



# The University of Mississippi

Office of Financial Aid

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**Policy Name:** Federal Pell Grant

**Purpose:** This document contains the Office of Financial Aid's current policies and procedures for Federal Pell Grants.

**Disclaimer:** This policy is subject to change, without notice, in order to comply with administrative and regulatory requirements. All policies and procedures below are in accordance with the Federal Student Aid Handbook.

**Policy Contents:**

- 7.0 Federal Pell Grant Overview
- 7.1 Calculating Federal Pell Grant Awards
- 7.2 Federal Pell Grant Recalculations
- 7.3 Iraq and Afghanistan Service Grant Program
- 7.4 National Student Loan Data System (NSLDS)

**Definitions and Terms:**

COA – Cost of Attendance  
DOE – Department of Education  
EFC – Expected Family Contribution  
FAFSA – Free Application for Federal Student Aid  
NSLDS - National Student Loan Data System  
OFA – Office of Financial Aid  
UM – University of Mississippi

The Federal Pell Grant program provides need-based grants to low-income undergraduate students to promote access to postsecondary education. Only students who have not yet received their first bachelor's degree can be awarded.

After filing a FAFSA, the student receives notification if he or she is Pell-eligible. Annual grant amounts are dependent on: the EFC (see below), the COA (as determined by the institution), the student's enrollment status (full-time or part-time), and whether the student will attend during Fall Semester, Spring Semester, or Summer (or a combination of terms).

The EFC is a measure of how much the student/family can be expected to contribute to college expenses. It is calculated according to a formula specified in federal law, using the information reported on the FAFSA (including income, assets, the number of persons in the household, and the number of household members who are attending college for the award year). Unlike other need-based aid, the definition of “need” for Pell awarding is based solely on the EFC, without regard to other aid in the financial aid package.

The lowest EFCs (based on a range determined by DOE) are considered to be a demonstration of significant financial need and are therefore eligible for a Pell Grant. By definition, an EFC of zero represents “full need” (there are *no* available resources to put towards the student's COA) – which qualifies for the maximum Pell amount.

When Federal Title IV aid is packaged, Pell Grants are awarded first. It is a priority to provide gift aid to needy and deserving students. Pell is considered an entitlement and is not subject to reduction.

To be awarded, students must meet the basic Federal Title IV eligibility requirements (see policy “2.0 Student Eligibility”). They may not receive Federal Pell Grant funds from more than one school at a time.

Because UM is a traditional semester school, Federal Pell Grants are calculated based on DOE's Formula 1.

To be considered for Pell awarding, there must be a FAFSA on file with a valid EFC while the student is *still enrolled*. A student who meets this condition and is otherwise eligible but is still in the process of verification may receive Pell if verification is completed within the allowable window of time (120 days after the student's last day of enrollment, not to extend beyond the deadline date established by a Federal Register notice). The amount of the retroactive Pell Grant will be based on the “locked in” enrollment level. However, since the term is over, only completed credit hours are valid.

The Pell “Scheduled Award” is the maximum amount the student can receive during the traditional academic year (Fall/Spring Semesters), if attending full-time. The award year begins on July 1 of one year and ends on June 30 of the next year.

Summer is a combined term (including May intersession, First Summer, Full Summer, Second Summer and August intersession) that is considered a cross-over period, where schools may choose to award Pell from the prior *or* the upcoming academic year’s FAFSA. At UM, Pell is awarded exclusively on the prior year’s FAFSA.

The student’s Scheduled Award is established by the Pell Grant payment schedule that DOE issues prior to the start of each award year. The amount of the Scheduled Award is always taken from the full-time payment schedule. (Note that for a full-time student, the annual award will also be the same as the Scheduled Award.)

A part-time student will have an annual award that is less than the Scheduled Award. If the student attends part-time, the student’s annual award is taken from the 3/4-time, 1/2-time, or less-than-1/2-time payment schedules.

Once students have been awarded Pell, they are instructed to accept their awards online through their myOleMiss website. This will allow them to review the terms and conditions of their aid package. Students who do not wish to complete this process online should contact the OFA to indicate that they want paper documents only. If a student who qualifies for Pell does not accept their awards, the OFA staff will disburse them manually.

Per federal regulation, the duration of Federal Pell Grant eligibility is limited to 12 semesters (or its equivalent). Since the amount of Pell Grant funding a full-time student can receive for a traditional academic year (both Fall and Spring semesters) is equal to 100%, this lifetime limit is called the 600% rule. (Refer to the Federal Student Aid website at <https://studentaid.ed.gov/types/grants-scholarships/pell/calculate-eligibility> for details.)

Beginning with the 2017-18 award year, students may be eligible to receive up to 150% of their Scheduled Award for an award year. This provision is called Year-Round Pell. The “Year-Round” language is used because it allows students to receive additional Pell funds during a time when their annual eligibility would have otherwise been exhausted (often during the summer “trailer” to the award year – which is treated similarly to a third semester). To be eligible for awards in excess of 100% of their Scheduled Award, students must be enrolled at least half-time. They are also still subject to the normal Pell lifetime limits.

If a student is enrolled in a non-correspondence study program, but correspondence coursework (called “I-Study” at UM) is combined with regular coursework, the correspondence courses must meet the following criteria to be included in the student’s enrollment status:

- The courses must apply toward the student’s degree or certificate or must be remedial work to help the student in his or her course of study.
- The courses must be completed during the period required for the student’s regular coursework, e.g., a term.

- The amount of correspondence work counted cannot be more than the number of credit-hours of regular coursework in which the student is enrolled (although a student taking at least a half-time load of correspondence courses must be paid as at least a half-time student, regardless of the credit-hours of regular coursework).

A student will be paid as a less-than-half-time student for any combination of regular and correspondence work that is less than 6 credit-hours or the appropriate equivalent of half-time.

Enrollment Status for Enrollment In Correspondence and Regular Coursework			
Regular Work	Correspondence Work	Adjusted Total Coursework	Enrollment Status
3	3	6	Half-time
3	6	6	Half-time
3	9	6	Half-time
6	3	9	Three-quarter time
6	6	12	Full-time
2	6	6	Half-time

Confirmation that I-Study classes have been completed through at least the mid-term is required before Pell disbursement will be made. (Per federal regulation, schools cannot disburse the Pell for a payment period until the student has completed 50 percent of the lessons or completes 50 percent of the work for the term, whichever is later.) Only term-based I-Study can count towards the enrollment status for the receipt of Pell Grant.

## Part 7.2

## Federal Pell Grant Recalculations

The OFA will recalculate a Pell Grant due to a change in the EFC (as a result of verification, a professional judgment, a correction to the FAFSA, etc.) In this event, the Pell award is adjusted for the entire year.

The OFA is alerted to EFC changes when a new FAFSA is uploaded after packaging and/or verification processes have already occurred. “Previously awarded” or “Already Verified” flags are set on the student’s record that block disbursement until staff manually review the new FAFSA transaction (and correct it as needed).

Pell awards are also adjusted as needed following the Mandatory Drop Date for each term, when enrollment for federal aid purposes is “locked in”. (See the Registrar’s Academic Calendar for the appropriate dates.) Attendance must be confirmed for all classes, and any classes where the student has been a “no show” will not count in the locked hours. (If the student doesn’t begin attendance in all classes within a term, then he/she never actually qualified for a Pell award at the original enrollment status if it had been higher – which may mean that a payback must be necessary to resolve the matter.)

The OFA will also recalculate a Pell due to a change in enrollment status *between* terms. This determination is necessary because a different Pell Payment Schedule will then apply (whether it is the full-time,  $\frac{3}{4}$ -time,  $\frac{1}{2}$ -time, or less-than-half-time chart).

These re-evaluations of eligibility are handled manually by the OFA staff. Reports are run to locate Pell recipients with enrollment levels that do not appear to match the Pell awards given to them. Based on research of each case, Pell is adjusted as needed. (In the OFA database system, separate aid codes are used to distinguish full-time Pell from ¾-time, ½ -time, and less than half-time – allowing easier identification of the enrollment assumption used for awarding purposes.)

### Part 7.3

### Iraq and Afghanistan Service Grant Program

A student may be eligible to receive the Iraq and Afghanistan Service Grant (IASG) if the student is not eligible for a Federal Pell Grant (based on the Expected Family Contribution), but:

- The student meets remaining Federal Pell Grant eligibility requirements, and
- The student's parent or guardian was a member of the U.S. armed forces and died as a result of military service performed in Iraq or Afghanistan after the events of 9/11, and
- The student was under 24 years old or enrolled in college at least part-time at the time of the death of the student's parent or guardian.

The IASG is equal to the amount of a maximum Federal Pell Grant for the award year but cannot exceed the student's COA for that award year. This award is subject to reduction due to sequestration.

The OFA will identify qualifying recipients of this grant based on data contained within the student's FAFSA ([www.fafsa.gov](http://www.fafsa.gov)). A diagnostic message is electronically set on the student's financial aid record based on a match flag from the Department of Defense indicating, "You may be eligible for an Iraq/Afghanistan Service Grant". Both students and staff can view these messages (via MyOleMiss and the financial aid database system, respectively).

### Part 7.4

### National Student Loan Data System (NSLDS)

NSLDS is DOE's central database for Federal Title student aid (including Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, Direct or Perkins Loans). If students receive funding under any of these programs, information related to those awards will be provided by UM to NSLDS and shall be accessible to eligible guaranty agencies, lenders, and colleges as authorized by DOE. Students may view their own data on NSLDS at [nslds.ed.gov](http://nslds.ed.gov).

NSLDS is also used for "Transfer Monitoring". If students transfer to UM during an award year, the OFA is responsible for reviewing their Federal Title IV financial aid history. This action is required to ensure proper awarding of Federal Pell Grant, Perkins Loan, Direct Loans, and/or Direct Grad PLUS Loans in the event that a student received aid at another school since

the latest FAFSA received by UM. The historical information is available through the NSLDS database.

The OFA's computer system receives batch data each night from UM's primary student system, including statuses that identify new transfer students and readmitted transfer students. Then OFA's system will electronically send message class "Transfer Monitoring Inform" to place students on the NSLDS monitoring list.

NSLDS will monitor these students for a change in financial aid history that may affect their current awards and alert the OFA when: a new loan or grant is being awarded, a new disbursement is made on a loan or grant, or a loan or grant (or a single disbursement) is cancelled. This process helps to ensure that Pell Grant annual and lifetime borrowing limits (as applicable) are not exceeded. If any changes are detected for a student, NSLDS will alert the school.

OFA will hold disbursements of financial aid for 8 days after the student has been placed on the monitoring list. This wait period allows time for NSLDS to send any relevant new information. Students who have received aid from multiple institutions must be manually reviewed before any disbursements will be made.