

# Federal Financial Aid Programs

## IMPORTANT NOTICE

Any information concerning the Federal Title IV Financial Aid programs presented herein is subject to all regulations published by the U.S. Department of Education and other Federal regulatory agencies. Since this information is subject to change, any information presented which is in conflict with existing regulations or is superseded by such changes in the regulations will be considered null and void.

The four Federal Student Financial Aid Programs are (a) Federal Pell Grants, (b) Federal Supplemental Educational Opportunity Grants (SEOG), (c) Federal Work-Study (FWS), and (d) Federal Direct Student Loans. Students should apply for Federal Student Aid online at [www.studentaid.gov](http://www.studentaid.gov).

## Federal Pell Grant

Pell Grant are awards to help undergraduates pay for their postsecondary education. The Pell Grant Program is the largest federal student aid program and does not have to be repaid. For many students, these grants provide a foundation of financial aid. The Pell Grant award is based on the student's expected family contribution (EFC) and enrollment status. If the student is less than full time and eligible based on the EFC, the Pell grant is prorated (3/4, 1/2 or less than 1/2). If the EFC is too high, the student may not be eligible. Students may also receive aid from other federal and non-federal sources. Recipients may charge their tuition, fees and authorized books to the Pell Grant.

## Federal (FSEOG)

Federal Supplemental Educational Opportunity Grant (FSEOG) is for any qualified undergraduate with exceptional financial need (with priority given to Pell Grant recipients), and the grant does not have to be paid back. The College will distribute FSEOG money to students based on need and available funds.

## Federal Work-Study

Students demonstrating a need may be eligible to work part time. To determine a student's need, the student must apply through FAFSA need analysis. Students receive payment monthly. Qualified applicants may apply online at <https://www.nwscc.edu/work-study-program>.

## Federal Direct Student Loan Program

The Federal Direct Student Loan Program makes low interest loans available to students through the Federal Government to help students pay for education after high school. Several income sources are used to determine eligibility including the family financial resources and other financial assistance the student may be receiving. The Federal Student Application for Federal Aid (FAFSA) must be completed to see what the student is eligible for in direct loans. A loan request may be completed to request additional loan funds. Do not submit the loan request form unless you have an initial loan award offer pending on your NWSCC banner account.

Federal policy does not permit new first-time borrowers to receive a federal student loan until after 30 days of enrollment. Student loans for one (1) semester will be disbursed in two payments. The second disbursement will be made at the 50% point of the semester.

Students must be meeting Satisfactory Academic Progress (SAP) and be enrolled in at least 6 credit hours to be eligible to receive student loans. Transfer students are not considered new and must have all transcripts on file in order to receive a loan.

To complete loan entrance counseling and the MPN, the student must go to [www.studentaid.gov](http://www.studentaid.gov) and log in to complete both. Once it has been completed the school will be notified within two (2) business days.

A student must also complete exit counseling at [www.studentaid.gov](http://www.studentaid.gov), exit counseling prepares a student to repay their student loans. A student must complete exit counseling each time they drop below half-time ( 6 credit hours) enrollment, graduate, or leave school.

Disbursement of loan funds is as follows: The Federal Government electronically transfers loan funds to the Business Office; the funds are recorded and eligibility is checked by the Student Financial Services Office before funds are available for disbursement.

Students may contact the Student Financial Services Office for additional information.

## Alabama Student Assistance Program (ASAP)

The Federal Government, through a matching grant program with the State of Alabama, provides grants to students who demonstrate substantial financial need and who meet residency requirements for Alabama. The Student Financial Services Office will award the Alabama Grant based on available funds.