

## **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 Financial Aid Policies and Conditions of Award document for details.

### **Federal Direct Subsidized/Unsubsidized Stafford Loan**

**What is it?** Stafford loans carry a fixed interest rate of 6.8%. Repayment begins six months after you cease to be enrolled at least half-time. For the need-based Subsidized Stafford Loan, the federal government pays the interest while you are enrolled at least half-time. However, for the non need-based Unsubsidized Stafford Loan, interest does accrue and may be either paid by the student while enrolled, or added to the principle of the loan.

**What do I do after I accept award?** Students accepting a **Direct Stafford 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 Student Requirements page after you accept your loan funds. Your FAFSA PIN is required in order to E-Sign your MPN. If you do not have a federal PIN or have misplaced your PIN, you may apply for one at [www.pin.ed.gov](http://www.pin.ed.gov). Both the MPN and Entrance Counseling are required prior to Direct Stafford Loan Disbursement and should be completed as soon as possible to ensure that your loan disbursement is not delayed. Note that students who previously completed an MPN with a bank or student loan company will be required to complete a new MPN with Direct Loans.

**Credit hours required?** At least half time, 6 for undergraduate students, 5 for graduate students.

### **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. Amount eligible equals cost minus other aid. The repayment period on these loans begins 60 days after the loan is disbursed. The PLUS Loan has a fixed Rate of 7.9%

**How do I apply?** Parents who wish to borrow a Parent PLUS Loan should complete the Parent PLUS Application that can be found under Forms and Documents on our website. Please refer to the application for further instructions.

**What can I do if credit is not approved?** If the credit check is not approved, there are two options. The parent borrower may have the option to try to use an endorser to get approval, or the student may contact our office to 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 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 Stafford Subsidized and Unsubsidized eligibility before you apply for the Graduate PLUS loan.

**How do I apply?** Graduate students who wish to borrow a Graduate PLUS Loan should complete the Graduate PLUS Application that can be found under Forms and Documents on our website. Please refer to the application for further instructions. A credit check is required.

**What do I do if credit is approved?** If the credit check is approved, you will be notified to E-sign your Graduate PLUS Master Promissory Note (MPN).

**Credit hours required?** At least half time, 5 hours is required.

### **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. Perkins funding is limited.

**What should I do after I accept award?** E-sign the Master Promissory Note and complete the Entrance Counseling at <https://ipromise.campuspartners.com/>. 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.

### **Federal Work Study (FWS)**

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

**What should I do after I accept award?** Print, complete and return the FWS Information Sheet to 203 Martin Hall, Auburn University, AL 36849. Your job assignment will be mailed to your permanent address before classes begin. You will then arrange a work schedule with your departmental supervisor.

**Credit hours required?** At least half time, 6 for undergraduate students, 5 for graduate students

### **Federal Pell Grant**

**What is it?** Pell Grants are need based grants. Pell Grants are only available to 1<sup>st</sup> degree undergraduates with eligibility as determined by the results of FAFSA.

**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.

### **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.

**Credit hours required?** At least half time, 6 hours.

### **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.

**Credit hours required?** Full time, at least 12 hours.

### **Academic Competitiveness Grant (ACG)**

**What is it?** This grant is limited to 1<sup>st</sup> and 2<sup>nd</sup> year students. To be eligible, students must meet general conditions including: U.S. Citizenship or an eligible non-citizen, enrollment in a first undergraduate degree program, 3.0 GPA (if enrolled for the 2nd year), completed a rigorous high school program, and eligible for the Pell Grant. Our office will request potential recipients to complete the ACG Application beginning late May. Full time first year ACG recipients are eligible for \$750 and full time second year ACG recipients are eligible for \$1300.

**Credit hours required?** Effective fall 2009, the amount is prorated based on enrollment.

### **National Science and Mathematics Access to Retain Talent Grant (National SMART Grant)**

**What is it?** This grant is limited to 3<sup>rd</sup> and 4<sup>th</sup> year students. To be eligible, students must meet general conditions including: U.S. Citizenship or an eligible non-citizen, enrollment in a first undergraduate degree program, 3.0 GPA, and eligible for the Pell Grant. The SMART Grant is restricted to students majoring in specific degree programs. Students who qualify may be eligible for up to \$4000 per year for their 3rd and 4th year of study. Our office will review potential recipients beginning late May.

**Credit hours required?** Effective fall 2009, the amount is prorated based on enrollment.

### **Federal TEACH Grant**

**What is it?** The TEACH Grant Program is a non-need based program that provides up to \$4,000 per scheduled award (\$2000/term if full time) 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 75<sup>th</sup> percentile on standardized college admissions test, and meeting Satisfactory Academic Progress.

**Credit hours required?** The amount is prorated based on enrollment.

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