

Important Changes Affecting All Financial Aid Students

Please read below to note the changes coming to all Financial Aid students.

- **Ability to Benefit**

New students enrolling in college for the first time after July 1, 2012 **must** have a high school diploma or its equivalent to be eligible for federal financial aid. The law makes an exception for students who have completed a secondary school education in a home school setting that is treated as a home school or private school under state law.

- **Pell Grant**

Effective July 1, 2012, all students receiving Federal Pell Grants now have a lifetime limit of only 12 semesters (or its equivalent). Twelve semesters generally equals four to six years of undergraduate enrollment. The calculation of the duration of a student's eligibility will include **all years** of the student's receipt of Federal Pell Grant. If you have attended college for four years or more and received Federal Pell Grant each year, you probably will exhaust your lifetime limit of 12 semesters by 2012-13 award year.

- **Stafford Loans**

Students who receive subsidized Stafford Loans on or after July 1, 2012 and prior to July 1, 2014, must pay interest that accrues during the grace period. If not paid, the accrued interest will be capitalized (added to the principal of the loan).

- **Automatic Zero EFC**

Public Law 112-74 amended HEA section 479 (c) to reduce the income threshold for an automatic zero expected family contribution (EFC) from \$30,000 to \$23,000 for the 2012-13 award year for both dependent and independent students.

- **Board of Governor's Fee Waiver**

The minimum need to qualify for a BOG C will change from \$1 to \$1,104 effective July 1, 2012. Need is determined by this formula:

$$\text{Cost of Attendance} - \text{Expected Family Contribution} = \text{Financial Need}$$

- **Course Repetition**

Financial Aid does not pay for repeated courses. See Admissions & Records for institutional policy regarding course repetition.

- **Enrollment Fee Increase**

Beginning summer 2012, enrollment fees for California residents will increase to \$46 per unit. Please contact Admissions & Records for more information.

- **Verification**

To receive financial aid, federal law requires that applicants who are selected for verification must use the IRS Data Transfer. Students and parents who are unsuccessful in completing the IRS Data Transfer in FAFSA on the Web must provide IRS Tax Transcript. Refer to IRS Form 4506 at www.irs.gov/pub/irs-pdf/f4506t.pdf or online tax filers at www.irs.gov