



Notes

The Newsletter of Kentucky's Affordable Prepaid Tuition

Federal Financial Aid Reporting Information

KAPT is treated as an investment on the Free Application for Federal Student Aid (FAFSA). Accounts owned by parents or by dependent students are reported as parental investments. Note that parents should report the total refund value of all KAPT accounts owned by them, regardless of beneficiary, on the FAFSA. KAPT account owners who are considered independent students on the FAFSA should report the total refund value of all KAPT accounts owned by them, and their spouses, as student investments.

For purposes of FAFSA reporting, the refund value for KAPT accounts of beneficiaries entering or already attending college is the full payout value of the account. For KAPT accounts of beneficiaries who have not yet reached their college entrance year, the refund value is equal to contributions only.

To assist you in completing the FAFSA, the FAFSA reporting value is included on your annual statement. We have also provided the refund values on the KAPT website. To access the information:

- Select the Account Access link at www.getKAPT.com to sign into your KAPT account.
- Click on "Benefits Information."
- Select the option to view information on completing the FAFSA.

You may also request the refund value of your account(s) for FAFSA reporting by calling customer service at 1-888-919-5278, option 2.

Your KAPT account value is excluded in determining the amount of Kentucky state student aid your beneficiary will receive. You should contact the school financial aid office to determine the impact your KAPT benefits may have on eligibility for other forms of financial aid.

2016 Actuarial Review Completed

KAPT's annual actuarial valuation was completed in September by Actuarial Resources Corporation. The program's position changed from June 30, 2015, when it was reported as \$24.1 million actuarial deficit. For the period ending June 30, 2016, the KAPT Program Fund was 72.1% funded, with a \$35.8 million actuarial deficit. The increase in the deficit is attributed to the changes in key actuarial assumptions, lower-than-projected investment returns and adoption of KAPT Investment Glide Path.

The full actuarial report is available under the Reports section at www.getKAPT.com.



Kentucky Educational Excellence Scholarship (KEES)

The KEES program provides scholarships to students who earn at least a 2.5 GPA each year they attend a certified Kentucky high school. The better they do in high school, the more they earn toward college. They may also earn awards for ACT/SAT scores and Advanced Placement (AP), International Baccalaureate (IB) or Cambridge Advanced International (CAI) test scores. Home school and GED graduates may earn awards based on their ACT scores. For more information about KEES or other KHEAA administered programs, visit www.kheaa.com.

Kentucky Tuition Grant (KTG)

The KTG provides need-based aid to help Kentucky residents attend eligible Kentucky private colleges.

- Student must:
 - ✓ Be a Kentucky resident.
 - ✓ Have financial need.
 - ✓ Attend an eligible college.
 - ✓ Be enrolled full-time in an associate's or bachelor's degree program.
 - ✓ Have no past due financial obligations to KHEAA or to any Title IV program.
- Award:
 - ✓ Up to \$3,000.
- Application:
 - ✓ FAFSA, which should be completed as soon as possible beginning October 1. Funds are awarded on a first-come, first-served basis.



KAPT Annual Statements

The annual statement is provided each year by January 31 to all KAPT account owners with active accounts. It is important that you verify all information provided on the statement is correct and notify KAPT of any changes. Account specific updates may be made online at www.getKAPT.com by selecting the Account Access link from the home page. If you have any questions regarding your annual statement, please call 1-888-919-5278, option 2.

1099-Q Forms

If any distributions were made from your KAPT account during 2016, an IRS Form 1099-Q will be issued for your account. If the distribution was made directly to the beneficiary or to a school, the 1099-Q will be sent to the beneficiary; all other 1099-Qs will be sent to the account owner. Forms and additional information will be mailed by January 31, 2017.

Using KAPT Benefits in 2017

If your KAPT beneficiary will be entering college in the fall of 2017, please make a note of the following:

- Your KAPT account must be paid in full, including all outstanding fees, before your benefits can be used.
- The Projected College Entrance Year on your account must be 2017 or earlier.
- In early spring, you will receive a benefit usage packet that will provide detailed information and instructions on applying for and using your KAPT benefits. Information is also available under "Using Benefits" at www.getKAPT.com.

If your beneficiary is already using KAPT benefits, you can print a *Billing Authorization Form* and other benefit use forms, including the new *KAPT Reimbursement Request Form*, and view updated payout value information on www.getKAPT.com. Keep in mind that you should submit a *Billing Authorization Form* to the school each semester you want the school to invoice KAPT for tuition and fees.

If you have any questions about using KAPT benefits, please call 1-888-919-5278, option 2, or see the Using Benefits section at www.getKAPT.com.



KAPT Online Account Access Available

You can view your KAPT accounts online with secure, 24-hour online access.

You can check your current account status and recent financial transactions, update your and your beneficiary's mailing and e-mail addresses, and track benefit payment details and remaining benefits.

Check out your account(s) at www.getKAPT.com by selecting the Account Access link from the KAPT home page. You will need your KAPT account number and Social Security number to get started. If you have multiple KAPT accounts, you may use any of your KAPT account numbers to login.

2017 Board Meeting Schedule

Per Kentucky statute, the Kentucky Higher Education Assistance Authority (KHEAA) Board of Directors also serves as the KAPT Board of Directors. This group also serves as the board of KHEAA's sister agency, the Kentucky Higher Education Student Loan Corporation (KHESLC).

The meeting schedule is available on the News page at www.getKAPT.com. All meetings are open to the public.

Email Addresses Needed

E-mail is an important tool to keep you updated on your KAPT account. If you have not provided your e-mail address, or if your e-mail has changed, please update your account at www.getKAPT.com.



How to Contact Us

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