



FEDERAL PELL GRANT POLICY

The Financial Aid Office packages Federal Pell Grant funds to eligible students based on the FAFSA Simplification Act of 2020 enacted as part of the Consolidated Appropriations Act, 2021, and amended by the Consolidated Appropriations Act, 2022. The FAFSA Simplification Act made significant changes to several aspects of the Higher Education Act of 1965 (HEA), as amended, and the *Free Application for Federal Student Aid* (FAFSA). The new federal methodology used to determine eligibility for the Federal Pell Grant took effect at the beginning of the 2024-25 award year. The new need analysis formula generates a Student Aid Index (SAI), which replaces the expected family contribution (EFC), and links eligibility to family size and the federal poverty level.

General Eligibility

Ashland University uses Pell Formula 1 measuring students' progress in credit hours using standard terms with at least 30 weeks of instructional time. We do not have overlapping terms and define full-time enrollment as at least 12 credit hours for each term in the award year.

The Federal Pell Grant is extended to undergraduate students who have not previously received a bachelor's degree. Graduate students are not eligible under any circumstances. Eligibility is determined based on the data reported on a student's FAFSA, specifically the official nine-month SAI. The FAFSA Simplification Act eliminated the option to prorate the Student Aid Index (SAI) for periods other than nine months.

The maximum amount a student can receive in Pell cannot exceed the student's COA, thus creating a Title IV credit balance. The Calculated Scheduled Pell cannot drop below the Min Pell amount for the year. Published max and min Pell awards are determined by the Department of Education (ED) and always rounded to the nearest \$5. **The 2025-26 Max Pell is \$7,395 and the Min Pell is \$740.** There are three ways Pell eligibility is determined:

Max Pell	Calculated Scheduled Pell	Min Pell
Non-tax filers; or tax filers, based on: <ul style="list-style-type: none"> • AGI • Family Size • Poverty Guidelines 	Maximum published scheduled Pell Grant <i>minus</i> Calculated SAI.	Based on: <ul style="list-style-type: none"> • AGI • Family Size • Poverty Guidelines

Pell Awarding to Bachelor Exempt Seminary Students (BX) – Bachelor Exempt students do NOT have their first bachelor's and, per special approval by ED, are considered undergraduate students if they have completed less than 90 credit hours. Students showing the McCreary Center in Cleveland as an entry in Colleague's *IASU: Institutions Attended Summary* screen are considered to have completed 30 credit hours, per Ashland Theological Seminary's Admissions Office. Those 30 hours must be added to the transfer hours to determine aid eligibility. Students considered an undergraduate would be awarded undergraduate level loans based on their class standing and may be eligible for the Federal Pell Grant. Upon completing 90 credit hours, the student would be considered a graduate student and thus awarded graduate level loans and no longer eligible for a Pell Grant.

Eligibility Notification

ISIRs will identify students who are eligible for Max Pell or Min Pell as well as those who are eligible based on the *Special Rule for Pell Grants*, related to the Iraq and Afghanistan Service Grant (IASG) and the Children of Fallen Heroes (CFH). The **Pell Eligibility Flag** will also alert the FAA to students that meet the criteria to have a Calculated Scheduled Pell determined. Our software system (Ellucian Colleague) uses a SAI and Pell Service that runs in the cloud to provide SAI and Pell calculations so that end users do not need to manually calculate a student's Calculated Scheduled Pell award.

MAX PELL	CALCULATED SCHEDULED PELL	MIN PEL
<ul style="list-style-type: none"> Max Pell Grant Indicator SAI \leq 0 Special Rules <ul style="list-style-type: none"> IASG Indicator CFH Indicator 	Max Pell Grant <i>minus</i> SAI	Min Pell Grant Indicator

Pell Awarding

The Federal Pell Grant is considered the foundation of a financial aid package and is always packaged first, if a student is eligible. The packaging of the Pell grant is based on the most recent and valid ISIR transaction and the attendance pattern assigned at the time of awarding. The Pell Grant award is assigned when the auto-packager is run using a Colleague-provided subroutine. If the student passes the subroutine requirements, which include the eligibility indicators mentioned above, the correct Pell Grant award will be packaged.

Undergraduate students packaged using a **Scheduled Academic Year (SAY)**, can be assigned a one-semester, two-semester, or three-semester attendance pattern code. Ashland University uses SAY specifically for our Correctional Education (CE) students, and summer is always considered a header on a FAFSA, never a trailer!

Undergraduate students packaged using a **Borrower-Based Academic Year (BBAY)** will be assigned a one-semester (Fall Only or Spring Only) or two-semester (Fall/Spring) attendance pattern. A three-semester attendance pattern does not exist. If a student enrolls for the summer semester, the FAA must *manually* revise the attendance pattern details (not the code!) so that three semesters are selected and add the summer budget components, so the third semester has a COA assigned to it. AU considers summer semester as a header or a trailer using the FAFSA year most beneficial to the student, with the goal of maximizing the student's eligibility.

	Awd Period BGT Source	AtP/ Awd Frz	Start/ End	CB Bgt/ Awarded	AtP/ Act Cr	AtP/ Act Enr	Weeks Weight	Months Pell
1	25/SU		05/05/2025	15,000	6.00	H	16.00	
			08/21/2025				1.00	Yes
2	25/FA		08/25/2025	22,094	12.00	F	16.00	
	ATP		12/11/2025	18453.00			1.00	Yes
3	26/SP		01/05/2026	22,094	12.00	F	16.00	
	ATP		04/30/2026	18452.00			1.00	Yes
4	26/SU		05/04/2026		0.00	N	16.00	

Special Rules for Pell Grants – Max Pell will be awarded regardless of SAI (adjusted for enrollment intensity as needed) if a student is less than 33 years old as of January 1 of the FAFSA award year and their parent or guardian died in the line of duty while:

- Serving on active duty as a member of the Armed Forces on or after 9/11/2001 (i.e., IASG); **or**
- Actively serving as and performing the duties of a public safety officer (i.e., CFH).

When a student self-identifies on the FAFSA, AU is required to verify eligibility by collecting supporting documentation such as a death certificate along with written confirmation of active-duty status at the time of death from the military command or public safety entity. We cannot accept a signed statement from the student.

The Assistant Director of Scholarships and Grants must report Special Rule eligibility to the Department through the FAFSA Partner Portal (FPP). This will generate an ISIR transaction reflecting the student's eligibility. The AD must submit the newly created ISIR transaction number in the Pell origination in the Common Origination and Disbursement (COD) system to ensure the correct Scheduled Award is calculated based on the student's eligibility under IASG or CFH.

IASG and CFH Indicator values carry forward to subsequent award years. We are not required to recertify or document every year unless there is conflicting information.

Enrollment Intensity – Enrollment intensity is used to calculate a Federal Pell Grant. It dictates how a school determines a student's annual award and is based on the number of credit hours in which the student is enrolled each semester. Twelve credit hours is the baseline for calculating a Pell Grant. It is based on a percentage and rounded to the nearest whole percent as shown below:

Enrolled Credit Hours	Enrollment Category	Enrollment Intensity
12 or more	Full Time	100%
11	Three-Quarter Time	92%
10		83%
9		75%
8		67%
7	Half Time	58%
6		50%
5		42%
4	Less-Than-Half Time	33%
3		25%
2		17%
1		8%

Repeated Coursework – When determining enrollment intensity, a repeated course can be included in the calculation of a student's enrollment intensity. If the student receives a passing grade for a course while receiving Title IV aid, the school may not include more than one repetition of a previously passed course. For a student who previously passed a course while receiving Title IV aid and then subsequently failed the same course, any additional attempt of that course cannot be included again in the student's enrollment intensity for Title IV purposes.

Year-Round Pell Eligibility – Ashland University considers the summer crossover period as a header or a trailer using the FAFSA year that is most beneficial to the student, with the goal of maximizing the student's eligibility. The student may qualify to receive up to 150% of their Scheduled Award if they are enrolled in at least one credit hour during the additional payment period. The additional funds are included in the student's Lifetime Eligibility Used (LEU). *Refer to the Year-Round Pell section of our Federal Pell Grant procedures.*

EXAMPLE	PELL SCENARIOS	YEAR-ROUND PELL?
1	A student was enrolled full-time for fall and spring and used all of their Scheduled Award of Pell. The student is enrolled for 5 credit hours in the summer as a trailer . Is the student eligible for summer Pell? If yes, do we consider it Year-Round Pell or not? <i>Answer: Yes, the student is eligible for Pell in the summer with less-than-half-time enrollment. It would be considered Year-Round Pell because the summer enrollment exceeds the full year amount of Pell.</i>	YES
2	A student is enrolled half-time for summer as a header and will be enrolled full-time for both fall and spring. Is this considered a Year-Round Pell scenario? If so, which semester makes this a Year-Round Pell situation and why? <i>Answer: Yes, it is considered a Year-Round Pell scenario. Spring semester is when the student exceeds the full year amount of Pell.</i>	YES
3	A student enrolled half-time in both the fall and spring semesters, and will enroll full-time in the summer. Do we consider this Year-Round Pell or not? <i>Answer: No, this is not considered Year-Round Pell because the entire Scheduled Award of Pell was not used. Summer can be paid out using the initial Scheduled Award.</i>	NO

Lifetime Eligibility Used (LEU) – The maximum lifetime period for a student to receive Pell is known as Lifetime Eligibility Used (LEU). The maximum eligibility period is 12 semesters (or its equivalent) and is measured by the percentage of the student's Schedule Award used or received each award year. A student has a maximum LEU of 600% and once a student reaches 600% or more, they may not receive additional Pell funds.

ED will notify us through a CPSSG pushed ISIR when a student has reached their 600% Pell LEU or when a student has reached 500% or greater and less than 600%. In both instances, comment codes and FPS C-Flags will be assigned and the FAA must use NSLDS to verify that the applicant has not exceeded their lifetime eligibility.

Refer to the "Pell Grant LEU Calculation" Word document available under K:\Financial Aid\Policy and Procedure Binder\RESOURCES\FEDERAL\PELL GRANT. Once finalized and Pell funds have been adjusted when needed, the FAA can waive the C-Flag (FAX25CFL) in Colleague's CRI: Communication Code Entry screen.

COMMENT CODE	COMMENT TEXT
264	<i>(Resolution Required)</i> The limit to the total amount of Federal Pell Grants that a student may receive is the equivalent of six school years. Based upon information reported to the National Student Loan Data System (NSLDS®) database by the schools you have attended, you have received a total amount of Federal Pell Grants that is close to the cumulative total you can receive. For this reason, your eligibility for more Federal Pell Grants may be limited.
265	<i>(Resolution Required)</i> The limit to the total amount of Federal Pell Grants that a student may receive is the equivalent of six school years. Based upon information reported to the National Student Loan Data System (NSLDS®) database by the schools you have attended, you may have received a total amount of Federal Pell Grants that equals or exceeds the allowable total.

Pell Overawards – Pell cannot be awarded *concurrently* to students from more than one school. COD sends a multiple reporting record (MRR) alerting schools to a possible enrollment overlap. When COD receives disbursement information that will cause a student to receive more than 100% of their Scheduled Award, the school must resolve this Potential Overaward Payment (POP) within 30 calendar days. The MRR report is run biweekly by the Assistant Director of Scholarships and Grants.

Pell Disbursements – Pell will disburse to a student's AU student account based on *actual* registered credits at the time of transmittal. Students must meet the following Pell award eligibility rules for transmittal:

- Check for Eligible UG Active Program (DLUGAP)
- Check Ver Status and SAI (DLVERI)
- Check ISIR for C-Flags (DLCFLG)
- Check ISIR for Reject Code (DLREJ)
- Check ISIR for Default Flag (DLDFLT)
- Check Course Start Date (DLCSTD)
- Ensure Reg Credits GE 1 (FAECR1)
- Check for Transfer Monitoring Hold (DLTRMH)
- Check for SAP Satisfactory Status (FAESAP)

Pell Recalculations – Pell must be recalculated for the entire award year when the Student Aid Index (SAI) changes. This could result from verification, updates or corrections, or professional judgment adjustments. It also must be recalculated if the student's *actual* or *projected* enrollment status changes between semesters in the same award year or during a payment period before the student begins attending in all courses originally scheduled for the payment period. In performing the recalculation, the enrollment intensity reflects only the classes the student actually began attending.

AU also recalculates Pell for changes, both increases and decreases, that occur up to a specific date within a payment period. This specific date is known as "Census" or the "Pell Recalculation Date" (PRD). The census date is the last day to drop a class and receive a refund for its tuition/fee charges. There are several possible PRDs within each semester if the student is enrolled in modules within a semester. After the PRD has passed for a semester, a Pell Grant will NOT be recalculated.

- Mismatch reports are run after each PRD (last day to drop / "census").
- For 16-week classes, the PRD is the end of the third week of the semester. For 8-week module classes, the PRD is a week and a half into the module. Financial aid follows the dates published by the Registrar and posted online and in Ashland University's **Academic Calendar**.
- The anticipated enrollment plans that were assumed at initial calculation are compared to actual registered credits after the PRD. If a student remains enrolled but is found to have dropped below the credit load required for the Pell awarded **before** the PRD, the Pell award will be reduced to the appropriate award amount. For example, we packaged a student at full time, but they dropped to 9 credit hours and received a refund on that class charge. In this case, we would reduce their Pell (and any other gift aid) to the 9-credit hour award level.
- If a student remains enrolled but drops **after** the published PRD and is charged the full amount of a class, no Pell adjustment is required. For example, we packaged a student at full time, but they drop below full-time status two months into the semester. In this case, the student would keep full time charges and retain a full time Pell Grant (and any other gift aid).
- This Pell Recalculation Date (PRD) and policy is only for enrollment changes for a student who remains enrolled in at least one course during the semester. This policy is different than the withdrawal and refund calculation policy.
- Ashland University uses this PRD policy for all types of institutional and state gift aid as well.
- Direct Loans have a different policy. Borrowers are eligible to keep their loan funds (assuming all other eligibility requirements are maintained) as long as they were eligible at the time of disbursement.