Scheduled Pell Grant Award Determination

FASFAA Region IV Workshop

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1. Pell Grant Eligibility
2. Maximum, Minimum, & Calculated Scheduled Pell Grant
3. Student Aid Index (SAI)
4. Limitations & Special Rules
5. Case Studies
6. Annual Awards and Enrollment Intensity
7. More Case Studies
8. Questions
9. If time permits - SAI Calculation walk-thru
PELL MAX, MIN, IN BETWEEN, & SAI

PELL GRANT
ELIGIBILITY
PELL GRANT ELIGIBILITY OVERVIEW

• The "Scheduled Pell Grant" is the student’s Maximum Pell Grant eligibility for full-time, full-year enrollment.

• The FAFSA Simplification Act modified the "Scheduled Pell Grant" determination process.

• FAFSA® data will be used to determine a "Scheduled Pell Grant" award in one of three ways:

  1. Max Pell
  2. Min Pell
  3. Calculated Scheduled Pell (In-Between Pell)

• Pell Grant Annual Awards and disbursement amounts will now be calculated using “Enrollment Intensity” (a percentage value) rather than enrollment status (e.g., full-time or half-time).
CHANGES TO PELL ELIGIBILITY

**MAX PELL**
- Non-tax filers; or
- Tax filers - Based on:
  - AGI
  - Poverty Guidelines
  - Family Size

**MIN PELL**
Based on:
- AGI
- Poverty Guidelines
- Family Size

**CALCULATED PELL (In-Between)**
Based on:
Maximum Published Scheduled Pell Grant minus (-) Calculated SAI
MAX PELL – DEPENDENT STUDENTS

CRITERIA FOR MAXIMUM SCHEDULED PELL GRANT

- Parents **not required** to file federal income tax return
- Single parent with AGI > 0 and ≤ 225% of poverty guideline for family size and state of residence
- Parent **NOT** single parent and has AGI > 0 and ≤ 175% of poverty guideline for family size and state of residence
CRITERIA FOR MAXIMUM SCHEDULED PELL GRANT

Student (and spouse) **not required** to file federal income tax return

OR

Student is single parent with AGI > 0 and < 225% of poverty guideline for family size and state of residence

OR

Student **NOT** single parent and has AGI > 0 and < 175% of poverty guideline for family size and state of residence
CRITERIA FOR MINIMUM SCHEDULED PELL GRANT

Student’s parent is a single parent with an AGI < 325% of the poverty guideline for family size and state of residence

OR

Student’s parent is NOT a single parent and has AGI ≤ 275% of the poverty guideline for family size and state of residence
MIN PELL – INDEPENDENT STUDENTS

CRITERIA FOR MINIMUM SCHEDULED PELL GRANT

Student is a single parent, and the AGI is less than or equal to 400% of the poverty guideline for family size and state of residence

OR

Student is a parent and is NOT a single parent, and has AGI ≤ 350% of the poverty guideline for family size and state of residence

OR

Student is not a parent, and the student’s (and spouse’s if applicable) AGI is ≤ 275% of the poverty guideline for family size and state of residence
Students not eligible for an automatic Max or Min Pell Grant may be eligible for a Calculated Scheduled Pell Grant

Published Maximum Pell Grant minus Student Aid Index (SAI) = Calculated Scheduled Pell Grant, rounded to the nearest $5

Example:

- Max Pell = $7,395
- SAI = 1,002
- Calculated Scheduled Pell = $7,395 – 1,002 = $6,393 → Rounded to $6,395

NOTE: For this scenario, we will use a the actual maximum Pell Grant of $7,395 and the actual minimum Pell Grant of $740.
• Published Max and Min Pell amounts will always be in $5 increments.

• Calculated Scheduled Pell amounts must be rounded to the nearest $5.

• Scheduled Pell cannot exceed COA. If Scheduled Pell > COA, award Scheduled Pell = COA and truncate cents, if applicable. Do not round.

• If Calculated Scheduled Pell < Published Min Pell, the student is not eligible for a Calculated Scheduled Pell. However, they may be eligible for a Min Pell based on AGI, household size, and poverty thresholds.
PELL MAX, MIN, IN BETWEEN, & SAI

STUDENT AID INDEX (SAI)
2024-25 Need Analysis Changes

- Student Aid Index (SAI) replaces Expected Family Contribution (EFC)
- Estimated Financial Assistance (EFA) is now Other Financial Assistance (OFA)
- Need Calculation = COA - SAI - OFA
STUDENT AID INDEX (SAI) FORMULA

- Reduces number of income items and allowances against income
- Changes items included as assets
- Changes family size definitions and removes number in college
STUDENT AID INDEX (SAI) FORMULA

- Allows for negative SAI up to -1,500
- No allowance to prorate SAI for periods other than nine months
- Implements separate Pell Grant eligibility determination
## Changes to Income Data

<table>
<thead>
<tr>
<th>Expected Family Contribution (EFC)</th>
<th>Student Aid Index (SAI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGI (tax filers) or income earned from work (non-tax filers)</td>
<td>AGI</td>
</tr>
<tr>
<td>Deductible payments to SEP/SIMPLE/KEOGH/Other</td>
<td>Deductible payments to SEP/SIMPLE/KEOGH/Other</td>
</tr>
<tr>
<td>Tax-exempt interest</td>
<td>Tax-exempt interest</td>
</tr>
<tr>
<td>Untaxed portions of IRA distributions and pensions (excluding rollovers)</td>
<td>Untaxed portions of IRA distributions and pensions (excluding rollovers)</td>
</tr>
<tr>
<td><strong>Payments to tax-deferred pension and retirement savings plans</strong></td>
<td></td>
</tr>
<tr>
<td>Child support received</td>
<td></td>
</tr>
<tr>
<td>Housing, food, and other allowances paid to members of the military, clergy, and others</td>
<td></td>
</tr>
<tr>
<td>Veterans noneducation benefits</td>
<td></td>
</tr>
<tr>
<td>Other untaxed income</td>
<td></td>
</tr>
<tr>
<td>Money received by or paid on student’s behalf</td>
<td></td>
</tr>
</tbody>
</table>
# Changes to Allowances Against Income

## Expected Family Contribution (EFC)
- Taxable college grant and scholarship aid reported as income
- Education credits
- Taxable earnings from need-based employment
- U.S. income tax paid (or foreign equivalent)
- Income protection allowance
- Employment expense allowance
- Social Security tax allowance
- Child support paid
- Combat pay or special combat pay
- Cooperative education employment earnings
- State and other tax allowance

## Student Aid Index (SAI)
- Taxable college grant and scholarship aid reported as income
- Education credits
- Federal Work-Study
- U.S. income tax paid (or foreign equivalent)
- Income protection allowance
- Employment expense allowance
- Payroll tax allowance
  - Medicare Hospital Insurance Tax
  - OASDI (old age survivors and disability insurance)
### CHANGES TO ASSET INFORMATION

#### Expected Family Contribution (EFC)

**Contribution from Assets**
- Cash, savings, and checking
- Net worth of investments, including real estate (excluding primary residence)
- Adjusted net worth of business and/or farm (excluding businesses with fewer than 100 full-time employees or family farms)

**Allowance against Assets**
- Education savings and asset protection allowance

#### Student Aid Index (SAI)

**Contribution from Assets**
- Annual child support received ≤ last complete calendar year
- Cash, savings, checking, time deposits, and money market funds
- Net worth of investments, including real estate (excluding primary residence)
- Adjusted net worth of business and/or farm

**Allowance against Assets**
- Asset protection allowance ≤ $0 FOR 2024-25
# 2024-25 FAMILY SIZE

<table>
<thead>
<tr>
<th>Dependent Students</th>
<th>Independent Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Student</td>
<td>• Student</td>
</tr>
<tr>
<td>• Student’s parents, even if student not living with them</td>
<td>• Student’s spouse, if applicable</td>
</tr>
<tr>
<td>• Student’s siblings if</td>
<td>• Student’s dependent children if</td>
</tr>
<tr>
<td>• live with student’s parents or live elsewhere to attend college, and</td>
<td>• live with student</td>
</tr>
<tr>
<td>• receive and continue to receive more than half their support from student’s parents during award year</td>
<td>• receive and continue to receive more than half their support from student during award year</td>
</tr>
<tr>
<td>• Other persons if</td>
<td>• Other persons</td>
</tr>
<tr>
<td>• live with student’s parents</td>
<td>• live with student</td>
</tr>
<tr>
<td>• receive and continue to receive more than half their support from student’s parents during award year</td>
<td>• receive and continue to receive more than half their support from student during award year</td>
</tr>
</tbody>
</table>
THREE SAI FORMULAS

FORMULA A
Dependent Students

FORMULA B
Independent students *w/out* dependent(s) other than a spouse

FORMULA C
Independent students *with* dependent(s) other than a spouse
STUDENT AID INDEX - FORMULA A

Parent Contribution from Income + Parent Contribution from Assets = Parent Contribution

Parent Contribution + Student Contribution from Income + Student Contribution from Assets = SAI
STUDENT AID INDEX – FORMULAS B & C

\[ \text{SAI} = \text{Student Contribution from Income} + \text{Student Contribution from Assets} \]
PELL MAX, MIN, IN BETWEEN, & SAI

CASE STUDIES
NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7,850 and a fictitious minimum Pell Grant of $785.
Note: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7,850 and a fictitious minimum Pell Grant of $785.

- Valid SAI: -367
- COA: $35,000
- Pell Eligibility Flag: Yes
- Max Pell: Yes
- Is COA > Max Pell: Yes
- Scheduled Pell = Max Pell ($7,850)
NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850 and a fictitious minimum Pell Grant of $785.
MIN PELL

STUDENT D

- Valid SAI: 7,100
- COA: $1,200
- Pell Eligibility Flag: Yes
- Max Pell: No
- Min Pell: Yes
- Is COA > Min Pell: Yes
- Scheduled Pell = Min Pell → $785

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850 and a fictitious minimum Pell Grant of $785.
MIN PELL

STUDENT E

- Valid SAI: 8,000
- COA: $15,000
- Pell Eligibility Flag: Yes
- Max Pell: No
- Min Pell: Yes
- Is COA > Min Pell: Yes
- Scheduled Pell = Min Pell $785

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850 and a fictitious minimum Pell Grant of $785.
IN-BETWEEN PELL

STUDENT F

- Valid SAI: 1,002
- COA: $10,000
- Pell Eligibility Flag: Yes
- Max Pell: No
- Min Pell: No
- Calculated Pell = $7,850 – 1,002 = $6,848 → Round to $6,850
- Is COA > Calculated Pell: Yes
- Scheduled Pell = $6,850

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850.
IN-BETWEEN PELL

STUDENT G

- Valid SAI: 237
- COA: $7,000
- Pell Eligibility Flag: Yes
- Max Pell: No
- Min Pell: No
- Calculated Pell = $7,850 - 237 = $7,613 → Round to $7,615
- Is COA > Calculated Pell: No
- Scheduled Pell = COA → $7,000

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850.
ONE MORE CASE

STUDENT H

- Valid SAI: 500
- COA: $10,000
- Pell Eligibility Flag: No
- Max Pell: Doesn’t matter
- Min Pell: Doesn’t matter
- Scheduled Pell = None

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850 and a fictitious minimum Pell Grant of $785.
PELL MAX, MIN, IN BETWEEN, & SAI

ANNUAL AWARDS & ENROLLMENT INTENSITY
## STANDARD TERM PROGRAMS

- Number of enrolled credits ÷ Credits required for full-time enrollment
- Round to nearest whole percent using standard rounding rules
  - \( \frac{7}{12} = 0.58333 \rightarrow 58\% \)

<table>
<thead>
<tr>
<th>Enrolled Credit Hours</th>
<th>Enrollment Category</th>
<th>Enrollment Intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 (or more)</td>
<td>Full-Time</td>
<td>100%</td>
</tr>
<tr>
<td>11</td>
<td>Three Quarter Time</td>
<td>92%</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>83%</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>75%</td>
</tr>
<tr>
<td>8</td>
<td>Half-Time</td>
<td>67%</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>58%</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>50%</td>
</tr>
<tr>
<td>5</td>
<td>Less-than-Half-Time</td>
<td>42%</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>33%</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>25%</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>17%</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td>8%</td>
</tr>
</tbody>
</table>
ENROLLMENT INTENSITY – CASE STUDY

STUDENT DELTA

- Scheduled Pell = Max Pell ($7,850)
- Standard 2-term academic calendar (Fall and Spring)
- Full-time Enrollment = 12 Credit Hours

<table>
<thead>
<tr>
<th>Semester Disbursement Schedule</th>
<th>Fall</th>
<th>Spring</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit Hours</strong></td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td><strong>Enrollment Intensity</strong></td>
<td>7÷12 = 0.58333 → 58%</td>
<td>11÷12 = 0.9167 → 92%</td>
</tr>
<tr>
<td><strong>Annual Pell Calculation</strong></td>
<td>($7,850 * 58%) ÷ 2</td>
<td>($7,850 * 92%) ÷ 2</td>
</tr>
<tr>
<td><strong>Annual Pell Award</strong></td>
<td>$2,277</td>
<td>$3,611</td>
</tr>
</tbody>
</table>

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850 and a fictitious minimum Pell Grant of $785.
ENROLLMENT INTENSITY – CASE STUDY

STUDENT DELTA

- Scheduled Pell = $7,395
- Standard 2-term academic calendar (Fall and Spring)
- Full-time Enrollment = 12 Credit Hours

<table>
<thead>
<tr>
<th>Semester Disbursement Schedule</th>
<th>Fall</th>
<th>Spring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Hours</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>Enrollment Intensity</td>
<td>7÷12 = 0.58333 → 58%</td>
<td>11÷12 = 0.91677 → 92%</td>
</tr>
<tr>
<td>Annual Pell Calculation</td>
<td>($7,395 * 58%) ÷ 2</td>
<td>($7,395 * 92%) ÷ 2</td>
</tr>
<tr>
<td>Annual Pell Award</td>
<td>$2,145</td>
<td>$3,401</td>
</tr>
</tbody>
</table>

NOTE: For the remaining scenarios in this presentation, we will use the established maximum Pell Grant of $7,395 and the established minimum Pell Grant of $740.
Valid SAI: 0
COA: $6,500
Pell Eligibility Flag: Yes
Max Pell: No
Min Pell: No
Calculated Pell = $7,850 – 0 = $7,850
Is COA > Calculated Pell: No
Scheduled Pell = COA = $6,500

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850.
ENROLLMENT INTENSITY – CASE STUDY

STUDENT ALPHA

- Scheduled Pell = $6,500
- Standard 2-term academic calendar (Fall and Spring)
- Full-time Enrollment = 12 Credit Hours
- Fall Enrollment (12 credits) Spring Enrollment (10 credits)

<table>
<thead>
<tr>
<th>Semester Disbursement Schedule</th>
<th>Fall</th>
<th>Spring</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit Hours</strong></td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td><strong>Enrollment Intensity</strong></td>
<td>12÷12 = 1.00 → 100%</td>
<td>10÷12 = 0.833 → 83%</td>
</tr>
<tr>
<td><strong>Annual Pell Calculation</strong></td>
<td>($6,500 * 100%) ÷ 2</td>
<td>($6,500 * 83%) ÷ 2</td>
</tr>
<tr>
<td><strong>Annual Pell Award</strong></td>
<td>$3,250</td>
<td>$2,698</td>
</tr>
</tbody>
</table>

NOTE: For all scenarios in this presentation, we will use a the established maximum Pell Grant of $7,850 and the established minimum Pell Grant of $785.
ENROLLMENT INTENSITY – CASE STUDY

STUDENT BETA

Valid SAI: 455
COA: $15,000
Pell Eligibility Flag: Yes
Max Pell: No
Min Pell: No
Calculated Pell = $7,850 – 455 = $7,395
Is COA > Calculated Pell: Yes
Scheduled Pell = $7,395

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850.
ENROLLMENT INTENSITY – CASE STUDY

STUDENT BETA

- Scheduled Pell = $7,395
- Standard 2-term academic calendar (Fall and Spring)
- Full-time Enrollment = 12 Credit Hours
- Fall Enrollment (6 credits) Spring Enrollment (11 credits)

<table>
<thead>
<tr>
<th>Semester Disbursement Schedule</th>
<th>Fall</th>
<th>Spring</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit Hours</strong></td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td><strong>Enrollment Intensity</strong></td>
<td>6(\div12 = 0.500 \rightarrow 50%)</td>
<td>11(\div12 = 0.916 \rightarrow 92%)</td>
</tr>
<tr>
<td><strong>Annual Pell Calculation</strong></td>
<td>($7,395 \times 50%) \div 2)</td>
<td>($7,395 \times 92%) \div 2)</td>
</tr>
<tr>
<td><strong>Annual Pell Award</strong></td>
<td>$1,849</td>
<td>$3,402</td>
</tr>
</tbody>
</table>

NOTE: For all scenarios in this presentation, we will use a the established maximum Pell Grant of $7,850 and the established minimum Pell Grant of $785.
ENROLLMENT INTENSITY – CASE STUDY

STUDENT OMEGA

Valid SAI: 947
COA: $15,000
Pell Eligibility Flag: Yes
Max Pell: No
Min Pell: No
Calculated Pell = $7,850 – 947 = $6,903
– round to $6,905
Is COA > Calculated Pell: Yes
Scheduled Pell = $6,905

NOTE: For all scenarios in this presentation, we will use a fictitious maximum Pell Grant of $7850.
ENROLLMENT INTENSITY – CASE STUDY

STUDENT OMEGA

- Scheduled Pell = $6,905
- Standard 2-term academic calendar (Fall and Spring)
- Full-time Enrollment = 12 Credit Hours
- Fall Enrollment (8 credits) Spring Enrollment (6 credits)

<table>
<thead>
<tr>
<th>Semester Disbursement Schedule</th>
<th>Fall</th>
<th>Spring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Hours</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Enrollment Intensity</td>
<td>8(\div12 = .6666 \rightarrow 67%)</td>
<td>6(\div12 = 0.500 \rightarrow 50%)</td>
</tr>
<tr>
<td>Annual Pell Calculation</td>
<td>($6,905 \times 67%) \div 2</td>
<td>($6,905 \times 50%) \div 2</td>
</tr>
<tr>
<td>Annual Pell Award</td>
<td>$2,313</td>
<td>$1,727</td>
</tr>
</tbody>
</table>

NOTE: For all scenarios in this presentation, we will use the established maximum Pell Grant of $7,850 and the established minimum Pell Grant of $785.
Questions