



November 21, 2012

Mr. Jack Forrest
President
Remington College – Houston Campus
3110 Hayes Road, Suite 380
Houston, TX 77082

Certified Mail
Return Receipt Requested

No. 7011 2000 0000 8054 4059

RE: Final Program Review Determination
OPE ID: 03026500
PRCN: 201240627975

Dear Mr. Forrest:

The U.S. Department of Education's (Department's) Dallas School Participation Division issued a program review report on August 31, 2012 covering Remington College – Houston Campus' (Remington) administration of programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 *et seq.* (Title IV, HEA programs), for the 2011-2012 award year. The institution's final response was received on September 30, 2012.

The Dallas School Participation Division has reviewed Remington's response to the Program Review Report. A copy of the program review report (and related attachments) and Remington's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by Remington upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

The Program Review Report included a finding concerning Credit Balances Paid Late. Based on the response submitted by Remington, the Dallas School Participation Division has determined that the finding should not have been included in the Program Review Report. Therefore, Remington may consider the program review closed with no further action required.

Program records relating to the period covered by this program review must be retained until the later of: the resolution of the loan(s), claim(s) or expenditure(s) questioned in the program review [34 C.F.R. § 668.24(e)(3)(i)] or the end of the retention period applicable to the record [34 C.F.R. § 668.24(e)(1) and (e)(2)].

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

Dallas School Participation Division

1999 Bryan Street, Suite 1410, Dallas, Texas 75201-6817

StudentAid.gov

Remington College – Houston Campus
OPEID 03026500
PRCN 201240627975
Page 2 of 2

If you have any questions, please call MaEsther Francis at (214) 661-9456.

Sincerely,

(b)(6)

for
Cynthia Thornton, Director
Dallas School Participation Division

Enclosures: Program Review Report (with attachments)
Remington's Response to the Program Review Report

cc: James Dunn, Financial Aid Administrator
Texas Higher Education Coordinating Board
Texas Department of Licensing and Regulation
Texas Work Force Commission
Accrediting Commission of Career Schools and Colleges
Texas Guaranteed Student Loan Corporation



August 31, 2012

Mr. Jack Forrest
President
Remington College - Houston Campus
3110 Hayes Road, Suite 380
Houston, TX 77082

Certified Mail
Return Receipt Requested

No. 7002 3150 0005 7292 6380

RE: **Program Review Report**
OPE ID 03026500
PRCN 201240627975

Dear Mr. Forrest:

From July 9, 2012 through July 13, 2012, Shebony Foster and Maesther Francis conducted a review of Remington College - Houston Campus's (Remington's) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The findings of that review are presented in the enclosed report.

Findings of noncompliance are referenced to the applicable statutes and regulations and specify the action required to comply with the statute and regulations. Please review the report and respond to each finding, indicating the corrective actions taken by Remington. The response should include a brief, written narrative for each finding that clearly states Remington's position regarding the finding and the corrective action taken to resolve the finding. Separate from the written narrative, Remington must provide supporting documentation as required in each finding.

Please note that pursuant to HEA section 498A(b), the Department is required to:

- (1) provide to the institution an adequate opportunity to review and respond to any preliminary program review report¹ and relevant materials related to the report before any final program review report is issued;
- (2) review and take into consideration an institution's response in any final program review report or audit determination, and include in the report or determination –
 - a. A written statement addressing the institution's response;
 - b. A written statement of the basis for such report or determination; and
 - c. A copy of the institution's response.

¹ A "preliminary" program review report is the program review report. The Department's final program review report is the Final Program Review Determination (FPRD).

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AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

1999 Bryan Street, Suite 1410

Dallas, TX 75201-6817

The Department considers the institution's response to be the written narrative (to include e-mail communication). Any supporting documentation submitted with the institution's written response will not be attached to the FPRD. However, it will be retained and available for inspection by Remington upon request. Copies of the program review report, the institution's response, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after the FPRD is issued.

The institution's response should be sent directly to Shebony Foster of this office within 30 calendar days of receipt of this letter.

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. § 668.24(e).

We would like to express our appreciation for the courtesy and cooperation extended during the review. Please refer to the above Program Review Control Number (PRCN) in all correspondence relating to this report. If you have any questions concerning this report, please contact Shebony Foster at 214-661-9577 or shebony.foster@ed.gov.

Sincerely,

(b)(6)

Kim Peeler
Program Compliance Manager

cc: James Dunn, Financial Aid Administrator



START HERE
GO FURTHER
FEDERAL STUDENT AID

Prepared for

**Remington College - Houston
Campus**

OPE ID 03026500

PRCN 201240627975

Prepared by

U.S. Department of Education

Federal Student Aid

Dallas School Participation Division

Program Review Report

August 31, 2012

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A. Institutional Information

Remington College - Houston Campus

3110 Hayes Road, Suite 380

Houston, TX 77082

Type: Private, Nonprofit

Highest Level of Offering: Associate's Degree

Accrediting Agency: Accrediting Commission of Career Schools and Colleges

Current Student Enrollment: 1876 (2012)

% of Students Receiving Title IV: 92.6% (2012)

Title IV Participation: Funding Report and Institutional Records

	2011-2012
Federal Pell Grant Program	\$ 12,731,820
Federal Direct Loan Program (Subsidized)	\$ 9,204,029
Federal Direct Loan Program (Unsubsidized)	\$ 12,654,432
Federal Direct Loan Program (PLUS)	\$ 41,066
Federal Supplemental Educational Opportunity Grant	\$ 206,070
Academic Competiveness Grant	\$ 132,815

Default Rate FFEL/DL:	2009-8.6%
	2008-9.0%
	2007-11.1%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Remington College - Houston Campus (Remington) from July 9, 2012 to July 13, 2012. The review was conducted by Shebony Foster and Maesther Francis.

The focus of the review was to determine Remington's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of Remington's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 15 files was identified for review from the 2011-2012 award year. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for that award year. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning Remington's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve Remington of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by Remington to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding 1. Credit Balances Paid Late

Citation: Institutions are required to pay credit balances when the amount of Title IV, HEA funds credited to a student's account exceeds the amount of tuition and fees, room and board, and other authorized charges. Institutions must pay such credit balances directly to the student or parent as soon as possible but no later than 14 days after the credit balance occurred if the credit balance occurred after the first day of class of a

payment period, or no later than 14 days after the first day of class if the credit balance occurred on or before the first day of class of a payment period. 34 CFR § 668.164(e)

If an institution receives authorization from the student to hold credit balance funds, the institution must pay any remaining balance on loan funds by the end of the loan period and any other remaining Title IV, HEA program funds by the end of the of the last payment period in the award year for which the funds were awarded. 34 CFR § 668.165(b)

Noncompliance: Remington failed to pay credit balances timely for students #1, #4, #14, and #15. For example:

Student #4 – A Title IV credit balance was created on November 30, 2011. The student received the credit balance payment on February 3, 2012.

Student #14 – Title IV funds posted on December 21, 2011 created a credit balance. The credit balance was not paid until March 5, 2012, even though the student graduated on February 19, 2012.

Required Action: Remington must develop and submit to this office a policy describing how it will ensure that in the future all credit balance funds are paid timely.

D. Appendix

Appendix A (Student Sample) contain personally identifiable information and will be emailed to Remington as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file(s) will be sent in a separate email.

Appendix A: Student Sample (provided under separate cover)

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Remington Colleges, Inc.

September 28, 2012

Ms. Shebony Foster
United States Department of Education
Federal Student Aid, School Participation Team – Dallas
1999 Bryan Street, Suite 1410
Dallas, TX 75201-6817

Re: Program Review Report
OPE ID 03026500
PRCN 201240627975

Dear Ms. Foster

We are in receipt of the letter dated August 31, 2012 from Kim Peeler, Program Compliance Manager and of the Program Review Report of the same date attached thereto. The letter instructs that "the institution's response should be sent directly to Shebony Foster within 30 days of the receipt of this letter". Please allow this correspondence and the enclosures herewith to serve as the official response of Remington College – Houston Campus ("Remington").

Finding 1. Credit Balances Paid Late

Noncompliance: Remington failed to pay credit balances timely for students #1, #4, #14, and #15.

Response to Finding 1

Remington respectfully disagrees with the finding, and trusts that the additional information in our response will resolve the Department's concerns about this Finding (copies of the documentation supporting our responses below for each student are enclosed).

Student #1 – Student had a Title IV Credit Balance Hold Authorization form dated 2/3/11. The Title IV Credit Balance was created on 9/9/11. The loan period ended on 10/13/11. We issued the credit on 10/7/11 before the end of the loan period.

Student #4 – Student had a Title IV Credit Balance Hold Authorization form dated 6/16/11. The Title IV Credit Balance was created on 11/30/11. The loan period ended on 2/16/12. We issued the credit on 2/3/12 before the end of the loan period.

Student #14 – Student did not have a Title IV credit balance created on 12/21/11. The student started her second academic year on 10/24/11. The loan period was 10/24/11 – 2/19/12. The cost of tuition for this period was \$6635.00. Total TIV funds received for this period were \$4,782.00 (Federal Direct Subsidized Loan disbursements in the amounts of \$944.00 and \$943.00, a Pell Grant disbursement in the amount of \$2,775.00 and a Supplemental Education Opportunity Grant in the amount of \$120.00). The

student's credit balance at graduation in the amount of \$1.00 was caused by her cash payment on 9/20/11, and was paid in accordance with Remington's refund policy.

Student #15 – Student had a Title IV Credit Balance Hold Authorization form dated 8/30/11. The Title IV Credit Balance was created on 2/28/12. The loan period ended on 5/17/12. We issued the credit on 4/20/12, prior to the end of the loan period.

Although we disagree with the finding, Remington has taken steps recently to increase assurance that Title IV credit balances are paid within the timeframes as required by and set forth in 34 C.F.R. 668.164(e).

Specifically, the following steps have been/will be taken:

1. During the enrollment process, students are asked to complete a Credit Balance – Disclosure and Student Election Form. The student will elect to either: have any credit balance created held during the current academic year, or to have any credit balances that occur paid directly to them. If the student does not make an election, then Remington will treat the student as if they elected to have credit balances paid directly to them and not held. The Credit Balance Authorization form makes it clear that students who elect to have their credit balances held, may modify or rescind their election by notifying Remington of their desire to modify or rescind their election by written, electronic or verbal notification.
2. Remington's corporate financial aid office now runs a series of reports daily to identify students with Title IV credit balances.
3. Three weeks prior to the end of each loan period, Remington's corporate financial aid office now runs/will run a series of newly created reports to identify any students for whom Remington has a credit hold authorization on file and who have a Title IV credit balance. Refund checks will then be prepared and disbursed prior to the end of the loan period.

Remington believes these new procedures will assure timely payment of Title IV credit balances and continue Remington's compliance with this regulatory requirement.

Closing Comments

On behalf of Remington, Jack Forrest and myself, I want to thank you and Ms. Francis for the information and guidance you shared with us during your visit. Thank you for identifying areas for improvement and for the professional and courteous way in which you conducted the program review.

I trust our response fully addresses the finding and also serve to demonstrate Remington's commitment to compliance with the regulations and sound administration of the Federal Student Aid program. Please do not hesitate to contact James or me directly should you have any remaining questions or need additional information.

Sincerely,



James Dunn

National Director of Financial Aid
Remington College

Student # 1

Remington College - Dallas Campus
EXPLANATION AND AUTHORIZATION
TO
PAY CREDIT BALANCES

Student's Name: (b)(6); (b)(7)(C)
Social Security Number: [REDACTED]

Name of Institution: Remington College - Dallas Campus

Institutional Signature Representative: Ana

NOTE: Signing this form is optional and is not required for admission or enrollment to this college.

A CREDIT BALANCE is that amount of money owed to the student after he/she has paid educational costs for tuition and fees, board and housing, and books and supplies if contracted for a program with the institution.

STUDENT AUTHORIZATION

I understand that my account may (or may not) have a credit balance. Therefore, I request that in the event my account does have a credit balance, my credit balance be paid in the following manner:

FOR STUDENTS RECEIVING THE FEDERAL PELL GRANT, PSEOG,
FEDERAL PERKINS LOAN AND FFELP/FDSL/STAFFORD LOAN

The Institution is hereby authorized to retain the credit balance in my account to cover any institutional and non-institutional charges that I might incur prior to the end of the applicable loan period/award year.

Upon graduation, if a credit balance still exists, the refund shall be made to the funds in accordance to the Return of Title IV Funds Distribution Order.

If I withdraw from college, and after the Return of Title IV calculation has been applied, any credit balance remaining will be used to cover any additional institutional and non-institutional charges including current and/or prior year balances. Any credit balance remaining on my account will be refunded in accordance to the Return of Title IV Funds Distribution Order.

I hereby authorize the Institution to pay any credit balance in my account in accordance with the procedures set forth above.

(b)(6)

I understand that I may change my mind regarding the decision about my credit balance as long as I am still attending and I agree to inform the Institution in writing if I want to rescind this authorization.

Date: 2/3/11

Parent's Signature (if Plus Loans are used)

Date:

Student #4

Remington College - Houston Southeast Campus
EXPLANATION AND AUTHORIZATION
TO
PAY CREDIT BALANCES

Student's Name: (b)(7)(E)
Social Security Number: [REDACTED]

Name of Institution: Remington College - Houston Southeast Campus

Institutional Signature Representative: Jason V. [Signature]

NOTE: Signing this form is optional and is not required for admission or enrollment to this college.

A CREDIT BALANCE is that amount of money owed to the student after he/she has paid educational costs for tuition and fees, board and housing, and books and supplies if contracted for a program with the institution.

STUDENT AUTHORIZATION

I understand that my account may (or may not) have a credit balance. Therefore, I request that in the event my account does have a credit balance, my credit balance be paid in the following manner:

FOR STUDENTS RECEIVING THE FEDERAL FILL GRANT, PSEFC,
FEDERAL PERRINS LOAN AND BREKIDSLIP STARFORD LOAN

The institution is hereby authorized to retain the credit balance in my account to cover any institutional and non-institutional charges that I might incur prior to the end of the applicable loan period/award year.

Upon graduation, if a credit balance still exists, the refund shall be made to the funds in accordance to the Return of Title IV Funds Distribution Order.

If I withdraw from college and after the Return of Title IV calculator has been applied, any credit balance remaining will be used to cover any additional institutional and non-institutional charges including current and/or prior year balances. Any credit balance remaining on my account will be refunded in accordance to the Return of Title IV Funds Distribution Order.

I hereby authorize the Institution to pay any credit balance in my account in accordance with the procedures set forth above.

I understand that I have the option to change my mind regarding the decision about my credit balance as long as I am still attending the institution, and that it is my responsibility to inform the institution if needed if I want to rescind this authorization.

(b)(6)

Student's Signature: [Signature]

Date: June 16, 2017

Parent's Signature (if Plus Loans are used):

Date: June 16, 2017

Student # 194

Ledger Card

rpt_ledgerCard.rpt
James.Dunn@ramingtonadmin.edu

Sorted by Campus

9/28/2012
9:56:24AM

Student Name (b)(6); (b)(7)(C)
Address

Balance 0.00
Student ID [REDACTED]
Current Status Graduate
Program Version Cosmetology 2008 NHC Version 1 June Diploma 12
Start Date 3/21/2011
LOA 2/17/2012
Graduation Date 2/19/2012

Date	Check/Ref	Enrollment	Term	Campus	Code	Description	Charges	Payments	Balance
North Houston									
1/30/2011		CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	NOTR	HOU2		App. Fee Payment		45.00	(45.00)
2/2/2011		CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	NOTR	HOU2		App. Fee Payment		5.00	(60.00)
2/28/2011		CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	NOTR	HOU2	REG	Application Fee	50.00		0.00
2/28/2011	AUTO-020811	CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12		HOU2	TUIT	Tuition	22,000.00		22,000.00
3/16/2011	GP 1100000163/F A 304938	CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	P1102	HOU2		Supplemental Education Opportunity Grant 2010-11		65.00	22,065.00
3/17/2011	GP 1100000164/F A 304954	CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	P1102	HOU2		Fed. Grant 2010-11		2,715.00	20,065.00
4/6/2011	DL 1100000248/F A 305466	CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	P1102	HOU2		Federal Direct Sub Loan 2010-11		1,722.00	18,323.00
4/6/2011	DL 1100000248/F A 305466	CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	P1102	HOU2		Federal Direct Un-Sub Loan 2010-11		2,985.00	15,338.00
4/14/2011	ACG-PMT/EA 305708	CA11011663 : Cosmetology 2008 NHC Version 1 June Diploma 12	P1102	HOU2		ACG Grant 2010-11		375.00	14,963.00

Ledger Card

9/28/2012
9:59:24 AM

Student Name	(b)(6); (b)(7)(C)								
5/18/2011	CSAS05 - Tuition Reduction	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	NOTR	HOU2	TUIT	Tuition	(2,250.00)		12,713.00
6/23/2011	DL 1100000584/F A307479	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH05	HOU2		Federal Direct Sub Loan 2010-11	1,742.00		16,971.00
6/23/2011	DL 1100000584/F A307479	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH05	HOU2		Federal Direct Un-Sub Loan 2010-11	2,988.00		7,988.00
6/23/2011	SP 1100000584/F A307462	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PT05	HOU2		Supplemental Education Opportunity Grant 2010-11	60.00		7,928.00
6/27/2011	ACG PWR/FA 307565	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH05	HOU2		ACG Grant 2010-11	375.00		7,553.00
6/27/2011	SP 1100000618/F A307587	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH05	HOU2		Fell Grant 2010-11	2,775.00		4,778.00
9/16/2011	52698	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH05	HOU2		Stipend - UNSUB DL 2010-11	(1,854.00)		6,530.00
9/20/2011	052698/Title IV	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH05	HOU2		Unpackaged Payment	1,854.00		4,776.00
10/26/2011	DL 1200000570/F A311480	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH10	HOU2		Federal Direct Sub Loan 2011-12	844.00		3,832.00
10/26/2011	SP 1200000565/F A311574	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH10	HOU2		Supplemental Education Opportunity Grant 2011-12	120.00		3,712.00
10/28/2011	SP 1200000565/F A311577	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH10	HOU2		Fell Grant 2011-12	2,775.00		657.00
11/17/2011	CSAS05	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	NOTR	HOU2	TUIT	Tuition	5.00		642.00
12/21/2011	DL 1200000890/F A313084	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH10	HOU2		Federal Direct Sub Loan 2011-12	843.00		(1.00)
3/5/2012	18228	CA11011663 : Cosmetology 2008 NHO Version 1 June Diploma 12	PH10	HOU2		Refund - SUB DL 2011-12	(1.00)		0.00
North Houston Totals:							\$20,705.00	\$20,705.00	
Student Totals:							\$20,705.00	\$20,705.00	

Ledger Card

9/28/2012
9:09:24AM

Student #15

Remington College - Houston Southeast Campus
EXPLANATION AND AUTHORIZATION
TO
PAY CREDIT BALANCES

Student's Name: (b)(6); (b)(7)(C)
Social Security Number: [REDACTED]

Name of Institution: Remington College - Houston Southeast Campus

Institutional Signature Representative: *[Handwritten Signature]*

NOTE: Signing this form is optional and is not required for a student's enrollment at this college.

A CREDIT BALANCE is the amount of money owed to the student after he/she has paid educational costs for tuition and fees, board and housing, and books and supplies contracted for a program with the institution.

STUDENT AUTHORIZATION

I understand that my account may (or may not) have a credit balance. Therefore, I request that in the event my account does have a credit balance, my credit balance be paid in the following manner:

FOR STUDENTS RECEIVING THE FEDERAL Pell Grant, FSEOG,
FEDERAL PERKINS LOAN AND FEDERAL PLUS STAFFORD LOAN

The Institution is hereby authorized to retain the credit balance in my account to cover any institutional and non-institutional charges that I might incur prior to the end of the applicable loan period award year.

Upon graduation, if a credit balance still exists, the refund shall be made to the funds in accordance to the Return of Title IV Funds Distribution Order.

If I withdraw from college, and after the Return of Title IV calculation has been applied, any credit balance remaining will be used to cover any additional institutional and non-institutional charges including current and/or prior year balances. Any credit balance remaining on my account will be refunded in accordance to the Return of Title IV Funds Distribution Order.

I hereby authorize the Institution to pay my credit balance in my account in accordance with the procedures set forth above.

I understand that I have the option to change my mind regarding the decision about my credit balance as long as I am still attending the institution, and that it is my responsibility to inform the Institution regarding if I want to rescind this authorization.

(b)(6)
Student's Signature: *[Handwritten Signature]*

Date: August 30, 2011

Parent's Signature (if Plus Loans are used)

Date: August 30, 2011