

IMPORTANT FEDERAL CHANGES TO FINANCIAL AID FOR 2013-2014

FAFSA PROCESS

For the 2013-2014 school year, U.S. Dept. of Education made the following changes to the FAFSA and Verification processes:

IRS Data Retrieval- Pensacola State College strongly recommends all students, parents, and spouses (if applicable) upload their 2012 income tax information to the FAFSA using the **IRS Data Retrieval tool**. In order to do so, all parties must have filed their 2012 taxes, at least two weeks prior to filling out the FAFSA.

Verification-Students selected for verification will be required to:

- Complete and submit the Verification Worksheet.
<http://www.pensacolastate.edu/students/studentFormsApps.asp>
- Submit an official Tax Return Transcript obtainable from the IRS at www.irs.gov after the 2012 Tax Return has been filed. **(This is NOT required if the IRS Data Retrieval tool was used).**
- Submit Tax Return Transcripts for each person whose social security number is listed on the FAFSA who was required to file taxes in 2012 (students, parents, and spouses if applicable).

Note: Pensacola State College can no longer accept a signed copy of a Tax Return form filed with the IRS to complete the verification process.

PELL GRANT

- Maximum award increased to \$5645 for full time enrollment for an academic year.
- The amount of Federal Pell Grant funds a student may receive over his or her lifetime is limited by federal law to the equivalent of six years of Pell Grant funding. Since the maximum amount of Pell Grant funding a student may receive each year is equal to 100%, the six-year equivalent is 600%. There is no appeal when 600% is reached. Please visit <http://www.studentaid.ed.gov/types/grants-scholarships/pell/calculate-eligibility> to read about the Pell Grant Lifetime Eligibility Limit.
- Automatic zero EFC income threshold increased to **\$24,000** from the current \$23,000. Auto zero calculation applies only to the EFC calculation for dependent students (based on parent income) and independent students with dependents other than a spouse (based on the combined income of the student and spouse).

RETAKE COURSE WORK

- New Federal regulations allow only one retake of a course the student successfully completed. Successful grades are listed in the college catalog.
CAUTION: The course retaken will not replace the prior successfully passed course if the same course code has already been used on your transcript nor will it be used in the recalculation of your grade point average. **Repeat courses will count toward your attempted hours for financial aid purposes.**
- Students who were unsuccessful in their first attempt of a course may retake the course using their federal aid eligibility. **Students who fail courses the first time and then repeat them will use up their limited eligibility and will quickly have problems meeting the standards required of them for Financial Aid Satisfactory Academic Progress for continued eligibility.**

HIGH SCHOOL DIPLOMA

Can I receive federal aid if I don't have a standard high school diploma or my GED?

- No.
- The Ability to Benefit test option for establishing general student eligibility for Title IV funds has been eliminated for students who first enroll in a program of study beginning in the 2012-2013 academic year.

DIRECT LOANS

What changes were made to Direct Loans?

- Interest subsidies during the six month grace period are eliminated for new Stafford Loans made on or after July 1, 2012. The repayment period still begins six months after the student is no longer enrolled at least half-time. Interest accrued during those six months will be payable by the student rather than subsidized by the federal government.
- Go to <http://www2.ed.gov/office/osfap/directloan/student.htm/> for current information on federal loan interest rates.
- Effective July 1, 2013, **new borrowers** who will exceed 150% maximum timeframe are not eligible for Direct Loan Subsidized Loan. Please visit <http://ifap.ed.gov/eannouncements/attachments/051613DirectSubsidizedLoanLimit150PercentAnnounce1Attach.pdf> for additional information.