



Title: Federal Financial Aid Programs

Policy  
 No.: ADM 4.02

Date: 4/16/2008  
 Rev.: 8/1/2013, 8/1/2016

Areas Affected: All BSMCON

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**PURPOSE:**

To identify each federal student financial aid program in which BSMCON participates.

**SOURCE:**

Office of Financial Aid

**POLICY:**

BSMCON participates in the following federal student financial aid programs:

**Federal Pell Grant**

The Federal Pell Grant is awarded to eligible full- and part-time undergraduate students who have not yet earned a bachelor's degree. Eligibility is determined from the information you submit on the Free Application for Federal Student Aid (FAFSA) form. The amount of the award is determined by the student's financial need. The Federal Pell Grant may be used for any college-related expenses and, as a grant, does not have to be repaid (unless the student stops attending classes and it is determined that the student has been overpaid). An undergraduate student can receive 12 semesters (or its equivalent) of full-time Pell Grant funds.

**Federal Supplemental Educational Opportunity Grant (FSEOG)**

Additional gift assistance awarded to undergraduate students who also qualify for the Pell Grant, FSEOG is available to students who would not be able to attend college without this assistance. Funds are limited and awarded on a "first come" and "highest need" basis. These funds are also available to part-time students.

**Federal Work Study (FWS)**

The Federal Work-Study (FWS) Program provides jobs for BSMCON students with financial need. FWS encourages students to perform community service and work related to their courses of study to help pay for education expenses.

FWS hourly wage will depend on the type of work and required skills needed for the position. The total Work-Study award depends on the application date, the level of the student's need, and BSMCON's FWS allocation. Work-Study money is not paid until earned. Students are paid on the same schedule as employees at the College of Nursing (Bi-weekly) Positions are available on-campus and off-campus.

On-campus versus off-campus jobs:

- On-campus work is usually done for the school.

Reference Policy # \_\_\_\_\_

|                                     |                          |       |
|-------------------------------------|--------------------------|-------|
| <b>Approved by:</b>                 |                          |       |
| _____                               | Dean of Student Services | _____ |
| _____                               | Provost/VP               | _____ |
| Signature                           | Title                    | Date  |
| <b>Approval History:</b>            |                          |       |
| Committees and Dates:               |                          |       |
| Office of Financial Aid 5/20/13     |                          |       |
| Policy Committee – 5/20/13, 5/16/16 |                          |       |
| Key words: Prior Financial Aid      |                          |       |

- Off-campus work is usually provided by a private nonprofit organization or a public agency, and the nature of the work must be in the public interest.

See job descriptions for location, duties, responsibilities, and hourly wage of FWS positions.

### **Student Loans**

BSMCON participates in the Federal William D. Ford Direct Loan (DL) Program. Direct Subsidized Stafford Loans to students (need-based), Direct Unsubsidized Stafford Loans to students (non-need based), and Direct PLUS loans to parents are available. The amount of subsidized and unsubsidized loans varies depending on the student's year in college, dependency status, and financial need. A FAFSA application must be completed to determine eligibility.

A student must be enrolled at least halftime to qualify for a loan under the Direct Stafford Loan Program. Repayment begins six months after the student is no longer enrolled at least half-time in any college or university. Interest rate is variable not to exceed 8.25%. First-time borrowers must complete a Master Promissory Note, Financial Aid Awareness Counseling, and Entrance Loan Counseling. All student loan borrowers are required to submit a Federal Direct Loan Request form to the Office of Financial Aid confirming their loan amount.

### **Federal Direct Subsidized Stafford Loan**

This loan is need based and eligibility is determined from the results of the Free Application for Student Aid. Interest payments are made by the federal government while the recipient is at least a half-time student. A student must be enrolled at least half-time to qualify for this loan.

### **Federal Direct Unsubsidized Stafford Loan**

This loan is not based on financial need, although a Free Application for Student Aid must be filed. The student is responsible for the interest. Interest starts when the first disbursement is made by the government. The student can choose to pay the interest or have it capitalized with the principal. Students must be enrolled at least half-time to receive funds from this program.

### **Borrowing Limits for Federal Stafford Loans**

|                      | <b>Dependent Student</b>  | <b>Independent Student</b>   |
|----------------------|---|--|
| <b>Freshman</b>      | \$5,500 – No more than \$3,500 of this amount may be in subsidized loans. | \$9,500 - No more than \$3,500 of this amount may be in subsidized loans.  |
| <b>Sophomore</b>     | \$6,500 – No more than \$4,500 of this amount may be in subsidized loans. | \$10,500 - No more than \$4,500 of this amount may be in subsidized loans. |
| <b>Junior/Senior</b> | \$7,500 – No more than \$5,500 of this amount may be in subsidized loans. | \$12,500 - No more than \$5,500 of this amount may be in subsidized loans. |

Students may access the follow web site to apply for Federal Direct Stafford Loans:

**[www.studentloans.gov](http://www.studentloans.gov)**

**Aggregated Loan Limits for Federal Stafford Loans**

| <b>Dependent Student</b>  | <b>Independent Student</b>  |
|---|---|
| \$31,000 – No more than \$23,000 of this amount may be in subsidized loans. | \$57,500 - No more than \$23,000 of this amount may be in subsidized loans. |

To qualify for Title IV funding, a student must:

1. Complete the FAFSA
2. Meet the requirements of the program (Pell, FSEOG, FWS, and Stafford).
3. Be a U.S. Citizen or eligible non-citizen.
4. Not owe a refund to a Title IV Program
5. Not in DEFAULT on a Title IV Loan.
6. If a male, registered with selective service.

REFERENCE: <http://www.studentaid.ed.gov/> as of 05/19/2013.