. John was charged \$4,080 in tuition + \$300 for his non-refundable quarterly material/maintenance fee for the Spring quarter. Percentage of unearned aid for this second calculation is 100% - 16% = 84%. Therefore, based on the tuition charges for the term, \$4,080 x 84% = \$3,427.20
4. Federal guidelines determine the order of aid types to be reduced: Direct Loans (subsidized), Direct PLUS Loans (Parent), Federal Pell Grants until \$3,427.20 has been repaid. Therefore John's aid will be reduced to:

Federal Direct Parent PLUS Loan / \$2,500 - \$2,500 = \$0

Pell Grant / \$2,000 - 927.20 = \$1,072.80

Total returned by institution: **\$3,427.20**. The total returned amount reflects the amount to be billed to John's student billing account from his financial aid. Any refunds from tuition that are determined and applied to his account may affect the amount that John owes for Spring quarter.

The College and student must return the amount of unearned aid, up to the maximum received, to each of the Title IV programs in the following order:

- Direct Loan (unsubsidized)
- Direct Loan (subsidized)
- Federal Perkins Loan Program
- Direct Loan / Federal Direct PLUS Loan (Parent loans)
- Federal Pell Grant Program
- Federal Supplemental Educational Opportunity Grant (FSEOG)

**STUDENT RETURN OF UNEARNED AID:** After the College has allocated the unearned funds for which it is responsible, the student must return his/her unearned funds. Unearned funds must be credited to outstanding balances on Title IV loans made to the student or on behalf of the student for the payment period for which a return of funds is required.

The College shall determine the amount of unearned aid the student is responsible for returning by subtracting the amount returned by the College from the total amount which is unearned (**total amount unearned (-) amount returned by school = amount for which student is responsible**). That remaining amount is the student's share and must be allocated in the same order stated above. Once the College determines the amount and which individual programs must be paid, the Director of Administration will then provide the withdrawn student a Notice of Return of Title IV Funds to inform the student any amount he/she owes.

Funds that must be returned by the student to the loan programs can be paid in accordance with the normal loan repayment terms. For grant funds that must be repaid, the amount due from the student is limited to 50% (or half) of the total Title IV grant funds received by the student. A student has 45 days to make repayment and does not have to repay a grant overpayment of \$50.00 or less. Unpaid balances will be reported to the National Student Loan Data System (NSLDS) and reported to the U.S. Department of Education for collection. The student will be notified in the Notice of Return of Title IV Funds that any student who owes an overpayment will be ineligible for further Title IV aid at any institution.

Title IV return policy is separate from the institutional refund policy. Unpaid balances due to the College that result from amounts returned to Title IV programs and other sources of aid will be charged back to the student. If a student does not begin attendance in all classes or ceases attendance during the 100% refund period, aid

may have to be reduced to reflect appropriate status prior to calculating Return of Title IV Funds.

If the total amount of Title IV grant and/or loan assistance that the student earned is less than the amount of Title IV grant and/or loan assistance that was disbursed as of the LDA, the difference between these amounts must be returned to the Title IV programs and no additional disbursements may be made to the student for the payment period or period of enrollment.

If the total amount of Title IV grant and/or loan assistance that the student earned is greater than the total amount of Title IV grant and/or loan assistance that was disbursed as of the LDA, the difference between these amounts must be treated as a post-withdrawal disbursement which must be made from available grant funds before available loans.

If outstanding charges exist on the student's account, the College shall credit the student's account up to the amount of outstanding charges with all or a portion of any grant funds that make up the post-withdrawal disbursement and loan funds that make up the post-withdrawal disbursement only after obtaining confirmation from the student or parent in the case of a parent PLUS loan, that they still wish to have the loan funds disbursed. The College shall disburse directly to a student any amount of a post-withdrawal disbursement of grant funds that is not credited to the student's account. The institution must make the disbursement as soon as possible, but no later than 45 days after the LDA.

The College shall also provide within 30 days from the date of determination (DOD), the date the College receives the student's Program Withdrawal Form, a Notification of Title IV Overpayment to the student or parent in the case of a parent PLUS loan, that includes:

1. Requesting confirmation of any post-withdrawal disbursement of loans that the College wishes to credit to the student's account, identifying the type and amount of those loans and explain that a student or parent may accept or decline some or all of those funds;
2. Requesting confirmation of any post-withdrawal disbursement of loan funds that the student or parent can receive as a direct disbursement, identifying the type and amount and explain that the student or parent may accept or decline some or all of those funds;

3. Explain that a student or parent who does not confirm that a post-withdrawal disbursement of loan funds may be credited to the student's account may not receive any of those loan funds as a direct disbursement unless the College concurs;
  4. Explain the obligation of the student or parent to repay any loan funds he/she chooses to have disbursed; and
  5. Advise the student or parent that no post-withdrawal disbursement of loan funds will be made, unless the College choose to make a post-withdrawal disbursement based on a late response if the student or parent does not respond within 14 days of the date that the College sends a Notification of Title IV Overpayment.
- Scanning a photograph that has been published and using it without permission or attribution as the background of a web site;
  - Placing a number of full-text articles on a course web page that is not password protected, thereby making the web page accessible to anyone who can access the Internet;
  - Downloading licensed software from non-authorized sites without the permission of the copyright or license holder; and
  - Making a movie file or a large segment of a movie available on a web site without permission of the copyright owner.

It is true that some copyright holders give official permission to download MP3 files and you might be able to find a limited number of videos that are not copyright protected. It is also true that some MP3 files are copyright free and some MP3 files can be legally obtained through subscription services. However, most MP3 and video files that are shared do not fall into any of these categories.

U.S. copyright laws allow you to create MP3s only for the songs to which you already have rights; that usually means you purchased the CD or tape. U.S. copyright laws also allow you to make a copy of a purchased file only for your personal use. Personal use does not mean that you can give a copy to other people or sell a copy of it.

#### **VIOLATIONS**

Failure to comply may result in suspension or termination of network services, appropriate disciplinary action, termination in the case of employees or expulsion in the case of students.

## **Copyright Policy**

California College of Music pledges to adhere to the Copyright Act of 1978 and to practice fair and legal methods of distributing music and instructional material. If copyrighted material or music is given to a student for educational purposes, that student is informed of copyright laws and under no circumstances has permission from CCM to further copy the music or pass it along to any third party. unauthorized distribution of copyrighted material, including unauthorized peer-to-peer file sharing, may subject the students to civil and criminal liabilities; a summary of the penalties for violation of Federal copyright laws.

#### **EXAMPLE ACTIVITIES WHICH VIOLATE FEDERAL LAW**

Following are some examples of copyright infringement that may be found in a university setting:

- Downloading and sharing MP3 files of music, videos, and games without permission of the copyright owner;
- Using corporate logos without permission;
- Placing an electronic copy of a standardized test on a department's web site without permission of the copyright owner;
- Enhancing a departmental web site with music that is downloaded and artwork that is scanned from a book without attribution or permission of the copyright owners;

## **Drug & Alcohol Related Offenses**

CCM is an alcohol and drug-free campus. California College of Music forbids the use, possession, distribution, or sale of drugs or alcohol by students, faculty, or staff anywhere within the College facilities. Anyone in violation of state, federal, or other local regulations with respect to illegal drugs or alcohol may be subjected to both disciplinary action and criminal prosecution.

A student who is convicted of any offense under any Federal or State law involving the possession or sale of a controlled substance for conduct that occurred during a period of enrollment for which the student was receiving

any grant, loan, or work assistance under this title shall not be eligible to receive any grant, loan, or work assistance under this title from the date of that conviction for the period of time specified in the following:

If convicted of an offense involving:

The possession of a controlled substance: Ineligibility period is:

- First offense ..... 1 year
- Second offense ..... 2 years
- Third offense ..... Indefinite.

The sale of a controlled substance:

Ineligibility period is:

- First offense ..... 2 years
- Second offense ..... Indefinite.

A student whose eligibility has been suspended under may resume eligibility before the end of the ineligibility period determined under such if:

- the student satisfactorily completes a drug rehabilitation program
- the student successfully passes two unannounced drug tests conducted by a drug rehabilitation program that complies with such criteria as the Secretary shall prescribe

## Vaccinations

California College of Music requires all students, faculty, and staff to be fully vaccinated against COVID-19. Proof of vaccination records must be sent to the Administration Office before entering the College.

## Voter Registration

The College encourages all students who are U.S. citizens to register to vote in the state of California while enrolled in a program. For more information, visit:

[www.sos.ca.gov/elections/voter-registration](http://www.sos.ca.gov/elections/voter-registration)

In California, the deadline to register to vote for any election is 15 days before Election Day; be sure to register early!

## National Student Loan Data System

All financial aid recipients and parents/guardians participating in Parent PLUS Loans shall be made aware that all loan information will be submitted to the National Student Loan Data System (NSLDS), and will be accessible by guarantee agencies, lenders, and schools determined to be authorized users of the data system.

## State of California Grant Assistance

Also known as the Cal Grant, State of California Grant Assistance is a California-specific financial aid allocation that does not need to be paid back. Cal Grant applicants must apply for the FAFSA or CADAA by the deadline and meet all eligibility, financial, and minimum GPA requirements of either program. Grants are for students attending University of California, California State University or California Community Colleges, or qualifying independent and career colleges or technical schools in California.

There are three kinds of Cal Grants — A, B and C — but you don't have to figure out which one to apply for. Your eligibility will be based on your FAFSA or CADAA responses, your verified Cal Grant GPA, the type of California colleges you list on your FAFSA and whether you're a recent high school graduate.

At this time, California College of Music does not participate in Cal Grant programs.

## Annual Security Report

In compliance with the 1990 Clery Act, California College of Music publishes an annual Safety & Security Report, which discloses information about certain crimes that occur on or near campus. To view the most recent report, visit:

[www.ccmla.edu](http://www.ccmla.edu)

# Default Management

## Introduction:

California College of Music is committed to helping students successfully manage their federal student loans in compliance with the standards and guidelines set forth by the U.S. Department of Education (ED). This Student Loan Default Management Plan outlines our strategies for preventing and addressing student loan defaults to ensure regulatory compliance and the financial well-being of our students.

## What is Default?

Default is the failure to repay a loan according to the terms you agreed to in your promissory note. For more federal student loans, you will default if you have not made a payment in more than 270 days. If you default on a federal student loan, you lose eligibility to receive federal student aid and you may experience legal consequences.

## Ways to Avoid Default on Student Loans

To prevent student loan default, it's crucial to stay informed and make responsible financial decisions about your education. Begin by understanding your loan details and creating a realistic plan of action that may include:

- Create and maintain a budget that will keep you within your monthly budget.
- Avoid credit card debt or keep your existing credit card debt to a minimum.
- If you choose to borrow for your college expenses, borrow only the amount that you need and what you can reasonably expect to repay.
- Know the type of loan you are receiving and understand your rights and responsibilities as a borrower. Know your repayment obligation and learn about your repayment options.
- Keep all records regarding your loan. Make copies of all letters, canceled checks and any documents you sign.
- Notify your lender or servicer when you have a change of address, phone number, or name. Also

notify your lender or servicer if you change schools or your enrollment status changes.

- Talk to your lender or student loan guarantor if you have any questions about the terms of your loan.
- Consider making interest payments while you are in school. This will reduce the amount you owe after your graduation.
- Seek help as early as possible if you have any difficulty maintaining your student loan repayment arrangement.

## Consequences of a Student Loan Default

Defaulting on a student loan can have serious and long-lasting consequences. It can result in damaged credit, making it difficult to secure loans or credit cards in the future. The consequences of defaulting on your student loan can be severe. If you default:

- The entire unpaid balance of your loan and any interest you owe becomes immediately due (this is called "acceleration").
- You can no longer receive deferment or forbearance, and you lose eligibility for other benefits, such as the ability to choose a repayment plan.
- You lose eligibility for additional federal student aid (such as grants or Federal Work-Study).
- The default is reported to credit bureaus, damaging your credit rating, and affecting your ability to buy a car or house or to get a credit card.
- It may take years to reestablish a good credit record.
- You may not be able to purchase or sell assets such as real estate.
- Your tax refunds and federal benefit payments may be withheld and applied toward repayment of your defaulted loan (this is called "Treasury offset").
- Your wages may be garnished. This means your employer may be required to withhold a portion of your pay and send it to your loan holder to repay your defaulted loan.
- Your loan holder can take you to court.
- You may be charged court costs, collection fees, attorney's fees, and other costs associated with the collection process.

## Financial Literacy Education:

California College of Music aims to assist and equip students with the resources necessary to make informed financial decisions and provide a foundation for financial literacy education. Financial literacy education resources are widely available to help individuals improve their money management skills, and CCM will be able to assist students in directing them to relevant material upon request.

Government resources exist to help educate students on financial management resources such as the Financial Literacy and Education Commission's financial literacy website MyMoney.gov, intended to offer comprehensive tools and information for students and borrowers.

Additional nonprofit organizations like the National Endowment for Financial Education (NEFE) and the Jump\$tart Coalition provide free resources and lesson plans to supplement one's financial education.

Students can also access online courses on platforms like Khan Academy and Coursera to cover personal finance topics. Books, YouTube channels, and podcasts offer valuable advice, and many financial institutions offer resources on their websites and in-person workshops. Seeking advice from certified financial advisors, nonprofit credit counseling agencies, or online communities can also be beneficial.

Overall, individuals have a wide array of resources at their disposal to enhance their financial literacy at various levels of expertise and age groups.

## [Review Your Federal Student Loans](#)

The National Student Loan Data System Maintains information about all your Federal Student Loans. This site allows you to access the total amount of every loan, who your lender is, and the status of your loan.

## [Questions on loan repayment?](#)

The U.S. Department of Education provides students with information on loan repayment and consolidation. Understanding how you repay your loans can go a long way toward building a solid financial foundation.

## [Department of Education Guide to Defaulted Student Loans](#)

The [myeddebt.ed.gov](http://myeddebt.ed.gov) site is intended to be the centralized web portal for any information and activities related to defaulted education debt for the U.S. Department of Education. If you are a loan borrower or grant recipient with defaulted federal education debt that you have not repaid per your loan or grant requirements that are now in a defaulted status, use this website for information and tools to help you resolve your debt. You can view a summary/overview of your defaulted debt amount, your payment history on your defaulted federal education debt, and options for resolving your debt. You can also access forms that you can download; submit requests for hearings, reviews, and discharges; and submit complaints.

## [StudentLoans.gov](#)

This site is your source for information from the U.S. Department of Education about how to manage your student loans.

## Interest Rates

The [interest rates](#) for Direct Subsidized, Direct Unsubsidized, and Direct PLUS loans will be established each year. Once a loan is established, it will apply for the life of the loan- that is, the loan will be a fixed-rate loan. As a result, it is likely that many borrowers will have a set of fixed-rate loans, each with a different interest rate, including the 3.86% Direct Subsidized and Direct Unsubsidized loans made prior to July 1st, 2014.

\*Please note that the current loan interest rates apply to those loans first disbursed on or after July 1st, 2022 and before July 1st, 2023.



The chart below shows the loan fees for Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans first disbursed on or after Oct. 1, 2019.

Loan Type	First Disbursement Date	Loan Fee
Direct Subsidized Loans and Direct Unsubsidized Loans	On or after 10/1/20 and before 10/1/23	1.057%
	On or after 10/1/19 and before 10/1/20	1.059%
Direct PLUS Loans	On or after 10/1/20 and before 10/1/23	4.228%
	On or after 10/1/19 and before 10/1/20	4.236%

Loans first disbursed prior to Oct. 1, 2019, have different loan fees. (source: [studentaid.gov](http://studentaid.gov))

## Loan Information

### [Direct Subsidized Loans](#)

Subsidized means the government is "subsidizing" the interest on your loans while you are in school or while your loan is in deferment or a grace period. Interest will not begin to accrue until you enter repayment. You must meet certain requirements to qualify for subsidized loans.

### [Direct Unsubsidized Loans](#)

Interest begins to accrue on this type of loan from the time you receive your disbursement and continues through the life of the loan. You have the option of paying

your interest quarterly while you are in school. If you do not, the interest that has accrued on your unsubsidized loans will be "compounded" at the time you enter repayment.

### [Perkins Loans](#)

Generally, have the same characteristics as a Subsidized loan. No interest accrues on a Perkins Loan while you are in school or while your loan is in a grace period or a deferred status.

### Cohort Default Rates

A cohort default rate is the percentage of a school's borrowers who enter repayment on certain Federal Family Education Loan (FFEL) Program or William D. Ford Federal Direct Loan (Direct Loan) Program loans during a particular federal fiscal year (FY), October 1 to September 30, and default or meet other specified conditions prior to the end of the second following fiscal year.

As California College of Music has newly been granted eligibility to provide Title IV federal financial aid, no data on cohort default rates is currently available for the institution.

### Can Student Loans be "Forgiven?"

Under certain circumstances, a borrower may be able to have all or part of a student loan(s) [forgiven/discharged](#).

### Repayment Options: Deferment, Forbearance, and Loan Consolidation

#### [Deferment](#)

A student will qualify for an "In-School Deferment" when the student is enrolled at least half-time or more. If a borrower has a documented hardship, a student may qualify for a "Deferment". A "documented hardship" includes, receiving Unemployment Benefits and/or public subsidy, etc.

To discuss receiving a deferment during a life crisis, please contact your loan servicer. They will be able to assist you. If you need assistance in contacting your loan servicer, please contact the MSSU Default Prevention Counselor. This person will be able to assist you in contacting your loan servicer.

### [Forbearance](#)

Any borrower who is unable to make a student loan payment is eligible for a forbearance. The lender allows the borrower to postpone repaying monthly payment for a certain amount of time. The interest will accrue and capitalize on ALL loans during a forbearance if not paid while the forbearance is in effect. Receiving a forbearance is not automatic. The borrower has to contact the loan servicer to request a forbearance.

### [Loan Consolidation](#)

If you have multiple federal student loans, you can consolidate them into a single Direct Consolidation Loan. This may simplify repayment if you are currently making separate loan payments to different loan holders or servicers, as you'll only have one monthly payment to make. There may be tradeoffs, however, so you'll want to learn about the advantages and possible disadvantages of loan consolidation before you consolidate.

**This Student Loan Default Management Plan is designed to adhere to the standards and guidelines established by the U.S. Department of Education for institutions participating in federal student aid programs. California College of Music remains committed to helping students successfully manage their federal student loans while complying with federal regulations.**