



2026-2027 Pell Grant Policy and Procedures

I. Policy Statement

The Pell Grant is a federal grant program that provides financial aid to undergraduate students with exceptional financial need. Pell Grant offers funds that do not need to be repaid, unlike student loans. The amount of the grant varies and is determined by the student's Student Aid Index (SAI) as reported on the FAFSA, the cost of attendance at the school, and whether the student is enrolled full-time or part-time. The maximum amount of Pell Grant is determined by the federal government and the Department of Education. The amount of time in which a student can receive Pell grant has been reduced from 18 semesters to 12 semesters or when they reach 600%. This change in duration is not limited to students who received their first Federal Pell Grant on or after the 2008-2009 award year, as the HEA previously provided when the duration of eligibility was 18 semesters. The federal government will calculate the equivalency by adding together each of the annual percentages of a student's scheduled award that was actually disbursed to the student.

II. Purpose of Policy

Pell Grants are awarded based on a student's financial need, as determined by the Free Application for Federal Student Aid (FAFSA). The Pell Grant is the largest federal grant program for undergraduate students, designed to help those from low-income households afford college. Pell Grant funds can be used for tuition, fees, books, and other necessary expenses related to attending college.

III. Applicability

Initial eligibility requirements

- Be an undergraduate student who has not earned a bachelor's, graduate or professional degree.
- Complete a Free Application for Federal Student Aid (FAFSA) for the applicable year.
- Demonstrate exceptional financial need based upon the SAI (Student Aid Index) calculation.
- Be a U.S. citizen or eligible non- citizen.

Continuing eligibility requirements

- Complete the FAFSA form each academic year.
- Complete any unsatisfied ULM financial aid requirements that appear on your ULM Banner Self-Service.
- Students must meet the University of Louisiana Monroe's Satisfactory Academic Policy (SAP) to be awarded any Pell Grant during an academic year.
- The amount of Federal Pell Grant funds you may receive over your lifetime is limited by federal law to be the equivalent of six years of Pell Grant funding.
- Maintain enrollment in an undergraduate, degree seeking course of study.

IV. Definitions

The Pell Grant is a source of financial government funding provided to students who are determined eligible based on the information from their Free Application for Federal Student Aid (FAFSA). This source of funding does not have to be repaid as long as the student completes their courses and earns the funds provided to them.

V. Packaging Policy & Procedures

Award amounts:

The maximum Federal Pell Grant award is \$7,395 for the 2026-2027 award year. This does not include year-round Pell. Please see further in the document for more information on year-round Pell. The minimum Pell Grant award for 2026-2027 is \$740.

Packaging Policy:

- The amount of Pell Grant a student can receive will depend on the following:
 - Your Student Aid Index (SAI based on your FAFSA form calculation).
 - The cost of attendance or budget (determined by the institution for your specific program of study and regulated by the individual state the institution is in).
 - The student's status as a full-time or part-time student. Pell Grant is awarded based on hours attending. ULM awards students based on the assumption of full-time enrollment. However, only the amount of eligible Pell Grant will actually apply to the bill.
 - Does the student plan to attend for one term or the entire academic year?
 - The student is meeting the university's Satisfactory Academic Progress (SAP) policy.
 - Pell Grant is awarded by automatic packaging within the Oracle Banner system.
 - Terms and Conditions are applied to the account for the student to review and accept. This is so students will read and understand all of the rules and regulations needed to receive and keep their awarded Pell Grant.
- Pell Grant is reviewed and adjusted until after the 14th class day of full-term classes and after the 5th class day for module classes.
 - For example, if you were attending a 12-hour, full-time course load and dropped to 9 credit hours before one of the above timeframes, your Pell Grant would be adjusted to the amount of Pell Grant for the appropriate amount of credit hours at that time. This could cause the student to owe a balance to the institution.
- Students must attend and complete 60.004% of their classes for each term to earn 100% of their awarded Pell Grant. If a student withdraws from the institution completely, all of their federal aid, including Pell Grant will be reviewed and adjusted based upon the student's last date of participation. This could cause the student to owe a balance to the institution.
- In certain situations, an eligible student can receive up to 150% of his or her scheduled Pell Grant award for an academic year.

Pell Grant Changes beginning in the 2026-2027 Award Year

- Students with an SAI equal to or greater than 14,790 are ineligible to receive a Pell Grant.
- Some current students who received Pell Grants for the past two years through this loophole will lose eligibility in 2026-2027.
- **No Pell Grant for students fully covered by non-federal grant and scholarships:**
 - Students who receive grants or scholarships from non-federal sources that cover their entire (COA) cost of attendance are ineligible to receive a Pell Grant, even if otherwise eligible for the program.
 - This change will affect student-athletes on full-ride scholarships, as well as other students whose institutional, state, and/or private aid meet or exceed full COA.
 - Institutions can reduce non-federal aid to below the COA to preserve Pell Grant eligibility. See examples of how to calculate Pell further in this document.
 - **Per Ask Regs:** *If non-federal sources of aid do not exceed the cost of attendance (COA), the student may receive the full amount of the Pell Grant to which they are entitled, even if adding that amount of Pell brings the student over COA. See example 1 below.*
 - *The rules for adjusting the COA have not changed. You have the authority to use professional judgment to adjust the COA on a case-by-case basis to allow for special circumstances. Such adjustments and circumstances should be well-documented. However, increasing the COA to circumvent a regulation would not be considered a special circumstances. See example 2.*
 - *If non-federal sources of aid exceed the COA, you may reduce one or all of those sources so that the student is at least \$1 under the COA. At that point the full Pell eligibility could be added, even if adding that amount takes the student over COA. There is no need to increase the COA. See example 3.*

Example 1: Nonfederal Aid Does Not Exceed COA

COA	\$20,000
Federal Pell Grant	\$ 7,395
Institutional Grant	\$10,000
State Grant	\$ 3,500
Private Scholarship	\$ 5,000
Total Nonfederal Grants & Scholarships	\$18,500

In this example, the total of nonfederal grants and scholarships does not equal or exceed the COA, so the student keeps their entire \$7,395 Pell Grant. The Pell Grant is not reduced by \$1,500, and there is no Title IV requirement to reduce the nonfederal aid by \$1,500 to prevent the combination of aid from exceeding the COA. This is not a Title IV overaward or overpayment. There

may be state requirements to reduce the state grant. Likewise, the private scholarship provider might also have such a requirement. And, the institution may choose to reduce its own grant under its packaging policy. However, the student keeps the entire Pell Grant amount.

Example 2: Nonfederal Aid Equals COA

COA	\$20,000
Federal Pell Grant	\$ 7,395
Institutional Grant	\$10,000
State Grant	\$ 3,500
Private Scholarship	\$ 6,500
Total Nonfederal Grants & Scholarships	\$20,000

In this example, assuming the final Pell disbursement has not yet been made for the award year when the institution became aware of the nonfederal aid, the student is not eligible for a Pell Grant in any amount. However, if either the institution, the state, or the private scholarship provider reduces their grant or scholarship by a single dollar (such that the total nonfederal grants and scholarships are \$19,999--less than the \$20,000 COA), then the student keeps their entire \$7,395 Pell Grant, and no further adjustment of the nonfederal grants and scholarships is required unless the institution, state, or scholarship provider requires it.

Example 3: Nonfederal Aid Exceeds COA—Final Pell Disbursement Not Yet Made

COA	\$20,000
Federal Pell Grant	\$ 7,395
Institutional Grant	\$10,000
State Grant	\$ 3,500
Initial Total Nonfederal Grants & Scholarships	\$13,500
NCAA Athletic Grant in Aid (received after first but before final Pell disbursement)	\$10,000
Total Nonfederal Grants & Scholarships	\$23,500

In this example, because the institution is aware of the athletic grant before the final Pell disbursement is made for the award year, the student is not eligible for a Pell Grant in any amount, as packaged. Under the proposed regulation, the financial aid administrator (FAA) must either:

- Return the entire Pell Grant; or
- Reduce the nonfederal aid below the COA (even by a dollar) so the student can keep the Pell Grant.

Here again, whether the nonfederal aid is reduced is at the discretion of the institution, state, and/or NCAA. If they choose not to reduce their aid, the student cannot receive the Pell Grant.

Example 4: Nonfederal Aid Exceeds COA—Final Pell Disbursement Made

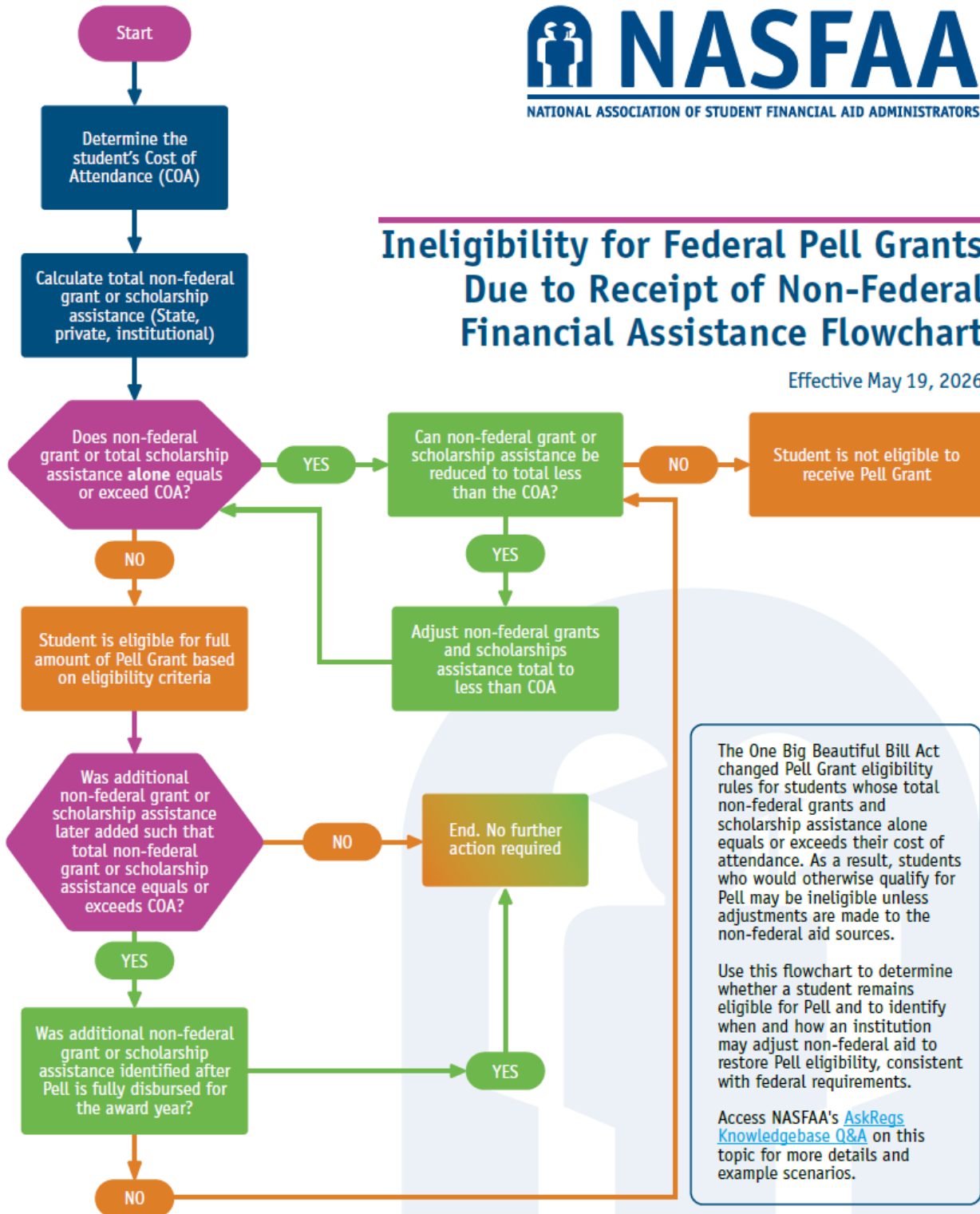
COA	\$20,000
Federal Pell Grant	\$ 7,395
Institutional Grant	\$10,000
State Grant	\$ 3,500
Initial Total Nonfederal Grants & Scholarships	\$13,500
Private Scholarship (received after final Pell disbursement)	\$10,000
Total Nonfederal Grants & Scholarships	\$23,500

In this example, before the final Pell disbursement, the student's \$13,500 in nonfederal aid did not exceed the \$20,000 COA, so there is no adjustment. The Pell Grant is disbursed for the award year based on the information available at the time. Later in the award year, after the final Pell disbursement (e.g., the spring disbursement in a fall-spring academic year), the student and school learn of the private scholarship. This places the total nonfederal grants and scholarships over the COA. However, because the

school learned about the private scholarship after the final Pell disbursement was made for the award year, the student keeps the full Pell Grant. No recalculation is necessary for the Pell Grant or nonfederal aid. This is not a Title IV overaward or overpayment. Again, the institution, state, and/or scholarship provider decides if their aid will be reduced.

Ineligibility for Federal Pell Grants Due to Receipt of Non-Federal Financial Assistance Flowchart

Effective May 19, 2026



The One Big Beautiful Bill Act changed Pell Grant eligibility rules for students whose total non-federal grants and scholarship assistance alone equals or exceeds their cost of attendance. As a result, students who would otherwise qualify for Pell may be ineligible unless adjustments are made to the non-federal aid sources.

Use this flowchart to determine whether a student remains eligible for Pell and to identify when and how an institution may adjust non-federal aid to restore Pell eligibility, consistent with federal requirements.

Access NASFAA's [AskRegs Knowledgebase Q&A](#) on this topic for more details and example scenarios.

The Department of Education (ED) released the Accountability in Higher Education and Access Through Demand-driven Workforce Pell: Pell Grant Exclusion Relating to Other Grant Aid and Workforce Pell Grants (AHEAD) final regulations in the May 19, 2026, Federal Register. In the preamble to the Final Rule, ED indicates that additional subregulatory guidance will be issued to support implementation of certain provisions. All information provided here reflects NASFAA's current understanding of how to apply the May 19 rules based on the regulatory text and preamble discussion. Because ED has indicated that further guidance is forthcoming, this interpretation may be subject to change.

- **Inclusion of Foreign Income in Pell Determination.**
 - Foreign Income is now included in the (AGI) Adjusted Gross Income used to calculate Pell Grant eligibility on the FAFSA.
 - Families already listed foreign income on the FAFSA, but financial aid administrators previously had to manually review and determine if adding the foreign income to the AGI would make the student ineligible to receive the maximum Pell Grant.
 - This change makes this an automated process.
 - Some students and families with foreign income who received Pell Grant for the past two years will lose eligibility in 2026-2027.

Year-Round Pell Grant

- Beginning summer 2018, Federal Pell Grant rules allowed students to receive additional Pell Grant funds and accelerate their academic careers to finish their program of study sooner. At this time, a student who attended full time during the fall and spring would have to attend a minimum of 6 credits in his/her major in the summer to qualify for year-round Pell of up to 150%. All other student types could be reviewed with less summer enrolled hours to see if they qualify for any additional Pell Grant.
- Beginning summer 2024, this policy is still in effect with the following changes:
 - Although \$7,395 is the maximum Pell Grant Scheduled Award for the 2024-2025 award year, institutions are reminded that a student may be eligible to receive Pell Grant funds for up to 150 percent of the student's Pell Grant Scheduled Award for an award year. **The FAFSA Simplification Act removed the requirement for a student to be enrolled at least half-time to receive Pell Grant funds of more than 100 percent of the student's Scheduled Award.** Therefore, to be eligible for the additional Pell Grant funds, the student must only be otherwise eligible to receive Pell Grant funds for the payment period to receive funds more than 100 percent of the student's Scheduled Award.
- Students must attend and complete 60.004% of their classes for each term to earn 100% of their awarded Pell Grant. If a student withdraws from the institution completely, all of their federal aid, including Pell Grant will be reviewed and adjusted based upon the student's last date of participation. This could cause the student to owe a balance to the institution.
- Pell Grant is reviewed and adjusted until after the 14th class day of full-term classes and after the 5th class day for module classes.
- The Office of Financial Aid Services strongly advises students to carefully consider their enrollment load before registration. The student is expected to complete all registered classes to avoid possible repayment of Financial Aid.

Eligibility and Packaging Procedures

- Summer awarding is a manual process at ULM. Summer sheets are printed in batches and awarded in order of enrollment. Adjusting enrollment after initial enrollment will be processed in a later batch.
- Students who change their enrollment schedule will have their summer offer or award adjusted after the batch has been completed and the up/down sheets are printed.
- Students will receive an email if they are awarded summer aid, if their aid is revised for summer or if they are not eligible for summer financial aid.
- These emails are sent out at the end of each business day.
- Students begin enrolling for summer in March.
- The ULM Financial Aid Office then determines the estimated Cost of Attendance (COA) based on the previous year's tuition and fee amounts and the current housing amounts listed on the ULM webpage. This is to assist in awarding students within a few weeks after they begin enrolling.
- A pop sel (Summer Population Calc) will be utilized to calculate the student's satisfactory academic progress (SAP) status for summer utilizing ROPSAPR program in Banner FA at the end of the spring term. This process will update the student's SAP status for the 20XX80 term in Banner FA form ROASTAT-Eligibility tab. For initial awarding of current students, the 20xx60 term will be utilized to determine SAP eligibility until spring grades are available for review. SAP will be calculated for new students entering for the 20xx80 term. Once SAP has been calculated for the summer at that time **any student that is deemed to be bad SAP, will have the summer award cancelled.**
- Once the hour load process has occurred, the FAO will run a manual pop sel (Summer Population Aid Year Duration) Fall/Spring/Summer FSS or Spring/Summer SPS on GLBDATA within Banner FA to identify enrolled students and then change the Aid Year on the Budget screen for these students to reflect summer. The batch post process on Banner FA form RORPOST will be utilized to perform this process. This will allow for the calculation of the student's summer Cost of Attendance (COA). This will also repopulate the student budget duration utilized to calculate the student's SAI #.
- The batch post process on RORPOST and the RNPFMXX program will be utilized to perform this process. This will allow for the calculation of the student's expected family contribution (SAI) value for summer. The summer SAI calculation only affects whether or not the student has SUB eligibility for summer. The calculation of the summer SAI will be (Combined duration SAI which is the 12-month aka FASPSUM– 3-month duration SAI = Summer SAI. Summer Need = Summer COA – Summer SAI. If prior SAI exceeds prior COA, the difference must be added to current SAI to determine correct summer SAI. The SAI for a Summer only student will be the 3-month SAI. For a student that is

SPRSUM the calculation will be 8 month – the 3-month summer. The SAI for a SUMMER only is the 3 months.)

VI. Enforcement

In some cases, you may discover that a student has been guilty of fraud and should be reported. The law doesn't allow you to modify either the formula or the tables used in the SAI calculation. If you suspect that a student, employee, or other individual has misreported information or altered documentation to fraudulently obtain federal funds, you should report your suspicions and provide any evidence to the Office of Inspector General.

VII. Policy Management

The Director of Financial aid, along with the support staff are responsible for implementing and administering the rules within this policy.

VIII. Exclusions

Any exclusions in this policy will be according to and in compliance with the guidance provided by The Department of Education and the Federal Government.

IX. Effective Date

5/11/2026

X. Adoption

This policy is hereby adopted on this 11 day of May 2026.

This policy is hereby updated on this 11 day of May 2026.

XI. Appendices, References and Related Materials

<https://studentaid.gov/understand-aid/types/grants/pell#how-apply>

<https://askregs.nasfaa.org/article/36678/how-much-extra-can-we-award-a-student-under-year-round-pell-grant-rules>