

Center for the Healing Arts
Distribution of Student Grants under the
Higher Education Emergency Relief Fund (HEERF III)
Policy and Procedures

Preamble

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARP) (Pub.L.117-2). The ARP appropriated approximately \$39.6 billion for the Higher Education Emergency Relief Fund (HEERF) and represents the third stream of funding appropriated for HEERF to prevent, prepare for, and respond to coronavirus. Taken together, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Pub.L.116-136), the Coronavirus Response and Relief Supplemental Appropriations Act, 2021(CRRSAA) (Pub. L. 116-260) and the ARP represent HEERF I, HEERF II, and HEERF III, respectively.

Proprietary institutions of higher education such as the Center for the Healing Arts (the “School”) may apply for HEERF grant funds under the new American Rescue Plan Act of 2021, Proprietary Institution Grant Funds for Students. Awards from the Proprietary Institution Grant Funds for Students program may only be used to provide financial aid grants to students, which may be used for any component of the student's cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health care (including mental health care), or childcare. In making such financial aid grants to students, grantee institutions must prioritize grants to students with exceptional need, such as students who receive Pell Grants. However, student grant recipients do not need to be only Pell recipients or students who are eligible for Pell Grants.

As announced by the Secretary, the School is to receive \$12,744.00 (the “Grant Fund”) for the purposes of making emergency financial aid grants to its students. This document sets forth the School’s plan for allocating, disbursing and accounting for the Grant Fund.

Allocation of Grant Funds Formula

Just as COVID-19 does not discriminate on the basis of socioeconomic status, the School recognizes that a wide array of individuals and industries have been adversely impacted by COVID-19. The School recognizes that our students’ lives have been severely disrupted by coronavirus. Many are facing financial challenges and struggling to make ends meet.

Students actively enrolled at the School on October 1, 2021, may be eligible to receive a financial aid grant from the Grant Fund. The grants to be awarded to students will be based on the following formula, which is intended to prioritize the distribution of student grants to those students who demonstrate exceptional need:

100% of the Grant Fund (\$12,744.00) will be awarded to students who are actively enrolled at the School on October 1, 2021 and are eligible for Federal Pell grants. The School will use information from the student’s most recent Institutional Student Information Record (ISIR) on file to determine whether the student is Pell grant eligible. Students who do not have an ISIR on file will not receive any award from this portion of the Grant Fund.

Students enrolled as of October 1, 2021, who did not previously file a Free Application for Federal Student Aid (FAFSA) may choose to file a FAFSA for purposes of the grant award calculations to be made pursuant to this plan. The successful completion of the FAFSA will generate an ISIR for the student, and the School will use the information from that ISIR for purposes of determining whether the student is eligible for federal Pell grants and therefore entitled to a student grant award from this portion of the Grant Fund. In order for a student’s ISIR to be considered for grant allocation purposes it must be received by the School no later than October 18, 2021 because the School will begin the process of allocating grant funds to students on November 5, 2021.

The remaining 0% of the Grant Fund will be awarded to students who are actively enrolled at the School on October 1, 2021, and who have submitted evidence of Demonstrated Hardship. The School recognizes that student financial records previously submitted to the School are dated and may not reflect a student's current circumstances. All students, regardless of their Pell status, may submit evidence of Demonstrated Hardship by utilizing the form attached to this plan. The School will review the form and supporting documentation provided by the student. The determination of whether a student has made a sufficient showing of Demonstrated Hardship will be in the School's sole discretion, and the School's determination shall be final. Any student seeking consideration for a grant award due to Demonstrated Hardship must submit the Demonstrated Hardship form and supporting documentation on or before October 31, 2021. Students who do not submit the applicable form and supporting documentation by October 31, 2021, will not be considered for a grant award due to Demonstrated Hardship.

The School will begin contacting students about the financial aid grants on or about October 15, 2021. This initial email notice will include a brief description of this plan, including information about how students may apply for grant award consideration due to Demonstrated Hardship. The form of this initial email notice and Demonstrated Hardship form is included with this plan as Exhibit A.

Awarding Policy & Procedures

The School's Director and Financial Aid & Student Service Manager will oversee the awarding and eligible student census.

On or about November 5, 2021, the School will begin the process of awarding student grants from the Grant Fund to eligible students. Each Pell grant eligible student (as reported to the School on the student's ISIR) will be awarded a grant in the amount equal to (i) 85% of the Grant Fund; divided by (ii) the total number of Pell Grant eligible students actively enrolled at the School on March 20, 2021. Each student whose Demonstrated Hardship form is approved by the School will be awarded a grant in the amount equal to (a) 15% of the Grant Fund; divided by (b) the total number of students whose Demonstrated Hardship forms are approved by the School.

The School plans to notify students of their grant award amounts no later than November 15, 2021. Each student grant recipient will receive a grant notification, the form of which is included in the plan as Exhibit B.

Disbursement Procedures

The School will make every reasonable effort to contact all eligible students to notify them of the emergency financial aid grant to which they may be entitled. Included with the grant notification will be an attestation statement (Exhibit B) to be signed by the student wherein the student shall acknowledge that the emergency grant funds will be used for any component of the student's cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health care (including mental health care), or childcare. This grant notice and acknowledgment statement will be sent to the student's email address on record with the School. Students will complete the acknowledgment statement and return a signed copy of the statement to the School.

The grant notification form will include the amount of grant awarded to the student as well as information about any balance due from the student to the School as of the grant notification date. Student grant recipients shall have the option to apply some or all of the grant award to the student's outstanding balance with the School. A student's grant award amount under this plan shall not be conditioned upon the student's future enrollment with the School, nor is a student's consent to the application of the financial aid grant to the student's outstanding account balance with School a condition of receipt of or eligibility for the financial aid grant.

The financial aid grants, less any amount applied to the student's outstanding balance with the School, will be distributed by checks made payable to the students. No grant checks will be disbursed to any otherwise eligible student who fails to or refuses to sign the acknowledgment statement. Otherwise, eligible students who have not returned the acknowledgment statement to the School on or before May 15, 2021 will not be eligible to receive a grant award under this plan.

Eligible students who elect to receive all or part of their grant award rather than applying the grant award to their outstanding balance with the School will have the option on how to receive their grant award checks. Students may request to pick up their checks at the School, otherwise the School will mail the check to the address listed on the student's attestation statement. Students will indicate their choice for receiving the grant checks on their acknowledgement statements. The School will provide instructions for those students choosing to pick up their checks at the School which will include available pick-up times as well as safe social distancing requirements. In addition to the emergency grant fund checks, the students will receive an instruction letter from the School in the form attached as Exhibit C.

Accounting & Recordkeeping

The School's Director and Financial Aid & Student Service Manager will be responsible for the administration of the emergency financial aid grants.

The School will deposit the Grant Fund in a separate dedicated checking account to be used for the sole purposes of administering the emergency student financial aid grants in accordance with Federal law, published guidance from the U.S. Department of Education, and this plan. The School will minimize the time between drawing down funds from G5 and paying the student grants to eligible students. In accordance with published Federal guidance, the School will disburse the grant funds to students within 15 calendar days of drawing down the funds. The School will maintain drawn down grant funds in an interest-bearing account, and any interest earned on all Federal grant funds above \$500 (all Federal grants together) during the School's fiscal year will be returned to the Federal government.

The School's Director and Financial Aid & Student Service Manager are responsible for all accounting and recordkeeping associated with the administration of the student emergency grants. The School's Director and Financial Aid & Student Service Manager shall maintain an Excel spreadsheet to track all disbursements by student. The School's Director and Financial Aid & Student Service Manager shall also be responsible for completing all reports that must be submitted to the U.S. Department of Education as required by ARP and any future guidance from the Department.

The School will not charge any indirect or administrative costs to the ARP Grant Fund award as the ARP Grant Fund represents an amount of funds that must be distributed to students.

Grants of Unclaimed Funds

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

In the event that there is any amount remaining from the ARP Grant Fund as of December 31, 2021, the School will disburse such remaining funds via additional emergency need-based grants. The School will send an email to all eligible students informing them of the availability of additional grants. The email will include an application form to be completed by students seeking to be considered for an additional emergency need-based grant.

A committee consisting of the School's President, Director, and Financial Aid & Student Service Manager will decide which students shall receive an additional emergency need-based grant and the amount of such grant. The maximum amount of any additional emergency need-based grant shall not exceed \$1,000.00, and there is no minimum dollar amount. The committee will consider the information to be provided on the student's grant application as well as information already on record with the School such as the student's dependency status, family size, expected family contribution, unmet financial need, program length, satisfactory academic progress, and expected completion date.

EXHIBIT A
ARP INFORMATION EMAIL AND
DEMONSTRATED HARDSHIP FORM

Subject: Student Emergency Relief Grant

Dear Student,

The American Rescue Plan Act of 2021 (ARP) provides emergency assistance for students who are in need of financial support for expenses related to the disruption of campus operations due to the coronavirus pandemic. Under ARP, the Center for the Healing Arts (the “School”) has received grant funding from the U.S. Department of Education for the purpose of making emergency financial aid grants to its students.

Students actively enrolled at the School and in good standing on October 1, 2021 may be eligible to receive a financial aid grant from the ARP Grant Funds. The amount of each student’s grant award is based on a formula that considers whether the student is eligible for federal Pell grants and whether the student has experienced demonstrated hardship due to the coronavirus pandemic. This formula is intended to prioritize the distribution of student grants to those students who demonstrate exceptional need.

The School will use information on record from your Free Application for Federal Student Aid (FAFSA) to determine whether you are designated as a Pell grant eligible student. If you did not previously file a FAFSA and wish to have the information reported on the FAFSA considered as part of your grant award allocation, then you should file a FAFSA as soon as possible. The School will begin the process of allocating grant awards to students beginning November 5, 2021. Any information from your FAFSA reported to the School after October 31, 2021, will not be considered in the grant allocation process. In order for the School to receive your FAFSA information by this date, we encourage you to file a FAFSA as soon as possible but no later than October 26, 2021. Please see the Financial Aid Administrator if you have any questions or would like additional information about filing a FAFSA.

As part of the School’s student grant allocation formula, students who have recently experienced demonstrated hardship will be allocated a share of grant funds. Demonstrated hardship may include:

- Loss of Employment
- Reduction of Income
- Divorce/Separation
- Unusual Medical/Dental Expenses
- Death of Parent or Spouse

If you believe that you have experienced a demonstrated hardship since the beginning of the coronavirus pandemic, we encourage you to submit the attached Demonstrated Hardship form and supporting documentation. The School will review your request and inform you of whether your circumstances have been determined to meet the criteria of demonstrated hardship. *Any student seeking consideration for an additional grant award due to Demonstrated Hardship must submit the Demonstrated Hardship form and supporting documentation on or before October 31, 2021.* Students who do not submit the applicable form and supporting documentation by March 31, 2021 will not be considered for an additional grant allocation due to Demonstrated Hardship.

The School expects to provide students with grant award notices by November 15, 2021. In the meantime, please do not hesitate to contact the Financial Aid Administrator if you have any questions regarding the School's plan for the allocation and distribution of these emergency student financial aid grants.

Very truly yours,
Joelle Denneker

Joelle Denneker, President
Center for the Healing Arts

Center for the Healing Arts
Student Emergency Financial Aid Grants

Demonstrated Hardship Form

Student Name: _____

Current Mailing Address: _____

Cell Phone Number: _____

Email Address: _____

Date: _____

The American Rescue Plan Act of 2021 (ARP) provides emergency assistance for students who are in need of financial support for expenses related to the disruption of campus operations due to the coronavirus pandemic. Under ARP, the Center for the Healing Arts (the “School”) has received grant funding from the U.S. Department of Education for the purpose of making emergency financial aid grants to its students.

As part of the School’s student grant allocation formula, students who have recently experienced demonstrated hardship will be allocated a share of grant funds. **Any student seeking consideration for a grant award due to Demonstrated Hardship must submit the Demonstrated Hardship form and supporting documentation on or before October 31, 2021.** Students who do not submit the applicable form and supporting documentation by March 31, 2021 will not be considered for a grant allocation due to Demonstrated Hardship.

Please indicate the special circumstances of demonstrated hardship that you wish for the School to consider in its allocation of emergency financial aid grants to students (choose all that apply):

- Loss of Employment
- Reduction of Income
- Divorce/Separation
- Unusual Medical/Dental Expenses
- Death of Parent or Spouse

Circumstances that are NOT considered as extenuating include, but are not limited to:

- Standard living expenses (e.g., utilities, credit card payments, etc.)
- Mortgage payments
- Car payments
- Credit card or other personal debts
- Vacation expenses
- All other discretionary expenses

Any request for special consideration of demonstrated hardship must include a detailed written explanation from the student and supporting documentation. Any Demonstrated Hardship forms submitted without either a detailed written description or supporting documentation will not be considered.

**Written Explanation
(attach additional pages if necessary)**

Please provide supporting documentation based on your special circumstances:

Special Circumstances:	Documentation to be provided:
Loss of Employment	<ul style="list-style-type: none"> • Official documentation verifying date of job loss (e.g., severance letter, unemployment decision, etc.) • Final paycheck stub(s) received • Unemployment history summary reporting benefits received to date and balance remaining in 2021 • If employed after job loss, please include most recent paycheck stubs of any and all employment
Reduction of Income	<p><u>Reduction in Wages/Hours:</u> Current employer has reduced wages and/or hours for at least 12 consecutive weeks in 2020 or 2021 for you, your spouse, or your parent (if dependent).</p> <p>Documentation Needed:</p> <ul style="list-style-type: none"> • Employer documentation verifying change in employment status (e.g., furlough) • Copy of paycheck stub(s) received before reduction and copy of most recent paycheck stub(s) since reduction in 2020 or 2021 <p><u>Reduction in Income/Benefits:</u> You, your spouse, or your parent(s), if dependent, lost income or benefits outside of employment (i.e., child support, unemployment, etc.).</p> <p>Documentation Needed:</p> <ul style="list-style-type: none"> • Third-party official documentation reporting date income or benefit was terminated/exhausted
Divorce/Separation	<p><u>For separation:</u> Signed statement indicating date of separation and two official documents (e.g., copy of lease, utility bill, driver’s license, etc.) verifying the physical address of the absent spouse/parent (no P.O. boxes)</p> <p><u>For divorce:</u> A divorce decree</p>

Unusual Medical/Dental Expenses	Medical and/or dental expenses for 2020 or 2021 that were paid out-of-pocket (i.e., not what insurance covered) for you, your spouse (if applicable) and/or your parent(s)/sibling(s), if dependent. Documentation Needed: <ul style="list-style-type: none"> • Copies of canceled checks for out-of-pocket payments and/or receipts of payments • A copy of your FSA or HSA account showing payments and/or a copy of your medical account listing payments and dates
Death of Parent or Spouse	Copy of the death certificate or a published newspaper obituary with date of death

This form will not be considered unless all of the required documentation is attached.

My signature certifies that the information provided for this request and all accompanying documentation is true and correct to the best of my knowledge.

Student Signature: _____ **Date:** _____

DO NOT WRITE BELOW THIS LINE

FOR OFFICE USE ONLY

School Final Action: Approved: _____ Denied: _____

Signature of School Official _____ Date _____

EXHIBIT B
Center for the Healing Arts
Student Emergency Financial Aid Grants
Grant Notification & Attestation Statement

Student Name: _____

Current Mailing Address: _____

Cell Phone: _____

EmailAddress: _____

Date: _____

GRANT AWARD AMOUNT:

OUTSTANDING BALANCE DUE TO SCHOOL:

Please return this Notification & Attestation Statement to the School as soon as possible but no later than November 28, 2021. Failure to return this attestation statement by this date may result in your grant award being forfeited and those funds being used to make additional grants to other students.

I accept the grant award provided to me from funding made available to the Center for the Healing Arts under American Rescue Plan Act of 2021 (ARP).

I certify the following:

- All information provided in this Attestation Statement is true and correct to the best of my knowledge.
- I have experienced additional expenses due to the disruption caused by coronavirus.
- I understand that any money awarded from this grant is to be used for any component of my cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health care (including mental health care), or childcare.

I understand that I have the option, but that I am not required, to apply some or all of the Grant Award Amount toward my outstanding balance due to the School. Whether I choose to apply some or all of my Grant Award Amount toward my outstanding balance due to the School will not change my Grant Award Amount.

Please indicate your choice for the disbursement of your Grant Award Amount (choose one):

_____ I give my consent for the School to use my Grant Award Amount as payment toward my
initials outstanding balance with the School. If the Grant Award Amount is greater than my outstanding
balance, then the School will give me a check for the difference. If the Grant Award Amount is less
than my outstanding balance, then I shall be responsible for any remaining balance due. I understand
that my Grant Award Amount is not conditioned upon my consenting to the use of my Grant Award
Amount as payment toward my outstanding balance due to the School.

_____ I choose to receive a check from the School for my Grant Award Amount. I would like to receive
initials my grant check (choose one): _____ Pick Up at School _____ Mail to my Current Address

Student Signature

Date

EXHIBIT C

November __, 2021

Student Name:

Current Mailing Address:

Re: Student Emergency Relief Grant

Dear Student,

The American Rescue Plan Act of 2021 (ARP) provides emergency assistance for students who are in need of financial support for expenses related to the disruption of campus operations due to the coronavirus pandemic. Under ARP Act of 2021, the Center for the Healing Arts has received grant funding from the U.S. Department of Education for the purpose of making emergency financial aid grants to its students.

Enclosed please find an emergency financial aid grant check in the amount of \$ _____. This is a grant, which means that this amount does not need to be repaid. Your acceptance of this grant award is conditioned upon your agreement to use the funds for the purposes allowed under ARP Act of 2021, and as agreed upon by you in the attestation statement that you previously provided to the School. In particular, you understand that the money awarded from this grant is to be used for any component of your cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health care (including mental health care), or childcare.

We hope that you and your family and friends are safe and healthy. Please do not hesitate to contact us if you have any questions.

Very truly yours,

Joelle Denneler, President
Center for the Healing Arts