

FEDERAL PELL GRANT LEU

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FASFAA Region V Workshop
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New Provision

- Enacted by the Consolidated Appropriations Act of 2012 (Public Law 112-74)
 - Amendment to HEA Section 401(c)(5)
 - Signed By President Obama on 12/31/11
- Beginning with the 2012-2013 AY (7/1/12)
 - New Lifetime Eligibility Used (LEU) Regulations:
 - 600%
 - 12 Full Time Semesters or its equivalent
 - i.e. 24 Half Time Semesters
 - 6 Years receiving 100% of annual award
- Affects ALL PELL Grant Recipients
 - Regardless of when they began receiving Pell Grant Funds

Calculating Pell LEU

- Add the annual percentages of a student's scheduled award that was actually disbursed to the student.
- Once a student reaches 600% they are no longer eligible for Pell Grant funds

**Examples of Pell Grant
Lifetime Eligibility Used**

Student A

Student B

Student C

Award Year 1	Pell Grant Scheduled Award	\$5,550	\$5,000	\$4,000
	Pell Grant Amount Received	\$2,775	\$3,750	\$4,000
	Percent Used	50%	75%	100%
Award Year 2	Pell Grant Scheduled Award	\$5,200	\$5,000	\$5,550
	Pell Grant Amount Received	\$5,200	\$5,000	\$5,550
	Percent Used	100%	100%	100%
Award Year 3	Pell Grant Scheduled Award	\$4,700	\$5,000	\$5,550
	Pell Grant Amount Received	\$4,700	\$1,250	\$5,550
	Percent Used	100%	25%	100%
Award Year 4	Pell Grant Scheduled Award	\$4,700	\$5,000	\$5,550
	Pell Grant Amount Received	\$4,700	\$5,000	\$5,550
	Percent Used	100%	100%	100%

Total Lifetime Eligibility Used — LEU

350%

300%

400%

Calculating Pell LEU

- Student's with Less than 100% LEU Remaining
 - You cannot divide the remaining LEU % by the terms of enrollment
 - The Institution must compare the student's calculated eligible amount for the enrollment period to the remaining eligible dollar amount of the students LEU

Calculating Pell LEU

Example:

- Student has used 525% LEU / 75% remaining eligibility
- EFC = 0 / \$2775 award for term / Is enrolled Full Time

Disb Type	FALL	SPR	SUM
Semester	50%	25%	0%
Payment	\$2775	\$1388	\$0

School Notifications

- DCL ID: GEN – 12-01 – 1/18/12
 - We were first officially notified that the Consolidated Appropriations Act, 2012 was passed
- EA – 2/17/12
 - Preliminary Information – Implementation of the 12 Semester Lifetime Limit for Federal Pell Grants
- EA 4/6/2012
 - Additional COD System Implementation for 2012-2013 Award Year
- Mid April 2012 – FSA through COD
 - Began Sending Institutions Weekly Reports
 - 12/13 Applicants
 - Pell Grant Eligible
 - LEU = 450% and above
 - Listed School's Federal School Code (OPEID) on FAFSA
 - Information Available at the Time
 - Students who were awarded from 1993-1994 through 2011-2012 AY

School Notifications

- EA – June 14, 2012
 - Pell Grant LEU Information – Additional 2012-2013 COD System Update.
 - June 15, 2012 – FSA began updating COD with historical Pell Grant Data
 - Data was not available until 7/2012
 - Conflicting Information – NSLDS vs. COD
 - **NOTE: COD should be the system of record for all Pell Grant LEU Data**
 - Impacted Previous Reports
 - New students appearing on previous reports
 - Increased LEU reported for existing students

School Notifications

- In July 2012
 - NSLDS began to display Student's LEU
 - CPS began flagging students whose LEU is close to or exceeds 600%
 - E = Limit Met or Exceeds ($\geq 600\%$)
 - C = Close to Limit (between 501 – 599%)
 - H = High % Warning (between 450 and 500%)
 - N = No Problem
 - CPS also began using comment codes 345-348
 - COD
 - Began sending LEU Warning Edits in the common record response
 - Began to display LEU on website
 - Began to use the <LifetimeEligibilityUsed> tag in the Common Record Response for all students

School Notifications

- **DCL – GEN 12-18 – Declination or Return of Federal Pell Grant Funds by a Student**
 - Students may decline all or a portion of their Pell Grant Disbursement
 - May occur when student's expect to qualify for a larger Pell Grant in future years
 - Transfer to a more expensive educational institution
 - Change in the EFC

School Notifications

- **To Decline Pell Grant Funds**
 - Student must submit a signed, written statement
 - Statement must indicate:
 - Student is declining Pell Grant funds for which he or she is otherwise eligible for
 - Student understands that those funds may not be available once the award year is over.

The school must submit any adjustment records for the student to the Common Origination and Disbursement (COD) System.

Student Notifications

- Between Mid April and July 1, 2012 FSA began to Email Students
 - Submitted 2012-2013 FAFSA
 - Pell LEU greater than 500%
 - 500 – 599% email indicated that they may be eligible for less Pell Grant than originally communicated on his/her SAR
 - 600% and above email indicated they are no longer eligible for Pell Grant funds
 - Both emails referred students to their institution's Financial Aid Office for questions/concerns.
 - After July 1st Students were notified on their SAR

LEU on NSLDS

Pell Grant History

Lifetime Eligibility Used: 75.012%

#	Award Year	Scheduled Amount	Award Amount	Disbursed Amount	% Sched. Award Used by Award Yr	Latest Disb	Posted by COD
1	2012 - 2013	\$5,550	\$5,550	\$2,225	50.0000	07/12/2012	07/12/2012
		FSA NSLDS COLLEGE 00301000			EFC: 0	Ver. Flag: V	Tran: 01
		1st Time: No	Additional Eligibility: N/A		Post 9/11 Deceased Veteran Dependent: No		
2	2011 - 2012	\$4,050	\$4,050	\$1,013	25.0123	01/01/2012	01/02/2012
		FSA NSLDS COLLEGE 00301000			EFC: 1240	Ver. Flag: N/A	Tran: 01
		1st Time: No	Additional Eligibility: N/A		Post 9/11 Deceased Veteran Dependent: No		

PRIVACY ACT OF 1974 (AS AMENDED)

LEU on COD

- Retrieving LEU Report
 - Log into the COD Web site
 - Select the "Services" tab located on the blue navigation bar.
 - Click on the hyperlink (<https://codreports.cod.ed.gov>) in the middle of the screen.
 - A separate window will open, displaying your school's Newsbox.
 - Click on the Pell Grant (PL) hyperlink.
 - The Pell Grant LEU Report (as well as other available reports for the Pell Grant Program) will appear on the screen.

LEU on COD

- Accessing Current Version of Report
 - Click on the hyperlink labeled "Pell Lifetime Eligibility Used."
- Accessing Previous Version of Report,
 - Click on the word "Actions" located directly below the report name.
 - Click on the "Previous versions" link.
 - Determine the date you would like to view,
 - Click on the "Delimited text" link next to the report date that you need.

LEU on COD

- After July 15, 2012
 - In Both the Origination and Disbursement Acknowledgement Reports, Pell LEU information will be reported for each student
 - Origination will not be Rejected if Student has surpassed LEU, however Disbursement will be.

FSEOG Eligibility

- Student does not automatically lose FSEOG Eligibility if they have reached their Pell Grant LEU
- Regulations State:
 - FSEOG 1st Selection Group must be made up of students who have the lowest EFC's and who will also receive Pell Grant funds in that Award Year
 - Schools must then award students with the lowest EFC's that are not receiving Federal Pell Grant Awards – this is the FSEOG 2nd Selection Group
 - Students who have met or exceeded Pell LEU fall into this Selection Group

What Are Institutions Doing?

- NASFAA Survey
- 659 Respondents to Date

Action	Percentage
Providing more institutional grants	13.51%
Providing more FSEOG (depending on packaging model and FSEOG funds availability for non Pell recipients)	5.31%
Providing more self-help aid (loans or work-study)	22.76%
We do not package any other financial aid to compensate	55.08%
We don't have any students who have reached LEU limit	3.34%

As of 9/28/12



QUESTIONS?

The background is a solid blue color. At the top, there are several thin, wavy lines in shades of blue and green, creating a decorative header effect.

THANK YOU!