

# Spring 2020 Financial Aid Update

## FAFSA APPLICATION FOR SPRING 2020/SUMMER 2020

It's not too late to apply! Go to [www.fafsa.gov](http://www.fafsa.gov) to complete the 2019-2020 FAFSA application for the spring 2020 and summer 2020 semesters. If you filed taxes for 2017, use the IRS data retrieval tool to link your 2017 federal tax returns to your FAFSA. This will speed up processing of your 2019-2020 FAFSA application. The last day to submit the 2019-2020 FAFSA is June 30, 2020.

## FAFSA APPLICATION FOR FALL 2020/SPRING 2021 – APPLY NOW!

The 2020-2021 FAFSA will be asking for your and/or your parent's 2018 taxable and untaxable income. Please keep in mind, even though you can submit your 2020-2021 FAFSA earlier, you may not receive information until 2020. At Reedley College, we plan to begin processing 2020-2021 at the end of January 2020.

## 2020-2021 Financial Aid Priority Deadline is June 19, 2020

If you are maintaining good academic progress, submit all required documents, and completed your financial aid file by June 19, 2020, you will receive priority in determining your award eligibility. If you complete your financial aid file after June 19, 2020, your file will still be reviewed and your award eligibility determined, but there is no guarantee that it will be completed before the start of the Fall 2020 semester.

## CALIFORNIA DREAM ACT APPLICATION (CADAA) FOR FALL 2020/SPRING 2021

Undocumented students who qualify as AB540 students should complete the California DREAM ACT Application for 2020-2021 to be considered for state aid such as Cal Grant and the BOG Fee Waiver. **File your CADAA application by March 2, 2020.** Students can apply at <https://dream.csac.ca.gov/>.

## FINANCIAL AID NEWS AND UPDATES

### Free College Promise Program – AB19 Grant

- Available to first-time, first-year students
- Concurrent high school enrollment and the summer term immediately following high school graduation do not count
- Students must file the FAFSA or CADAA
- There are no income limits
- The grant will cover their enrollment fees, health fee, and ASB fees
- If the student qualified for a California College Promise Grant (CCPG), the Free College Promise Program will cover their remaining fees (Health and ASB)
- If the student has lost their California College Promise Grant eligibility (based on dual enrollment or concurrent high school classes) the student will not qualify for the Free College Promise Grant
- Students must be enrolled in 12 or more units as of census date or at the time of application
- Students must successfully complete 12 units in the fall to be eligible for a spring semester grant

## Free College Promise Program – Second Year

The Free College Promise Program will now pay for year two of community college for students who meet the basic criteria of first time, first-year students (all criteria above) with these additional requirements:

- Students must have enrolled in a community college their first year and successfully completed 24 or more units
- Students will be awarded one semester at a time based on successful completion of the prior semester.
- Dropping below full-time and not successfully completing 12 units will cause the student to lose eligibility going forward. There is no appeal process for loss of eligibility for this program.
- Students may only receive this grant for a maximum of two academic years.
- Summer enrollment is not considered a primary term, but can be paid for if the student enrolls in 12 units or more.

## Student Success Completion Grant (SSCG)

If you are a full-time student and a full-time Cal Grant B or C recipient, the Student Success Completion Grant may provide an additional \$1,298 (if you are attending 12-14 units per semester) or up to \$4,000 (if you are attending 15+ units per semester) annually, based on unmet need. Students apply for this grant by submitting the [Free Application for Federal Student Aid \(FAFSA\)](#) or the [Dream Act Application](#) by March 2<sup>nd</sup>.

**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
- Receive a full-time Cal Grant payment
- Be enrolled in at least 12 units
- Be meeting Satisfactory Academic Progress (SAP) standards
- Have unmet financial need

## IRS 1098-T Form

A 1098-T Form is an Internal Revenue Service (IRS) form provided to students to help you and your tax adviser determine whether you are eligible for the federal government's educational tax credits.

Eligible colleges must send the 1098-T Form to any student who paid qualified educational expenses in the preceding tax year. The information on the 1098-T Form is generated from any financial activity that occurred during the calendar year and is available on or before January 31, 2020.

If you only receive the California College Promise Grant (CCPG) and did not receive any additional financial aid then you are not eligible to receive a 1098-T Form.

For additional information about the 1098-T Tax Form from State Center Community College District, [click here](#).

## 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 on our website at [IRS Tax Information](#).

## Important Information Regarding Withdrawals

### All Classes Dropped

If you withdraw from ALL of your classes before 60% of the semester, you may be expected to repay all or a portion of your financial aid.

### Dropping Below 6 Units

If you receive a financial aid check based on 6 or more units and then drop below six units to less than half-time prior to receiving your second check, you will be required to repay all or a major portion of your financial aid. For example, if your original Pell Grant for the semester was \$2000 and you received your first disbursement of \$1000 (50%), you would have to repay a significant amount if you dropped to less than half-time status.

### Student Loan Borrowers

Withdrawing from all of your classes or dropping below 6 units will terminate your "IN-SCHOOL" status. Failure to re-enroll within the next six months will place your student loan in "REPAYMENT" status where you must begin making payments on your loan. Federal loans must be repaid regardless of whether you complete your college program or are able to find employment.

## 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.

## 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 Friday, April 3, 2020, for spring 2020. 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 are available from our website.

## 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](tel: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 1<sup>st</sup>.**

### **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 two-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. In addition, if the student has not completed their academic program within that timeframe, he may lose the interest subsidy on all his 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, the student 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.

Students registered before grades are posted you may still be eligible to receive a CCPG fee waiver regardless of their current academic standing. Students' academic standings are determined by the Admissions and Records Office. If you have any questions or concerns in regards to how your academic standing was determined, contact the Admissions and Records Office.

## 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 information was last updated on December 16, 2019.**