

PELL GRANT

Background

The Higher Education Opportunity Act changed **Federal Pell Grant program guidelines** to support students who are attempting to accelerate the completion of their degree program. These guidelines will be effective on July 1, 2010. This is our current understanding as to how the program will work.

Students must annually complete the *Free Application for Federal Student Aid* (FAFSA) to apply for all federal financial aid programs. This includes the Federal Pell Grant program.

Annual Maximum Awards

- For the 2009-2010 award year (July 1, 2009 to June 30, 2010), the maximum scheduled Pell Grant award is \$5350 for undergraduate students enrolled on a full-time basis.
- The maximum scheduled Pell Grant award for the 2010-2011 award year is \$5,550 for students enrolled on a full-time basis.

Key Concepts and Definitions

For purposes of federal financial aid programs at UW-Whitewater, an **academic year** is a period of time (normally a minimum of 30 weeks or fall plus spring semester) during which a full-time undergraduate student is expected to complete a minimum of 24 credit hours.

Annual grant limits are tied to the completion of an **academic year**.

Award year refers to the specific enrollment period. The “normal” award year at UW-Whitewater is the fall and spring semesters (currently the 2009-2010 year). **Award years** run from July 1 to June 30.

A “**Cross-Over Payment Period**” is any period that includes both June 30 and July 1. For the purposes of federal financial aid programs, this period must be assigned to a specific financial aid award year. These years begin each July 1.

New Policies

- Students who receive their first Pell Grant on or after July 1, 2008, may receive Pell Grants for as many as 18 semesters (or the equivalent).
- Effective July 1, 2009, students enrolled in a certificate, associate, or baccalaureate program may receive up to two Pell Grants in one award year to **accelerate** their program.

UW-Whitewater offers a number of summer sessions of differing lengths. For the purposes of the federal Pell Grant program, the separate sessions are combined into one “**Cross-Over Payment Period.**”

The 2010 summer session is attached to the 2009-2010 academic year as a “trailer.” Students interested in receiving federal financial aid for summer must complete the 2009-2010 FAFSA. If eligible, a student will be able to receive all or a portion of a second scheduled Pell Grant within an award year.

For the first scheduled Pell Grant Award, a student must

- Be Pell Grant eligible;

- Be enrolled at any enrollment status (full time, three-quarter time, half time, or less than half time);
- The amounts received will count toward the aggregate lifetime limit.

To qualify to receive a second scheduled award within the same award year, a student must

- Continue to be Pell Grant eligible (remember, we check for “*satisfactory academic progress*” at the end of the spring semester and again after the summer term.
- Have received 100% of the first scheduled Pell Grant award;
- Be enrolled on at least a half-time basis;
- The amounts received will count toward the aggregate lifetime limit.

Beginning with the 2010-2011 award year, the student must demonstrate **academic year acceleration**. At least one credit hour in the payment period when the award will be made from a second scheduled award must be attributable to the student’s next academic year.

- The student need not have completed a full academic year’s worth of coursework prior to the payment period in which the second scheduled award funds are paid. For example, a student earned 9 credits in the fall semester and 9 credits in the spring semester. Since UW-Whitewater uses 24 credits to define the academic year and places summer in the concluding award year, the student would need to enroll for more than 6 credits in the summer term to be paid funds out of the second scheduled award (6 credits to finish the first academic year’s worth of work, plus some additional number of credits that count toward the second academic year). This student would be paid any remaining first scheduled award funds plus the amount of second scheduled award funds needed to make up the payment for the term as calculated under the appropriate Pell formula.
- Hours earned during the 2010 summer term will count towards the acceleration calculation in all subsequent semesters.

Transfer Students

If a student received 100% of the first scheduled award at his/her prior school, we will assume that the student completed an academic year.

If a student received less than 100% of his/her scheduled award, we will assume that the student completed the same ratio of the academic year (24 credit hours at UW-Whitewater) as the percentage of the first scheduled award utilized at the prior school.

- Prior school disbursed \$2,007 of a \$5350 scheduled award.
- $\$2,007 \times 24 / \$5,350 = 9$ credits assumed earned at the prior school

Impact on Future Summer Aid Awards

The new Pell Grant regulations must be implemented by the beginning of the 2011 summer term. We will look at **both** your 2010-2011 FAFSA and your 2011-2012 FAFSA and use whichever year that results in the HIGHEST Pell Grant award for summer. This means that currently enrolled students who are interested in accelerating their degree completion dates by taking summer courses should submit their FAFSAs before the March 15 priority application date.

Remember, the new regulations allow a student to receive funds from a second scheduled award within an award year **if** the student is enrolled for credit hours attributable to a second academic year within that award year. The student need not have completed a full academic year's worth of coursework prior to the payment period in which the second scheduled award funds are paid. For example, a student earned 9 credits in the fall semester and 9 credits in the spring semester. Since UW-Whitewater uses 24 credits to define the academic year and places summer in the concluding award year, the student would need to enroll for more than 6 credits in the summer term to be paid funds out of the second scheduled award (6 credits to finish the first academic year's worth of work, plus some additional number of credits that count toward the second academic year). This student would be paid any remaining first scheduled award funds plus the amount of second scheduled award funds needed to make up the payment for the term as calculated under the appropriate Pell formula.

In addition, at least one credit hour in the payment period when the award will be made from a second scheduled award must be attributable to the student's **next** academic year.