Fund Specific Descriptions and Requirements of Award

This document provides the major requirements of gaining and maintaining eligibility for federal aid programs. We ask that you understand and comply with these guidelines in order to ensure that your aid request is processed as timely as possible and that you maintain your eligibility for aid.

Satisfactory Academic Progress is a requirement of all federal aid programs. Please refer to the Satisfactory Academic Progress (SAP) Policy on the Special Information page of our site for additional information.

Federal Direct Subsidized/Unsubsidized Loan
What is it? Repayment begins six months after you cease to be enrolled at least half-time. For the need-based Subsidized Loan, the federal government pays the interest while you are enrolled at least halftime. However, for the non need-based Unsubsidized Loan, interest does accrue and must be paid by the student while enrolled. Please visit https://studentaid.ed.gov/types/loans/interest-rates for current interest rates and fees.
What do I do after I accept award? Students accepting a Direct Loan for the first time at AU are required to complete Entrance Counseling and a Master Promissory Note (MPN). The links for each requirement can be found on your AU Access/MyFinances/Financial Aid Requirements page after you accept your loan(s). Both the MPN and Entrance Counseling are required prior to disbursement and should be completed as soon as possible to ensure that your disbursement is not delayed.
Credit hours required? At least half time, 6 for undergraduate students, 5 for graduate students. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are an undergraduate enrolled for 6 hours, but only 3 of those hours are required for your program, you will not meet the minimum credit hour requirements for federal loans.

Federal Direct Parent Loan (PLUS)
What is it? The PLUS Loan allows a parent or legal guardian of a dependent student to borrow funds to meet the cost of attendance not met by other financial aid. The eligible amount equals cost of attendance as determined by AU minus other aid. The repayment period on these loans begins 60 days after the loan is disbursed. Please visit https://studentaid.ed.gov/types/loans/interest-rates for current interest rates and fees.
How do I apply? Parents who wish to borrow a Parent PLUS Loan should complete the Parent PLUS Application. The application link and instructions can be found under Forms and Documents on our website.
What can I do if credit is not approved? If the credit is not approved, there are three options that will be available during the application process. The parent borrower may have the option to apply with an endorser, attempt to appeal the credit decision, or the student may request an additional Unsubsidized Stafford Loan ($4000 per year for freshmen and sophomores, $5000 per year for juniors and seniors).
Credit hours required? At least half time, 6 for undergraduate students. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are an undergraduate enrolled for 6 hours, but
only 3 of those hours are required for your program, you will not meet the minimum credit hour requirements for federal loans.

Federal Perkins Loan

**What is it?** Perkins Loans carry a fixed interest rate of 5%. Repayment and accrual of interest begin nine months after you cease to be enrolled at least half time. Funding is limited.

**What should I do after I accept award?** You will receive an email from our Student Loan Department with instructions to complete the Master Promissory Note, Entrance Counseling and Disclosures for your Perkins Loan. If you have previously completed a Perkins MPN, you must update the Entrance Counseling online.

**Credit hours required?** At least half time, 6 for undergraduate students, 5 for graduate students. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are an undergraduate enrolled for 6 hours, but only 3 of those hours are required for your program, you will not meet the minimum credit hour requirements for federal loans.

Federal Work Study (FWS)

**What is it?** FWS offers part-time job opportunities for students both on campus and in community service projects. Funding and jobs are very limited.

**What should I do after I accept the FWS award?** Print, complete and return the FWS Information Sheet to 203 Martin Hall, Auburn University, AL 36849, fax to 334-844-6085, or email to finaid7@auburn.edu. Your job assignment information and instructions will be emailed to your AU email address mid-June. Please refer to the instructions re: arranging a work schedule with your departmental supervisor.

**Credit hours required?** At least half time, 6 for undergraduate students, 5 for graduate students. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are an undergraduate enrolled for 6 hours, but only 3 of those hours are required for your program, you will not meet the minimum credit hour requirements for federal work study.

Federal Pell Grant

**What is it?** Pell Grants are need based grants that are only available to 1st degree undergraduates with eligibility as determined by the results of FAFSA. Students are limited to 6 full time equivalent years of Pell Grant eligibility.

**Credit hours required?** Full time enrollment (12 hours or more) is required for full Pell Grant award. Students with a course load of 1-11 credit hours may be eligible for a prorated portion of their award depending on the Pell Grant payment schedule. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are an undergraduate enrolled for 12 hours, but only 9 of those hours are required for your program, your Pell Grant disbursement will disburse based on 9 hours.
Federal Supplemental Grant (FSEOG)
What is it? SEOG is based on exceptional need and availability of funds. Generally, students must be eligible for a Federal Pell Grant, apply early, and meet other eligibility requirements in order to be considered. Funding is limited.
Credit hours required? At least half time, 6 for undergraduate students. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are an undergraduate enrolled for 6 hours, but only 3 of those hours are required for your program, you will not meet the minimum credit hour requirements for SEOG.

Alabama Student Assistance Program (ASAP)
What is it? ASAP is based on exceptional need and availability of funds. Generally, students must be eligible for a Federal Pell Grant, apply early, be an Alabama resident, and meet other eligibility requirements in order to be considered. Funding is limited and amount available to award is usually not known until September.
Credit hours required? Full time, at least 12 hours. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are an undergraduate enrolled for 12 hours, but only 9 of those hours are required for your program, you will not meet the minimum credit hour requirements for ASAP.

Federal TEACH Grant
What is it? The TEACH Grant Program is a non-need based program that provides funds to students enrolled in an eligible program who agree to teach as a highly-qualified teacher in a high-need field, at a low-income elementary or secondary school for at least four years within eight years of completing the program for which the TEACH Grant was awarded. If the grant recipient fails to complete the required teaching service, the TEACH Grant is converted to a Federal Direct Unsubsidized Loan with interest accruing from the date the grant was disbursed.
How do I apply? Students must have a valid FAFSA on file with AU, enrolled in one of the eligible program codes, US citizen or eligible non-citizen, 3.25 overall GPA or scored in the 75th percentile on standardized college admissions test, and meeting Satisfactory Academic Progress.
Credit hours required? The amount is prorated based on enrollment for less than half time, half time, ¾ time, and full time. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are enrolled for 6 hours, but only 3 of those hours are required for your program, your Teach disbursement will prorate based on 3 hours.

Federal Direct Graduate PLUS Loan
What is it? Graduate students may be eligible to borrow under the Federal Graduate PLUS program to assist with educational costs. It is advised that you maximize your yearly Direct Unsubsidized eligibility before you apply for the Graduate PLUS loan. Please visit https://studentaid.ed.gov/types/loans/interest-rates for current interest rates and fees.
How do I apply? Graduate students who wish to borrow a Graduate PLUS Loan should complete the Graduate PLUS Application. The application link and instructions can be found under Forms and Documents on our website. The Graduate PLUS MPN and Entrance Counseling (which is different from the Direct Loan MPN and Entrance Counseling) are required prior to disbursement.

What do I do if my credit is not approved? If the credit is not approved, there are two options that will be available during the application process. The borrower may have the option to apply with an endorser or attempt to appeal the credit decision.

Credit hours required? At least half time, 5 hours is required. For federal aid, credit hours are only counted in the required minimum hours if the course(s) is required for your program. For example, if you are enrolled for 5 hours, but only 3 of those hours are required for your program, you will not meet the minimum credit hour requirements for this loan.

For Graduate Students Enrolled ONLY in Thesis/Dissertation Course
Graduate students enrolled for only 1 hour of Thesis/Dissertation may qualify for full time status with enrollment in the 0 credit Thesis/Dissertation Completion course. The application for this course should be completed each term as needed and is available on the Graduate School Forms page. The link is Thesis/Dissertation Completion Form (GRAD7@@0/GRAD8@@0).

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