

FEDERAL FINANCIAL AID SOURCES

There are three basic federal financial aid categories that constitute a student's individual award package: grants and scholarships (do not need to be repaid), loans (must be repaid), and jobs (Federal Work-Study position).

Eligibility for the Federal Pell Grant

The Federal Pell Grant Program provides need-based grants to low-income undergraduate students to promote access to postsecondary education. The student's Expected Family Contribution (EFC) determines eligibility for this grant. The maximum Pell Grant is set by the U.S. Department of Education each award year. The amount of the Pell Grant a student will receive depends on the student's EFC and several factors, including cost of attendance (tuition and fees, room and board, books, and supplies) and the amount of time the student attends college (whether a full academic year or less, and whether full time or part time). Students cannot receive Pell Grant funds from more than one college at a time. Students may receive up to 12 full-time semesters of a Pell Grant (or part-time Equivalent) or until they have completed the requirements for a bachelor's degree; whichever happens first. The Federal Pell Grant Program allows an eligible student to receive up to 150 percent of the student's Federal Pell Grant Scheduled Award for an award year (if all conditions are met).

Eligibility for Federal Supplemental Educational Opportunity Grant (FSEOG)

The Federal Supplemental Educational Opportunity Grant (FSEOG) program is only for undergraduates with exceptional financial need. Pell Grant recipients with the lowest expected family contributions (EFCs) will be considered first for a FSEOG. Similar to the Pell Grant, the FSEOG does not have to be repaid.

Eligibility for the Federal TEACH Grant

TEACH Grant eligibility is determined after the fall, spring, and summer semester starts. Those students who meet the eligibility requirements will be invited to apply for the TEACH Grant. Students must complete Entrance Counseling and an annual Service Agreement at <https://studentaid.gov/teach-grant-program> (<https://studentaid.gov/teach-grant-program/>).

In exchange for receiving a TEACH Grant, students must agree to serve as a full-time teacher in a high-need field in a public or private elementary or secondary school that serves low-income students.

A TEACH Grant recipient must teach for at least four academic years (within eight calendar years). If a student fails to complete his or her service obligation, all amounts

of TEACH Grants that were received will be converted to a Federal Direct Unsubsidized Loan. Students must then repay this loan to the U.S. Department of Education. Interest will be assessed from the date the grant(s) was disbursed. Note: TEACH Grant recipients will be given a six-month grace period before entering repayment if a TEACH Grant is converted to a Federal Direct Unsubsidized Loan. All federal loans require students to be enrolled in at least six (6) credit hours of required coursework each semester to qualify for an in-school deferment.

Eligibility for Federal Direct Loans

Federal Direct Loans are low-interest loans for eligible students to help cover the cost of higher education. Federal Direct Subsidized Loans are for students with financial need. Students are not charged interest while in school at least half time and during grace periods and deferment periods.

Students are not required to demonstrate financial need to receive a Federal Direct Unsubsidized Loan. Students can pay the interest while in school and during grace periods and deferment or forbearance periods, or students can allow it to accrue and be capitalized (that is, added to the principal amount of the loan). Students who choose not to pay the interest as it accrues will have an increased total amount to repay because interest will be charged on a higher principal amount.

First time Federal Direct Loan borrowers must sign a Master Promissory Note. The electronic Master Promissory Note (e-MPN) is the agreement to pay back any Direct Loans. The e-MPN is available online (<https://studentloans.gov/myDirectLoan/index.action/>).

On-line Entrance Counseling is required for first-time Direct Loans borrowers. Entrance Counseling will educate students on the rights and responsibilities associated with receiving funds that must be repaid. To satisfy the online Entrance Counseling (<https://studentloans.gov/myDirectLoan/index.action/>) requirements, the student must complete the tutorial and pass a quiz. Failure to comply with this requirement will prevent the disbursement of the student's loan proceeds.

The U.S. Department of Education's issued FSA ID (<https://fsaid.ed.gov/npas/>) is required to complete Entrance Counseling and the e-MPN.

Eligibility for Federal Direct PLUS Loan for Parents of Undergraduate Students

The Federal Direct PLUS loan is a loan in the parent's name to assist their undergraduate dependent student when there is a gap between the cost of education and the student's own

financial aid. These loans are federally regulated and require credit approval. The PLUS loan has a fixed interest rate, and if a parent is not credit worthy, the student may be eligible for an additional Federal Direct Unsubsidized Loan.

If a parent receives credit approval, he or she will also need to complete a Direct PLUS Master Promissory Note at studentaid.gov (<https://studentaid.gov/>). If a parent is applying for a PLUS loan for more than one student in college, a separate MPN is required for each student. If more than one parent is applying for a PLUS loan for the same student, each parent must complete a MPN.

Eligibility for Federal Work-Study

The Federal Work-Study program provides employment opportunities in various on-campus offices and in off-campus community service agencies. Students who qualify for the Federal Work-Study program will be paid at an hourly rate and receive biweekly paychecks for the hours worked. Federal Work-Study is not be credited to the student's account. It is the responsibility of the student to secure employment. Federal Work-Study positions are limited; therefore, there is no guarantee of eligibility from one year to the next. Students are encouraged to complete the FAFSA by the priority filing date to receive full consideration to participate in the Federal Work-Study program.

Eligible students will receive a letter before the start of the semester with details regarding the steps to use the job database, Online Resource for Career Advancement (ORCA), to research available positions. Students who do not qualify for Federal Work-Study or who are not successful in securing a job may be able to secure employment with the assistance of the Career Development Center located in Cleveland Hall 306.