

Fall 2019 Financial Aid Update

FAFSA APPLICATION FOR 2019-2020

Remember you will now be able to submit a Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA) as early as October 1 every year. You will also report income information from an earlier tax year. On the 2019-2020 FAFSA, students and parents, if required, will report their 2017 income information, rather than their 2018 income information. Please use the IRS Data Retrieval tool as your 2017 tax return information should be readily available to link to your FAFSA from the IRS.

Many sources of financial aid are first-come, first-served so be sure to mark October 1, 2019 on your calendar to file the **2020-2021 FAFSA/CADAA**.

<https://studentaid.ed.gov/sa/about/announcements/fafsa-changes>

FINANCIAL AID NEWS AND UPDATES

California College Student Success Completion Grant

The Student Success Completion Grant (SSCG) is a community college financial aid program for Cal Grant B and Cal Grant C recipients enrolled in 12+ units. The purpose of the SSCG grant is to provide students with additional financial aid to help offset the total cost of community college attendance, and to encourage full-time attendance and successful on-time completion (2 years). This grant pays up to \$4000 annually. Student are eligible for up to \$649 per semester if enrolled in 12-14.9 units and up to \$2000 per semester if enrolled in 15+ units.

Eligibility is based on the following criteria:

- Be a California resident or an eligible AB540 student
- Not have a bachelor's or professional degree
- Have a high school diploma or equivalent
- Be a Cal Grant B or C recipient that received a full-time Cal Grant payment
- Be enrolled in at least 12 units
- Be meeting Federal Satisfactory Academic Progress (SAP) standards
- Have unmet financial need to receive the SSCG

<https://ccco.financialaidtv.com/play/60629-community-college-student-success-completion-grant/60631-what-community-college-student-success-completion-gran>

IRS Tax Return Transcripts

For students and parents who need a copy of the IRS Tax Return Transcript, detailed instructions on how to get this document from the IRS is available on the Verification Worksheet Forms and at the link below.

<https://www.reedleycollege.edu/admissions-aid/financial-aid/irs-tax-information.html>

Is my Major/Academic Program correct?

One of the requirements to be financial aid eligible is to enroll in an eligible academic program leading to a degree or certificate. Having an incorrect major could limit your financial aid eligibility and deny you access to specific financial aid programs offered at your campus. There are a few academic programs that are not financial aid eligible. Academic Counselors will have a list of those programs.

Students should verify through Web Advisor that their major is correct. If it is not correct, students should make an appointment to see an Academic Counselor to develop a Student Education Plan (SEP) and correct their major with the Admissions and Records Office.

Students Enrolled in Online Classes and Residing Out of State

Students with a legal or mailing address located outside of the state of California that enroll in online (web) classes only will not be allowed to enroll and will be dropped. As a result, students are not eligible for any Title IV financial aid. Institutions who want to offer online courses to students living out of state must enter into agreements with each state where they wish to operate. California has yet to finalize their agreement to be part of the State Authorization Reciprocity Agreement (SARA) that would negate the need for these kinds of agreements state by state and provide a blanket approval for all member states.

Financial Aid Appeals

If you are disqualified from receiving financial aid and you have documented circumstances that have affected your ability to be successful in your classes, you may submit a financial aid appeal before **November 1, 2019** for fall 2019. A Student Educational Plan (SEP) is required in order to submit an appeal. If you do not have an SEP, you will need to meet with an Academic Counselor to have a SEP completed. Our Satisfactory Academic Progress Policy and our Satisfactory Academic Progress Appeal form obtained from our website at www.reedleycollege.edu/financialaid.

Financial Aid Scams

Cal Grant Scam: There have been reports to the California Student Aid Commission (CSAC) that students are being contacted by individuals claiming to be from CSAC and asking for money in order to receive or reserve their Cal Grant award.

This is a scam. CSAC will never ask for money or credit card information. Do not provide any information if contacted.

If you have been a victim or target of this scam, please contact the proper authorities such as the California Attorney General's Office at **800-952-5225**.

IRS Scam: IRS impersonators are calling people and demanding a "Federal Student Tax". They use threats to intimidate and bully people into paying a tax bill. They may even threaten to arrest, deport or revoke the driver's license of their victim if they don't get the money.

The IRS Will Never:

- Call to demand immediate payment over the phone, nor will the agency call about taxes owed without first having mailed you a bill.
- Threaten to immediately bring in local police or other law-enforcement groups to have you arrested for not paying.
- Demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe.
- Require you to use a specific payment method for your taxes, such as a prepaid debit card.
- Ask for credit or debit card numbers over the phone.

For more consumer information on IRS Tax Scams, click this link, **Tax Scams**.

STUDENT LOAN INFORMATION

Student loan fees and interest rates are subject to change every July 1st.

Current Interest Rate for Direct Loans (July 1, 2019)

The interest rate for Direct Loans is 4.53% as of July 1, 2019 for loans disbursed from July 1, 2019 through June 30, 2020.

Origination fee for Direct Loans (effective October 1, 2019)

The origination fee for Direct Loans is 1.059% for loans with first disbursements on or after October 1, 2019 through September 30, 2020.

Subsidized Direct Loan Lifetime Eligibility

Congress approved a lifetime limit on receiving Subsidized Direct Loans. This limit applies to first time borrowers only. A first time borrower is defined as a student with a zero (\$0) loan balance as of July 1, 2013.

Student loan borrowers will be limited to 150% of subsidized loan eligibility based on the length of their academic program. For example, a student is enrolled in a 2-year degree program at Reedley College. The student will only have

three years of subsidized loan eligibility and after the third year, the student will no longer be eligible for a subsidized loan at our school. Also, if the student has not completed their academic program within that time period, may lose the interest subsidy on all their student loans.

If a student previously borrowed a Subsidized loan from any college and paid his loan balance down to \$0 before July 1, 2013, he would be considered a first time borrower and would be subject to the 150% Subsidized loan limit.

CALIFORNIA COLLEGE PROMISE GRANTS (CCPG) - ACADEMIC PROGRESS REQUIREMENTS

Students who do not meet the minimum standards, 2.0 cumulative GPA and complete more than 50% of their coursework for two consecutive primary semesters (not including summer), will be ineligible for a CCPG Fee Waiver. Consecutive terms are those with no more than one semester break in between.

If you are registered before grades are posted you may still be eligible to receive a CCPG fee waiver regardless of your current academic standing. Students' academic standing is determined by the Admissions and Records Office. If you have any questions or concerns in regards to how your academic standing was determined; please contact Admissions and Records. Additional information is available at the link below:

<https://icanaffordcollege.com/Financial-Aid/California-College-Promise-Grant>

FINANCIAL AID GUIDE

In an effort to better inform students and parents on financial aid rules and regulations, we have compiled and made available on our website a **Financial Aid Guide**. Students who receive financial aid must meet many requirements to maintain their financial aid eligibility. We encourage all students to read the Guide and use it as a reference when questions arise.

This page was last updated on August 13, 2019.