

!!! CRUCIAL INFORMATION PLEASE READ!!!

Important Changes for Financial Aid 2012-13 School Year

Effective July 1, 2012 there will be many changes to financial aid programs due to changes in Federal and State regulations that may affect you. Below you will find a summary of the changes for the 2012-2013 school year. These changes apply to all students unless otherwise indicated. You should review these changes carefully and plan ahead for your educational future. If you have questions or concerns, visit your college Financial Aid Office.

Enrollment Fee Increase

Beginning with the summer 2012 semester, the enrollment fee will increase to \$46 per unit. The BOG fee waiver will cover the increase for eligible students.

Increase in the Minimum Need Required for a BOG C Fee Waiver based on the FAFSA

The amount of "need" to receive a BOG C Fee Waiver will change from \$1 to \$1,104. Need is determined by subtracting the Estimated Family Contribution (EFC) from the full year Cost of Attendance (COA) or Student Budget. The formula is COA minus EFC equals Need which must be \$1,104 or greater.

Decrease in the Maximum Lifetime Eligibility for a Pell Grant

The maximum lifetime eligibility to receive a Pell Grant (without earning a Bachelor's Degree) is changing from 9 full years to 6 full years. It is very likely that some students will have exceeded the 6 year limit and will no longer be eligible for a Pell Grant after July 1.

Elimination of the Ability to Benefit (ATB) Provisions

Students enrolling for the first time after July 1, 2012 must have a High School Diploma, GED or state equivalent to be eligible for any federal financial aid. Students will no longer have the option to pass an ATB test or to successfully complete 6 core/degree applicable units to gain eligibility for federal financial aid.

Increase in the Interest Rates for Direct Loans

The interest rates for Direct Loans will increase from 3.4% to 6.8% for loans disbursed on or after July 1, 2012.

Elimination of the Interest Subsidy for Direct Loans during the Grace Period

For new loans first disbursed on or after July 1, 2012 through June 30, 2014, the federal government will no longer subsidize (pay) the student loan interest

during the six month grace period. The grace period is the time between when the student graduates or drops below half-time status and the time when the student must start repaying the loan.

IRS Tax Transcript Required

Students that do not use the IRS Data Retrieval when completing their FAFSA online, and who must verify their tax and income information, must provide an IRS Tax Transcript to our office. We can no longer accept copies of federal tax returns (1040EZ, 1040A, 1040) beginning in the 2012-2013 academic year. To request an IRS Tax Transcript, students can call 1-800-908-9946 or order it online at <http://www.irs.gov/> and under the "Tools" section select "Order a Return or Account Transcript".