October 12, 2016

6:00 pm ET

Coordinator: Welcome and thank you for standing by. At this time, all participants will be in a listen-only mode. This call is being recorded. If you have any objections, you may disconnect at this time.

Now I’ll turn the call over to your host, Byron Scott. Sir you may begin.

Byron Scott: Hello, everyone, and welcome. My name is Byron Scott and I’m with the US Department of Education. I’m joined today by several of my colleagues who will be answering your questions throughout the presentation.

We will be presenting information and you will have the opportunity to ask questions. And we’ll we’ll remain on the line for a few minutes after the presentation to answer your questions. The presentation will not take the full hour.

You can submit questions by typing in the Q&A box on the bottom right portion of your screen.

If by some chance we’re unable to answer all your questions before we end the webinar, please be sure and include your e-mail address with your question so we can respond later via e-mail.

We also encourage you to download a copy of the presentation. There are many links to websites throughout the presentation that have more detailed information about what we’ll be discussing today. This presentation then will be a good reference for you going forward.

To download a copy of the presentation, simply highlight the webinar About Closure-Regency Beauty in the top left corner of your screen under File and then click Download File.

So with that, let’s get started.

On September 28, 2016, officials from Regency Beauty Institutes notified the US Department of Education and their state postsecondary education oversight bodies that they were immediately closing their 79 locations across the country.

As a result of this sudden closure, all Regency Beauty Institutes have lost their eligibility to receive Federal Student Aid funds from the department.

We have created a website to assist students affected by Regency’s closure. This website, studentaid.gov/regency, is being updated regularly, so please check back frequently.

If you’ve been attending a Regency campus that has closed, you have several options. You can transfer to another school. And Regency has published a list of teach-out schools on their website at www.regency.edu/teachout. And you are encouraged to contact any schools that are listed if you are interested in the teach-out.

Regency will be held responsible for any return of Federal Student Aid funds which were due to students and have not yet been received or earned prior to closure. We are working with staff from Regency to make sure unearned Student Pell Grant and Federal Direct Loan Funds are restored for future eligibility.

Some states have a Tuition Recovery Fund. And if you were enrolled in a school in a state that has a Tuition Recovery Fund, you may be eligible for refund from this source. To learn more, you can find the applicable state postsecondary education agency for your state on our website, studentaid.gov/closures.

The department is working with state postsecondary agencies to support transfer fare to inform students of their options and answer questions. As they are scheduled, they will be posted to our Regency website.

Another option for students who were enrolled are for closed - is for a Closed School Discharge. And you can visit our website for additional information about the Closed School Discharges and you may want to review the second link on this slide which is an overview of the discharge process.

To apply for a Closed School Discharge, complete and return the Closed School Loan Discharge application and return it to your loan servicer. To find out which loan servicer is servicing your account, you can log in to My Federal Student Aid at studentaid.ed.gov/npas/index.htm.

The application for a Closed School Discharge can also be found on our website at the address listed. So a question we receive frequently is, students want to know if they will qualify for a Closed School Loan Discharge.

As a student loan borrower or a parent who borrowed a PLUS Loan on a student’s behalf, you may be eligible for 100% discharge of your federal student loans borrowed to attend the closed school under either one of two circumstances:

* Your school closed while you were enrolled and you did not complete your program because of the closure. If you were on an approved leave of absence from the school for the purposes of Title IV HEA programs when the school closed, you are considered to have been enrolled at the school.
* Your school closed within 120 days after the date you withdrew from all classes.

You are not eligible for a discharge of your loans if your school closed and any of the following is true:

* You withdrew from all classes before May 31, 2016 which is more than 120 days before Regency Beauty Institute closed.
* You completed all of your coursework through your program prior to your school closing even though you have not yet received the diploma or certificate.
* You were completing a comparable educational program at another school through a teach-out agreement with the school or by transferring hours earned at the closed school to another school or by another comparable means.

We recommend that you take the time to review all your options before making any decision. What is right for you may not be the best decision for another student.

We also urge you not to pay for any services, like loan forgiveness, that the department provides for free. For more information, please visit our blog or a second website that has further information about how to avoid scams.

We have been collecting frequently asked questions about school closures and you can find that online at the address shown on this slide.

And then on the following slides we’ll go over a sample of these frequently asked questions.

Will I be able to finish my program?

You will not be able to complete your current program at Regency. However, you may be able to transfer to a new institution and finish your program at the new school. Each school will have its own requirements that will be used to determine which of your hours will transfer.

If you do transfer into a comparable program offered by another school, that school will evaluate your previous coursework and decide whether all of your completed hours will be accepted and what remaining hours you need to complete.

How can students obtain a copy of their academic transcript?

Regency posted information for students on its website at regency.edu/student. Regency is mailing every current student, including any student who was enrolled within the 120 days preceding closure his or her final transcript. These mailings began on September 28th and will continue until completed.

Regency is also providing a copy of each student’s final transcript to the State Cosmetology Board or State Higher Education Authority, if applicable, and it is engaging a records management company who can administer student transcript request in the future.

Another question is, how much Title IV Federal Student Aid have I received and how much more might I be eligible to receive? For information on your Federal Student Aid history and your remaining eligibility for certain Federal Student Aid programs, please visit the My Federal Student Aid webpage.

Each student’s eligibility for additional Federal Student Aid funds will need to be evaluated independently. When enrolling in a new institution, you can update your FAFSA to include the federal school code for your new school then schedule a meeting with the financial aid office to discuss your financial aid eligibility.

If you have not recently accessed the department’s financial aid systems, you can no longer use your Federal Student Aid PIN. If you do not yet have an FSA ID, you’ll need one to access your federal loan history. You can find more information about this process on the studentaid.ed.gov website.

Another question we received is, if I enroll by transferring hours earned from Regency Beauty Institute into a comparable program at another school for the purpose of completing the program for which a loan was made at Regency, can I still receive a Closed School Loan Discharge?

The answer is no, not if you completed or are in the process of completing a comparable program of study at the new institution.

Another question, I transferred from Regency Beauty Institute and enrolled in a completely different program of study at a new school and completed the new program. Are the previous loans from Regency dischargeable?

The answer is yes, because the program of study at the new school is completely different than that of the closed school for which the loans were intended.

Another question: I recently enrolled at a new school in a comparable program of study to what I was enrolled in at Regency but I did not receive credit for the work I completed at Regency. Am I still eligible for a Closed School Discharge?

Yes. Assuming that you meet all other criteria, you may be eligible for a Closed School Loan Discharge of the loans you received to finance your course of study at Regency.

We want to make sure that you get the help you need to understand your option. If you have additional questions on the topics covered in this webinar, please contact the Federal Student Aid Information Center at 1-800-4FEDAID. That’s 1-800-4FEDAID.

It doesn’t look like we’ve gotten too many questions today but I will turn it over to my colleague, Julie Arthur, who will share some of questions that we have received tonight.

(Julie): We haven’t had a lot of questions during this webinar but some of the questions that we have had in the past you might find interesting. We’ve had a number of students ask us if what happens to their hours if they get a loan discharge.

Your hours will always be there. And that’s why it’s so important to get a copy of your transcript so that you have a record that you completed those hours at Regency. So your hours would still be there even if you got a loan discharge. The issue really is whether or not you plan to use those hours at another school to complete the program of study you started at Regency.

We’ve also had some questions about graduation and for students who were close to graduating. And one of the questions has to do with payments made for tuition at Regency. That’s an issue you really need to contact the state postsecondary agency that has oversight.

And as we mentioned earlier in the presentation on the website regarding closed schools, studentaid.ed.gov, there is information about state agencies for each of the state.

So another person has asked, what about any Pell Grants or other grants from the federal government that you may have received while attending a Regency school?

You can, in fact, get your loans discharged but there isn’t any way to do anything about the Pell Grant that you used while you’re attending Regency. So those Pell Grants that you used would continue to show up as having been used and would count against your Pell lifetime eligibility.

We are getting some additional questions about tuition payments made out of pocket rather than being paid by Federal Student Aid. And as I mentioned, for a student who has questions about the possibility of recovering tuition dollars paid out of pocket, you should find out which state postsecondary education agency is the right one in your state and contact them to ask if they have a tuition recovery program.

Another individual asked, if they graduated back in 2013 whether or not that student would be able to have any recourse now that the school has closed. And if you were able to complete your education prior to the school closing, then you would not be eligible for a Closed School Loan Discharge.

We did have somebody asked questions about transcripts. And so I’m going to go back to that slide and provide that information to you on the screen.

As we mentioned during the presentation, transcript information - transcripts are being mailed to every current student who is current at the time that the school closed or who was enrolled within the last 120 days prior to the closure.

And also Regency is providing a copy of each student’s final transcript to the State Cosmetology Board or State Higher Education Authority, if applicable.

The company is also going to engage a records management company that will be able to maintain these records and make them available for students to obtain later on. And you’ll be able to find out that information once Regency picks a company and Regency will post it on their website.

Somebody has asked, what address will the transcript be mailed to? We really don’t have any way of knowing that. However, I would think that it would be the latest address that Regency had for you. So hopefully they had your current address or you have a forwarding notice on your prior address so that you’ll be able to get the transcript.

Another person has asked, what if there’s no teach-out school listed for your state? The teach-out schools are basically schools that Regency talked to before they closed to see about having students transfer there. You can still transfer to another school. So if you were to just look in your area and see what other cosmetology schools there are, you could go and talk to any of them.

Not all cosmetology schools participate in the Federal Student Aid program. So if you need Federal Student Aid in order to continue your education, you should be careful to choose a school that does participate in the Federal Student Aid programs.

One way of being able to tell if a school does participate in Federal Student Aid is by using the federal school code list on the FAFSA and checking to see if the school is listed. If the school is not listed, there’s no federal school code for the school and they do not participate in the Federal Student Aid program.

If you want to search for other schools in your area that offer cosmetology programs, you can do so on the College Navigator website. College Navigator is a great place to search by type of program and by location to find schools that offer the same program.

Let’s see. We have a couple of other things.

So another student has asked the question about what happens to their most recent disbursement of Federal Student Aid if they only put in maybe 20% of the hours that that was intended for.

That’s what Regency is currently in the process of working on. They’re doing calculations to see how much money needs to be returned based on how much of the payment period that the student completed and Regency is working on that. They’re updating records. It will take a little while for them to get through all of the records. But they are making updates and working with the Department of Education to clear up those issues.

Someone else has asked about how to find out the state agencies. We do have a slide that talks about the state agencies and where to find that information. And I’ll scroll back through our presentation so that we can put that information up there.

If you look at the StudentAid.gov/closures website, you’ll see which postsecondary agency is the right one for your state. And I’ve put that slide back up on the screen.

At this time, it appears that those are pretty much the questions that we’ve been asked so far. We’ll remain logged in to the Classroom website for a few more minutes after the presentation ends to see if any other questions come in and we’ll try answering those.

And if for some reason your question was one that we don’t have an answer to, as long as you’ve provided us with your e-mail address, we will e-mail you to answer the question after we have an answer for you.

At this point, we don’t have any more to share with you at this time. We hope that you’ll let other people know about this presentation so that if you have friends who haven’t been able to attend one of the three that we presented today they’ll be able to attend one of the ones we’re having later this week.

And if you do have questions after this presentation, remember, you can call 1-800-4FEDAID and they will take care of your questions.

So thanks very much for attending today.

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