

2025-2026 Federal Pell Grant

Information Page

Program Description

The Federal Pell Grant Program is a federal subsidy awarded to students for post-secondary education. Pell Grants are awarded based on financial need to low-income undergraduate students to promote access to postsecondary education. Students may use their grants at any one of approximately 5,400 participating postsecondary institutions. Grant amounts are dependent on the following: the student's student aid index (SAI) (see below); the cost of attendance (as determined by the institution); the student's enrollment (credit hours); and whether the student attends for a full academic year or less.

Students may NOT receive Federal Pell Grant funds from more than one school during any term. If a student is taking courses at two separate institutions during an academic term, they must choose which institution they wish to disburse their Pell Grant funds.

Financial need is determined by the U.S. Department of Education using a standard formula, established by Congress, to evaluate the financial information reported on the *Free Application for Federal Student Aid* (FAFSA) and to determine the SAI. The fundamental elements in this standard formula are the student's income (and assets if the student is independent), the parents' income and assets (if the student is dependent). After filing a FAFSA, the student receives a Student Aid Report (SAR), and the institution receives an *Institutional Student Information Record* (ISIR). Both reports provide calculation information from the data contained on the student's FAFSA.

Federal Pell Grant funds are intended to be used only for expenses related to obtaining a post-secondary education. These expenses would include tuition, fees, books, supplies, living expenses (rent, utilities, groceries, etc.), and travel expenses. Federal Pell Grant funds should not be used for non-educational expenses. Excess funds remaining after institutional charges have been paid are disbursed to the student each term and it is the student's ethical responsibility to use these funds for educational purposes only.

General Pell Grant Eligibility Requirements

Below are the general eligibility requirements each student must meet to be considered for a Pell Grant award.

1. College must have an official SAI from the U.S. Department of Education which is within the Pell Grant eligibility range and student must have completed all financial aid verification requirements.
2. Must be a U.S. citizen or an eligible noncitizen with a valid social security number.
3. Must be a high school graduate or have a GED.
4. Cannot have a bachelor, masters, doctorate, or other professional level degree.
5. Must be enrolled in classes required and needed under their program of study.
6. Must be making acceptable academic progress towards completing an eligible program.
7. Cannot be in default on a student loan or owe a grant overpayment.
8. Cannot exceed federal student loan aggregate limits.
9. Must be in a major that is eligible for federal financial aid.
10. Students cannot have used all their Pell Grant lifetime eligibility.

Pell Grant Award Information

The Pell Grant is awarded on an annual basis and is not automatically awarded from one year to the next. Students must reapply each year by completing a new FAFSA. Eligibility is re-evaluated annually. Eligibility during one award year does not guarantee eligibility in another award year. Congress also evaluates the Pell Grant program on an annual basis meaning the maximum annual Pell Grant amount can increase or decrease. Students who fail to complete their annual FAFSA will not be considered for the Pell Grant.

Students are normally awarded the Pell Grant for the fall and spring terms. The maximum award amount for each term will be 50% of the annual award. The annual award amount is based on the student's SAI as described in the Program Description section. Congress establishes the eligible range of SAIs for the Pell Grant program. Students with an SAI outside of the eligible range will not be considered for a Pell Grant award.

If the student has attended another college during the award year, their Pell Grant award at SCC will be adjusted based on the amount already disbursed for the award year at the other institution(s). Remember, students cannot receive a Pell Grant at more than one institution during any given term. Students are responsible for ensuring the Financial Aid Office at SCC is aware of any other institutions attended during the current award year.

See Awarding Examples below for a better understanding of how Pell Grants are awarded.

Year-Round Pell Program

Beginning with the 2017-2018 award year Congress reinstated the Year-Round Pell (YRP) program. This program allows a student to receive additional Pell Grant funding during an award year. Under this program a student can receive up to 150% of their annual award. This allows students to receive Pell Grant funding for the summer term.

Beginning with the 2024-2025 award year, students can get an additional 50% Pell Grant (Year-Round Pell) in the summer even if they have not used up their full 100% scheduled Pell for the award year already.

Students can receive more than 100% of their Pell (up to 150%) in the same award year as long as:

- They are Pell-eligible,
- They still have room left in their Lifetime Eligibility Used (LEU),
- They are enrolled in any number of credits in summer needed and required for their graduation,
- They meet satisfactory academic progress requirements (SAP)

See the Year-Round Pell Examples below for a better understanding of how these funds work.

Return to Title IV Calculations

The Pell Grant is awarded to students based on the assumption they will complete the term. If a student withdraws from all their classes (official withdraw), fails all their classes (unofficial withdraw), or has a combination of the two, they have not maintained their end of the agreement. Congress requires what is known as a Return to Title IV (R2T4) calculation to be performed. This calculation determines the amount of Pell Grant a student has earned based on the number of days they attended during the term. The calculation will determine the amount of Pell Grant the institution and the student must return. Any amount returned by the institution will leave the student owing the college. Students who have attended beyond the 60% point in the term will be considered to have earned 100% of their Pell Grant disbursement. Students should consult with the Financial Aid Office, prior to withdrawing from any of their classes, so their records can be reviewed, and they can be advised on the best way for them to proceed.

Pell Grant Disbursement Information

The student's Pell Grant is disbursed each term based on the student's enrollment intensity. The chart below shows the various financial aid enrollment intensities and their enrollment statuses equivalencies. The student's scheduled award for the term will be multiplied by the enrollment intensity to determine the amount that will be disbursed to the student's account.

Credit Hours	Enrollment Intensity Formula	Enrollment Intensity	Enrollment Status Equivalent
12 or more	$12 \div 12 = 1.0$	100%	Full-Time
11	$11 \div 12 = 0.917$	92%	Three-Quarter-Time
10	$10 \div 12 = 0.833$	83%	Three-Quarter-Time
9	$9 \div 12 = 0.75$	75%	Three-Quarter-Time
8	$8 \div 12 = 0.667$	67%	Half-Time
7	$7 \div 12 = 0.583$	58%	Half-Time
6	$6 \div 12 = 0.50$	50%	Half-Time
5	$5 \div 12 = 0.417$	42%	Less-than-Half-Time
4	$4 \div 12 = 0.333$	33%	Less-than-Half-Time
3	$3 \div 12 = 0.25$	25%	Less-than-Half-Time
2	$2 \div 12 = 0.167$	17%	Less-than-Half-Time
1	$1 \div 12 = 0.083$	8%	Less-than-Half-Time

The following rules apply when it comes to the calculation of the student's enrollment status.

1. For a class to be included in the student's enrollment intensity that class must be required and needed for graduation in the student's current program of study. Classes not required or needed for graduation are classified as unapplied credits and will not be included in the student's enrollment intensity.
2. A student is allowed to attempt a maximum of 30 credit hours of remedial course work. Remedial courses are courses with a course number of 100 or below (i.e., ENG-031, MAT-032, RDG-100, BIO-100). The only exception is AUT-100 which is not considered a remedial course. Also, a prerequisite course that is not in the student's program of study, but which must be taken to take a course that is in the program of study, is considered a remedial course. All remedial credit hours beyond the 30 credit hours limit will be deemed as unapplied credits and will not be included in the enrollment status.
3. A student is allowed to take a course twice with a passing grade and it will be included in the student's enrollment intensity. If a student has completed a course twice with a grade of D or better, that course will not be included in the student's enrollment intensity should they enroll in it again.
4. The enrollment intensity is established as of the published census dates for each term. Please note that mini terms within the semester each have their own census date.

The Pell Grant is disbursed directly to the student's college account. It will be used to satisfy the student's tuition, fees, books and supplies, and any other charges on the account. If the Pell Grant is in an amount greater than the amount owed to the college, the student will be said to have excess funds and these funds will be disbursed directly to the student. The institution is not required to track how the excess funds are used, but it is the student's ethical responsibility to use the excess funds only for expenses that are related to the student obtaining their education.

Pell Grant Lifetime Eligibility Limitation

Students have a lifetime limit on the amount of Pell Grant they are eligible to receive. Congress has established that a student may receive a maximum Pell Grant amount equal to 12 full-time terms which equates to 6 years. If a student attends two terms a year in a full-time status, they will use 100% of their annual award (50% per term) and at the end of 6 years they will have used a total of 600%. The U.S. Department of Education (ED) monitors this limitation by what they term as Lifetime Eligibility Used (LEU). Therefore, if a student receives a full-time Pell Grant amount for a term they are said to have a 50% LEU for that term. At the end of three full-time terms the student would have an LEU of 150%. ED keeps a running total of the student LEU, and the college will begin sending out warning emails to the student once their LEU has reached or exceeded 400%. This will let the student know when they are approaching the lifetime limit of the Pell Grant they are eligible to receive.

Not all students attend in a full-time status every term. The Pell Grant disbursement for students attending less than full-time is a prorated amount based on the amount of Pell Grant they received in relationship to their annual scheduled award. Below is an example.

A student has an annual scheduled award of \$7395 (term scheduled award is \$3698) and enrolls in 5 credit hours making their enrollment intensity 42%. Their Pell Grant disbursement for the term was \$1553 ($\$3698 \times 42\%$). The student withdraws from all their classes for the term. The amount disbursed is 21% of the student's annual award. The student's LEU at the beginning of the term was 125% so it will go up to 146% after the withdrawal.

Once a student has reached or exceeded the 600% LEU limit, they are no longer eligible to receive the Pell Grant as a form of financial assistance. Students do not regain eligibility unless an error was made in the calculation of their LEU, or they received a Pell Grant disbursement at a school that closed, and the student is eligible for an LEU reduction. Students do **not** have the option to appeal for additional eligibility once the limit has been reached or exceeded. Students should monitor their LEU closely to ensure they have the funding needed to complete their education.

Awarding Examples

- 1) Student plans to enroll in the fall term of the award year (has not used Pell Grant at another college)
 - a. Annual Pell Grant award will be given for the fall and spring terms
 - b. Students can receive a maximum of 50% of their annual award during each term.
 - c. Students would be eligible for up to an additional 50% of their annual award to be used for the summer term under the Year-Round Pell program.
- 2) Student plans to begin attending in the spring term (does not attend fall) of the award year (has not used Pell Grant at another college)
 - a. The annual Pell Grant award will be given for the spring and summer terms.
 - b. Students can receive a maximum of 50% of their annual award during each term.
 - c. Student would not need to use the Year-Round Pell extra funding.
- 3) Student plans to begin attending in the summer term (does not attend fall or spring) of the award year (has not used Pell Grant at another college)
 - a. Students will be awarded 50% of the annual award for the summer term only.
 - b. Students would not need to use the Year-Round Pell extra funding.
- 4) Student attends and received Pell Grant funds for 6 credit hours in fall (25% of their annual award), received Pell Grant for 9 credit hours in spring term (37.5% of their annual award), and enrolls in 12 credit hours for summer. (Student did not use Pell Grant at another college)
 - a. Annual Pell Grant award will be given for the fall and spring terms
 - b. Students can receive a maximum of 50% of their annual award during each term.
 - c. Student had 37.5% of their annual award remaining (~ 9 credits) after spring term.

- d. Students would be eligible for up to an additional 50% of their annual award to be used for the summer term under the Year-Round Pell program. Student is enrolled full time (12 hours) therefore would qualify for year round Pell Grant funds.

Year-Round Pell Examples

Please note the dollar amounts used in the examples below are for demonstration purposes only. Actual Pell Grant amounts vary from student to student based on their SAI as described in the Pell Grant Award Information Section.

- 1) Student has an annual Pell Grant award of \$4000. They attend full time in both the fall and spring terms. At the end of the spring term, they have used 100% or \$4000 of their annual award (\$4000 annual award x 50% x 2 terms). Going into the summer term this student does not have any of their annual award remaining and would need to use the extra 50% YRP award.
 - a. If a student enrolled in credit hours needed towards their graduation from SCC, they would be eligible for the extra YRP funding assuming they have not reached their Pell Lifetime Limit.
- 2) Student has an annual Pell Grant award of \$4000. They attend full time in fall term and $\frac{3}{4}$ time in spring term. At the end of the spring term, they have used 87.5% or \$3500 of their annual award (\$4000 annual award x 50% for fall plus \$4000 annual award x 37.5% for spring). Going into the summer term this student has 12.5% of their regular annual award remaining.
 - a. If a student enrolls for 1-5 credit hours, they will simply use the remainder of their regular Pell Grant annual award.
 - b. If a student enrolls in 6 or more credit hours, they will use the remainder of their regular Pell Grant plus a portion of the extra YRP funds.
- 3) Student has an annual Pell Grant award of \$4000. They do not attend the fall term, but they do attend the spring term in a full-time status. At the end of the spring term, they have used 50% or \$2000 of their annual award (\$4000 annual award x 50%). Going into the summer term they could enroll in 1 credit hour or more and would only use the remainder of their annual award. They would not receive any of the extra YRP award since 50% of the annual award is the most a student can receive in any given term.
- 4) Student has an annual Pell Grant award of \$4000. They attended half time (6 credits) in fall term and $\frac{3}{4}$ time (9 credit hours) in spring term. At the end of the spring term, they have used 62.5% or \$2500 of their annual award (\$4000 annual award x 62.5%). Going into the summer term they could enroll in 1 credit hour to 9 credit hours and would only use the remainder of their annual award. They would not receive any of the extra YRP award since 50% of the annual award is the most a student can receive in any given term.
- 5) Student has an annual Pell Grant award of \$4000. They attended half time (6 credits) in fall term and $\frac{3}{4}$ time (9 credit hours) in spring term. At the end of the spring term, they have used 62.5% or \$2500 of their annual award (\$4000 annual award x 62.5%). Going into the summer term they could enroll in 10 or more credit hours and would use the remainder of their annual award plus part of the YRP Pell Grant award. They would receive some of the extra YRP award since they will use 100% of the annual award and have credit hours not covered.

For more details about the Federal Pell Grant program, please visit the Pell Grant page at Federal Student Aid by going to <https://studentaid.gov/understand-aid/types/grants/pell>