

## Financial Aid: Frequently Asked Questions

Indian Hills Community College

### **Q. How do I apply for Financial Aid?**

**A.** There are two ways to apply for financial aid: 1) File it electronically over the Internet (called FAFSA) at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). This can take four to six weeks to process, depending on the time of year. Be sure to read all of the instructions; or 2) Fill out a paper FAFSA (Free Application for Federal Student Aid) and mail it in. Mailing in a paper FAFSA may cause the processing time to be even longer. The Educational Opportunity Center (EOC) can also help with filing your FAFSA. They are located in the Bennett Student Services building, and can be reached at (800) 726-2585, ext. 5315 or (641) 683-5315 to schedule an appointment.

### **Q. How do I sign my FAFSA?**

**A.** If you use FAFSA on the web you may either use your assigned PIN number as your signature (and your parent, if dependent) or print out a signature page just prior to submitting your electronic application and mail it in. Make sure that all the signatures are properly submitted or the processing center will not be able to complete your financial aid processing. If you use a paper FAFSA, you (and your parent, if dependent) must sign the application.

### **Q. What am I applying for?**

**A.** By submitting your FAFSA to the processing center you will be considered for federal and state financial aid. The types of aid programs include: Grants - funds that are not paid back; Work Study - employment, usually on-campus, where you receive a paycheck bi-monthly; and Loans - low interest loans usually repaid after leaving college or dropping below half-time. Some scholarships are also based on the FAFSA results but usually require their own application and process (for example, State of Iowa grants and scholarships). Please visit [www.iowacollegeaid.gov](http://www.iowacollegeaid.gov) for the electronic application. The application can be found on the right-hand side of the page.

### **Q. Do I need to apply for admission before I apply for financial aid?**

**A.** No, but you will need to be admitted before we are able to finalize your award. We are required to match FAFSA results by SSN; therefore, we must have your SSN in our system (usually completed at Admissions) prior to IHCC being able to import your FAFSA.

### **Q. I don't live with my parents or my parents don't claim me on their tax returns. Do I still need to use their information on the FAFSA?**

**A.** Yes. It does not matter if you live with them or not. If you do not meet the Federal definition of an Independent Student, you are required to supply parental information on the FAFSA. Read the FAFSA instructions about dependency and who is considered a parent carefully. See "Step Three" on the FAFSA application to determine if you will be required to provide parent information on the application.

### **Q. Should I include my step-parent's information on the FAFSA?**

**A.** If the person who is considered the parent on the FAFSA is remarried at the time of the FAFSA filing, answer the FAFSA questions about this parent and the person whom your parent married (your step-parent).

**Q. I am separated/divorced from my spouse now. How do I file for financial aid?**

A. You do not include your spouse's income or other information on the FAFSA. If you and your spouse filed a joint Federal tax return and you need help in completing your FAFSA, you can make an appointment with the Educational Opportunity Center (EOC) by calling (800) 726-2585, ext. 5315 or (641) 683-5315. The EOC is located in the Bennett Student Services building on the Ottumwa Campus. Please be sure to take with you your Federal tax return, State return, and all W-2s (i.e. any and all income information that you have).

**Q. My ex-spouse has custody of our children, but I pay child support. Can I include my children on the application?**

A. You may include the children as part of your household on the FAFSA only if you provide more than 50 percent of the child's support. You may be required to provide documented proof of this. In most cases, if the children do not live with the student, they are not able to include the children on the FAFSA. You cannot claim the child as part of the household and claim the child support paid.

**Q. My spouse/parent passed away during the tax year required on the FAFSA. Do I include their income on the application?**

A. No. If the person has passed away, you do not provide that income information on the FAFSA.

**Q. I am getting married in the near future. Can I say I'm married on the FAFSA?**

A. You must file your FAFSA with your correct marital status at the time of submitting your application. If you (as a dependent student) get married, you may update your marital status on your FAFSA application IF you married prior to the first date of the term in which you will begin enrollment at IHCC for the current academic year.

**Example #1:** Let's say you initially filed your FAFSA as single on May 31, 2012, and you then married on July 6, 2012. If you are starting IHCC during the 12/WI term (November 15, 2012), then you are ABLE update your marital status to married on your FAFSA. You will also be required to submit your marriage certificate to the Financial Aid Office.

**Example #2:** Let's say you initially filed your FAFSA as single on May 31, 2012, and you then married on December 6, 2012. If you are starting IHCC during the 12/WI term (November 15, 2012), then you CANNOT update your marital status to married on your FAFSA. This is because you married AFTER the first date of the term that you began enrollment.

**Q. I can't find my tax returns. What can I do?**

A. Starting with the 2012-2013 academic year, copies of tax returns are no longer acceptable for verification purposes. You must order a "Tax Return Transcript" from the IRS. Tax Transcripts are free of charge. You can call (800) 908-9946 or you can visit [www.irs.gov](http://www.irs.gov) to order a transcript online. Detailed instructions on how to request a tax transcript are available online at [www.indianhills.edu/finaid](http://www.indianhills.edu/finaid).

**Q. I am dependent per the FAFSA instructions and my parents won't provide financial information on the FAFSA. What should I do?**

A. You might want to inform them that these are Federal regulations and parent information is used only to determine your aid eligibility. They would not be responsible for any loans you incur as the loans would be in your name. Under the Federal law, a financial aid administrator may, but is not required to, offer a dependent student an unsubsidized Stafford loan but not other Title IV Federal student aid if the

dependent student's parent(s) have stopped providing financial support to the student, will not financially support the student in the future, and decline to complete a FAFSA. If you have no contact/relationship with your parents that can be supported by third-party documentation such as a counselor, teacher, or clergy, an exception to the Federal regulation may be made. If so, please contact us about a special circumstance/dependency override appeal.

**Q. Why do I have to answer question 23 about drug convictions?**

**A.** Under Federal law, some students who have drug-related convictions may be ineligible for federal student aid. For help on answering question 23 on the FAFSA, please call (800) 433-3243 or go to [www.fafsa.ed.gov](http://www.fafsa.ed.gov) for guidance.

**Q. Do I have to apply for financial aid each year?**

**A.** Yes. An award year consists of Fall, Winter, Spring and Summer terms, in that order. All students must apply for financial aid for each award year. For example, if you start IHCC in 12/SP, you must complete and submit your 2011-2012 FAFSA application. Then if you are planning to return to IHCC for the 12/FA term, you must complete and submit your 2012-2013 FAFSA application.

**Q. When should I apply for financial aid?**

**A.** You may not apply before January 1 prior to the upcoming award year [for example, January 1, 2011 to apply for the 2011-2012 academic year (starting August 2011)]. However, it is suggested to file your Federal taxes (1040, etc.) as early as possible. It is recommended that you used the "IRS Data Retrieval" tool on your FAFSA application. Please note that you must wait approximately 2-3 weeks from the date you filed your taxes BEFORE this option will work. Some financial aid programs are limited in funding, thus are awarded on a first-come-first-serve basis.

**Q. I was selected by the processing center to have my FAFSA information verified. What does "verification" mean?**

**A.** If you were selected for verification, we are required to obtain certain documentation before we can complete your award. We will be requesting a copy of your, and your parent's if dependent, Federal Tax Return Transcript (1040, etc.), which can be ordered free of charge from the IRS (see above). We do not need your state and city income tax returns, unless otherwise requested. We will also need a Federal Verification Worksheet completed which will be mailed to you. Additional documents may be requested to complete verification of aid eligibility.

**Q. I'm currently in default on my student loans. Can I get financial aid?**

**A.** If you are in default on a Federal student loan, you are not eligible for any Federal or state financial aid. You must make satisfactory payment arrangements with the Department of Education to regain eligibility for aid. You must present the Financial Aid office with official notification from the Department of Education that you are no longer in default in order to receive aid.

**Q. How will I find out about what financial aid I qualify for?**

**A.** After we receive your FAFSA results from the processing center, you will receive an Estimated Award Letter. After we collect all required documents and correct any discrepancies, we will send you a Revised Award Letter to your IHCC email account.

**Q. What do I do with my Award Letter and Direct Loan Disclosure Statement or Promissory Note?**

A. Be sure to read the entire letter and all enclosed inserts carefully and follow the instructions.

**Q. What is Entrance Loan Counseling?**

A. Entrance Loan Counseling is a Federal requirement to assure that students understand the basics of borrowing a Student Loan. If you are borrowing a Student Loan for the first time, you must complete this exercise before we can disburse your loan. Go to [www.studentloans.gov](http://www.studentloans.gov) and click on the Loan Entrance Counseling link.

**Q. Can I charge books from the bookstore to my tuition and fees student account?**

A. Yes, between certain dates you may charge required books only for the upcoming term.

**Q. What do I do about my financial aid and my tuition and fees account?**

A. Please understand that you are responsible for paying your account by the due date listed on the statement, regardless if you are eligible for financial assistance or not. In other words, all students must pay their outstanding balance by their due date. Failure to do so will result in a late fee being added to your balance and restrictions on your student account, including future registration.

**Q. How does my financial aid get credited to my tuition and fees account?**

A. Funds are divided by three or four terms for the academic year, depending on your enrolled program, and disbursed to students' accounts 30 days into each term. After your account is paid in full, any excess funds each term will be refunded to you.

**Q. Do I have to attend class to get my financial aid disbursements?**

A. Yes! Faculty submit attendance information to us before we disburse the aid. If you are not attending, we may need to reduce your aid amount or hold it until you are in good status in the class.

**Q. What is the difference between subsidized and unsubsidized loans?**

A. A subsidized loan is the type of loan where no interest is charged while you are in school at least half-time. For unsubsidized loans, interest is charged during all periods.

**Q. How much Direct Loan money may I borrow?**

A. If eligible, a dependent student in the first year of their study may borrow \$5,500, and then \$6,500 when you become a sophomore. Since different majors have different lengths of study, the grade levels may also differ. Independent students may also borrow up to an additional \$4,000 in unsubsidized loans. If your program is less than three terms in length, the loan(s) will be prorated. You must attend at least half-time each term to borrow.

**Q. Do I have to reapply for financial aid if I transfer to another school during the award year?**

**A.** You do not have to re-apply, but dollar amounts do not transfer from school to school. Check with the school you are transferring to about their process. If you are transferring to Indian Hills Community College, add our school code to your FAFSA online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) and re-submit it. **Our school code is 008298.**

**Q. I lost my job, I am cutting my hours at work so I can attend school, or I am working a different job and making less money. How does this affect my aid?**

**A.** The Financial Aid Office has a special consideration form for students to fill out when there is a dramatic change in income. It can have a significant affect in the amount of aid a student receives. Please contact our office for more information. Special Consideration forms will be available approximately 30 days after the beginning of Fall Term (October 1<sup>st</sup>).