



# 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](http://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 accounts for FAFSA reporting by calling customer service at 1.888.919.5278, option 2.

Your contract benefits are 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.

## 2014 Actuarial Review Completed

KAPT's annual actuarial valuation was completed in September by Actuarial Resources Corporation. The program's position changed significantly from June 30, 2013, when it was reported as \$52.9 million actuarial deficit. For the period ending June 30, 2014, the KAPT Program Fund was 84.0% funded, with a \$23.0 million actuarial deficit. The noteworthy decrease in the deficit is attributed to the major statutory changes to the program enacted in 2014, lower-than-anticipated tuition increases and greater-than-expected investment performance by the KAPT Fund. The full actuarial report is available under the Reports section at [www.getKAPT.com](http://www.getKAPT.com).



## Getting the Facts will help with college search

A free, personalized *Getting the Facts* report will help Kentucky students and their families in selecting a college. The report will provide estimates of how much the family can expect to spend and how much financial aid the student may receive. Students can get those estimates for up to six colleges across the U.S., not just for Kentucky colleges.

The report is provided by KHEAA. To obtain a free report, students must log into or set up a MyKHEAA account on [www.kheaa.com](http://www.kheaa.com). They should then select their state of residence, enter their anticipated graduation date and click on the *Getting the Facts* link. Students and parents must provide estimated income and asset data, and students must provide their Social Security number to set up a MyKHEAA account. For more information, call a member of the KHEAA College Access Team at 1.800.928.8926.

## Surviving College helps students adjust to college

Kentucky students headed to college in the fall have a free resource to help them through their first year on campus. *Surviving College*, a guide to students' first year, is available free from KHEAA. The 36-page booklet includes:

- Majors and class schedules.
- Staying healthy and safe on campus.
- Learning styles and study tips.
- Campus life.
- Financial basics.



## Surviving College for Adults helps adults adjust to college

KHEAA's newest publication helps adult students starting or returning to college life succeed in a campus environment, persisting to degree completion. In addition to many of the topics covered in the traditional college freshman edition, topics include:

- Figuring out a schedule.
- Taking online classes.
- Balancing family life.
- Child care.

## KAPT Annual Statements

The annual statement is provided after December 31 each year 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](http://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 2014, 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, 2015.

## Using KAPT Benefits in 2015

If your KAPT beneficiary will be entering college in the fall of 2015, 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 Enrollment Year on your account must be **2015** 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](http://www.getKAPT.com).



If your beneficiary is already using KAPT benefits, you can print a Billing Authorization Form and other benefit use forms and view updated payout value information on [www.getKAPT.com](http://www.getKAPT.com).

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](http://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 email addresses, calculate an early payoff on your KAPT account, and track benefit payment details and remaining benefits.

Check out your accounts at [www.getKAPT.com](http://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 log in.

## 2015 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 2015 meeting schedule is available on the News page at [www.getKAPT.com](http://www.getKAPT.com). All meetings are open to the public.

## Email Addresses Needed

Email is an important tool to keep you updated on your KAPT account. If you have not provided your email address, or if your email has changed, please update your account at [www.getKAPT.com](http://www.getKAPT.com).



## How to Contact Us

<b>Toll-Free Phone:</b>	888.919.5278, Option 2
<b>Send Payments To:</b>	KAPT P.O. Box 633016 Cincinnati, OH 45263-3016
<b>Mail Letters/Forms To:</b>	KAPT KHEAA P.O. Box 798 Frankfort, KY 40602-0798
<b>FAX Letters/Forms To:</b>	800.519.4652
<b>Visit Our Website:</b>	<a href="http://www.getKAPT.com">www.getKAPT.com</a>