

Proration Examples

Cosmetology Program

Example 1

Holly is a dependent student enrolled in the 1500 clock hour Cosmetology program at Dymond Designs Beauty School.

\$3,500 subsidized and \$2,000 unsubsidized are the annual loan limits for a total of \$5,500.

Program = 1500 clock hours

1st academic year = 900 clock hours

$(900 \text{ clock hours} / 900 \text{ clock hours}) \times \$3,500 \text{ subsidized} = \$3,500 \text{ subsidized}$

$(900 \text{ clock hours} / 900 \text{ clock hours}) \times \$2,000 \text{ unsubsidized} = \$2,000 \text{ unsubsidized}$

The maximum combined subsidized and unsubsidized Direct Loan amounts Holly can borrow is \$5,500, but no more than \$3,500 of this amount may be subsidized.

2nd academic year = 600 clock hours

$(600 \text{ clock hours} / 900 \text{ clock hours}) \times \$4,500 \text{ subsidized} = \$3,000 \text{ subsidized}$

$(600 \text{ clock hours} / 900 \text{ clock hours}) \times \$2,000 \text{ unsubsidized} = \$1,333 \text{ unsubsidized}$

The maximum combined subsidized and unsubsidized Direct Loan amounts Holly can borrow is \$4,333, but no more than \$3,000 of this amount may be subsidized.

Example 2

Krissy is an independent student enrolled in the 1500 clock hour Cosmetology program at Dymond Designs Beauty School.

\$3,500 subsidized and \$6,000 unsubsidized are the annual loan limits for a total of \$9,500.

Program = 1500 clock hours

1st academic year = 900 clock hours

$(900 \text{ clock hours} / 900 \text{ clock hours}) \times \$3,500 \text{ subsidized} = \$3,500 \text{ subsidized}$

$(900 \text{ clock hours} / 900 \text{ clock hours}) \times \$6,000 \text{ unsubsidized} = \$6,000 \text{ unsubsidized}$

The maximum combined subsidized and unsubsidized Direct Loan amounts Krissy can borrow is \$9,500, but no more than \$3,500 of this amount may be subsidized.

2nd academic year = 600 clock hours

$(600 \text{ clock hours} / 900 \text{ clock hours}) \times \$4,500 \text{ subsidized} = \$3,000 \text{ subsidized}$

$(600 \text{ clock hours} / 900 \text{ clock hours}) \times \$6,000 \text{ unsubsidized} = \$4,000 \text{ unsubsidized}$

The maximum combined subsidized and unsubsidized Direct Loan amounts Krissy can borrow is \$7,000, but no more than \$3,000 of this amount may be subsidized.

Proration Examples

Esthetics Program

Example 1

Jack is a dependent student enrolled in the 750 clock hour Esthetics/Advanced Esthetics program at Dymond Designs Beauty School.

\$3,500 subsidized and \$2,000 unsubsidized are the annual loan limits for a total of \$5,500.

Program = 750 clock hours

Academic year = 900 clock hours

$(750 \text{ clock hours} / 900 \text{ clock hours}) \times \$3,500 \text{ subsidized} = \$2,917 \text{ subsidized}$

$(750 \text{ clock hours} / 900 \text{ clock hours}) \times \$2,000 \text{ unsubsidized} = \$1,666 \text{ unsubsidized}$

The maximum combined subsidized and unsubsidized Direct Loan amounts Jack can borrow is \$4,583, but no more than \$2,917 of this amount may be subsidized.

Example 2

Jill is an independent student enrolled in the 750 clock hour Esthetics/Advanced Esthetics program at Dymond Designs Beauty School.

\$3,500 subsidized and \$6,000 unsubsidized are the annual loan limits for a total of \$9,500.

Program = 750 clock hours

Academic year = 900 clock hours

$(750 \text{ clock hours} / 900 \text{ clock hours}) \times \$3,500 \text{ subsidized} = \$2,917 \text{ subsidized}$

$(400 \text{ clock hours} / 900 \text{ clock hours}) \times \$6,000 \text{ unsubsidized} = \$5,000 \text{ unsubsidized}$

The maximum combined subsidized and unsubsidized Direct Loan amounts Jill can borrow is \$7,917, but no more than \$2,917 of this amount may be subsidized.