

# FEDERAL PROGRAMS

In order to receive federal financial aid, students must have a high school diploma or a General Education Development (GED) Certificate, and must not owe any refunds on Federal Pell Grant or other awards paid, or be in default on repayment of any student loan. All federal programs require the recipient to be enrolled as a regular student working toward a degree or certificate in an eligible program at the university, a U.S. citizen or eligible noncitizen, registered with the selective service if applicable, and not be convicted for the sale or possession of drugs. Students must make satisfactory academic progress to maintain eligibility for federal aid. Students on NU's alert, warning and probation status (if reinstated) are eligible for federal and institutional aid. The maximum allowable period of time to receive financial aid is 12 full-time semesters.

Before receiving payment, the students must sign a Statement of Educational Purpose and a Certification Statement on Overpayment and Default (both found on the FAFSA). Students enrolled in a program of study abroad approved for credit by Niagara University may be considered enrolled at Niagara University for purposes of applying for federal student aid. Students must have a valid Social Security number.

All federal programs are contingent upon actual congressional appropriation. Students apply for the federal aid programs by submitting the Free Application for Federal Student Aid annually. It is recommended that you file electronically at <http://www.studentaid.gov>. To electronically sign the FAFSA, parents and students can apply for a FSA User ID at [studentaid.gov](http://studentaid.gov). Information about federal student aid is available at that website or by calling 800.433.3243.

## Federal Pell Grants

### Application Procedures

The FAFSA is available on the web at [www.fafsa.gov](http://www.fafsa.gov) (<http://www.fafsa.gov>). Students must apply annually.

A student aid report (SAR) will be sent to the applicant. Based on the expected family contribution (EFC), the applicant's award will be determined using the federal payment schedules. The amount of the award is credited to the student's account.

### Method of Selection of Recipients and Allocation of Awards

The applicant must be enrolled as an undergraduate student who has not earned a bachelor's degree. Eligibility limited to 12 semesters or its equivalent.

Eligibility is determined by a formula applied to all applicants. It is established and reviewed annually by the U.S. Congress. The EFC is calculated by this formula. Your SAR contains this number.

### Award Schedule

Awards may range up to \$7,495 (2023-2024). The amount of the award will be affected by costs of attendance and full- or part-time enrollment status. NU will recalculate a student's Pell Grant for changes in enrollment status through the fifth week after the drop/add period each semester and through the eighth class of each term of summer enrollment. The Federal Pell Grant is not duplicative of state awards.

A federal Pell Grant eligible student who would be eligible to have a Title IV credit balance (a Title IV credit balance occurs when the total amount of all Title IV federal funds credited exceeds the amount of

tuition, fees, room and board) can, by the seventh day of a payment period, obtain a Campus Service Account credit through the Student Accounts Office or obtain a check through the Student Emergency Loan office to purchase books and supplies. The amount to be provided is the lesser of the anticipated credit balance or the amount the school determines the student needs.

## Federal Teacher Education Assistance for College and Higher Education (TEACH) Grant

### Application Procedure

The FAFSA is available on the web at [www.studentaid.gov](http://www.studentaid.gov) (<http://www.studentaid.gov>). Students must apply annually.

### Method of Selection of Recipients and Allocation of Awards

Students enrolled in program of study designated as TEACH Grant eligible. Eligible programs at NU are those that prepare a student to teach in a high-need field in a school serving low-income students. Applicants must also meet stringent academic requirements set by federal regulations.

### Award Schedule

Awards may range up to \$4,000. Recipients must sign an Agreement to Serve and Promise to Pay with the U.S. Department of Education.

If teaching service requirements are not fulfilled, a recipient must repay the grant as a Federal Direct Unsubsidized Loan, with interest accrued from date grant funds were first disbursed.

## Federal Supplemental Educational Opportunity Grants (FSEOG)

### Application Procedures

The FAFSA is available on the Web at [www.studentaid.gov](http://www.studentaid.gov) (<http://www.studentaid.gov>). The Niagara University financial aid office is responsible for determining who receives a Federal Supplemental Educational Opportunity Grant (FSEOG) and the amount.

### Selection of Recipients and Allocation of Awards

The applicant must be:

1. in exceptional financial need; and
2. enrolled as an undergraduate student toward a first baccalaureate degree.

Niagara awards FSEOG to students with the lowest expected family contributions, and with priority given to Pell Grant recipients.

### Award Schedule

The awards range from \$200 to \$4,000 per year, depending on level of need and availability of funding the University receives from the federal government.

## Federal Work-Study Program (FWSP)

### Application Procedures

The FAFSA is available on the Web at [www.studentaid.gov](http://www.studentaid.gov) (<http://www.studentaid.gov>). Eligibility for FWSP is determined on the basis

of financial need. A separate job application is required for placement purposes only.

## Selection of Recipients and Allocation of Awards

Niagara University makes employment reasonably available to all eligible students who are in need of financial aid. In the event that more students are eligible for FWSP than there are funds available, preference is given to students who have great financial need and who must earn a part of their education expenses.

## Award Schedule

Niagara University arranges jobs on campus, or off campus, with public or private nonprofit agencies, for 10-12 hours per week. Students may earn \$4,500 to \$4,750 per year and receive a paycheck biweekly. The program encourages community service work and work related to the student's course of study.

Factors considered by the financial aid office in determining whether, and for how many hours, the recipient may work under this program are:

- financial need
- class schedule
- academic progress

Level of salary must be at least the federal minimum wage; maximum wage is dependent on the nature of the job and applicant qualifications.

## Rights and Responsibilities of Recipients

Satisfactory performance in the job must be maintained.

## Nursing Student Loan (NSL)

### Application Procedures

The FAFSA is available on the Web at [www.studentaid.gov](http://www.studentaid.gov).

## Selection of Recipients and Allocation of Awards

Loans are available to students enrolled at least half time in a nursing program at an approved postsecondary institution. The amount of the award is based on available funding and the student's financial need.

## Award Schedule

Students may borrow up to \$3,300 per year for the first two years of undergraduate study, up to \$5,200 per year for the final two years of undergraduate study, for a maximum aggregate of \$17,000. Awards are credited to the student's account.

## Rights and Responsibilities of Recipients

The current interest rate is 5 percent. Repayment begins nine months after graduation or upon leaving a nursing program or study, and may extend over a period of 10 years. Deferments are allowed for continued study in a nursing program. Information on deferments and repayment may be obtained from NU's student accounts office. Students must complete both entrance and exit counseling for this loan.

## Federal Direct Loan Program

### Application Procedures

Prospective borrowers begin the application process by filing the Free Application for Federal Student Aid (FAFSA) or renewal FAFSA. After your FAFSA is processed, you will be notified by the financial aid office about your general loan eligibility. A separate Federal Direct

Stafford Loan master promissory note (MPN) must also be completed at [studentaid.gov](http://studentaid.gov).

## Selection of Recipients and Allocation of Awards

The Federal Direct Loan Program is an entitlement program in which all eligible applicants can obtain a loan. To be eligible for a loan a student must:

1. be a U.S. citizen or eligible noncitizen;
2. be enrolled at least half time as a regular student working toward a degree or certificate in an eligible program;
3. not be in default or owe a refund for any federal Title IV program at any institution;
4. have been determined to be eligible or ineligible for a Federal Pell Grant;
5. if applicable, be registered with the selective service;
6. have a valid Social Security number.

A federal loan origination fee may be deducted from the amount of the loan.

For the school year beginning in the fall, funds may not be disbursed earlier than 10 days prior to the beginning of the term. First-time borrowers may not receive first payment until 30 days after the semester begins. Two semester loans will be disbursed separately for each semester.

Eligibility for a Subsidized Direct Loan is based on the federal need analysis formula. The government pays the interest while you are enrolled for at least six hours per semester. The Unsubsidized Direct Loan is not based on need and the student is responsible for interest that accrues while attending school. Interest can be deferred while in school, but it will be capitalized (added to the principal balance of the loan) at the start of repayment, which occurs six months after leaving school.

## Loan Schedule

If you're a dependent undergraduate student you can borrow up to:

- \$3,500, if you're a first-year student enrolled in a program of study that is a full academic year.
- \$4,500, if you've completed your first year of study, and the remainder of your program is a full academic year.
- \$5,500 a year, if you've completed two years of study, and the remainder of your program is at least one academic year.

If you're an independent undergraduate, or a dependent student whose parents are unable to get a Federal PLUS loan, you can borrow up to:

- \$7,500, if you're a first-year student enrolled in a program of study that is a full academic year. (At least \$4,000 of this amount must be in unsubsidized Direct Loans.)
- \$8,500, if you've completed your first year of study, and the remainder of your program is a full academic year. (At least \$4,000 of this amount must be in unsubsidized Direct Loans.)
- \$10,500 a year, if you've completed two years of study, and the remainder of your program is at least one academic year. (At least \$5,000 of this amount must be in unsubsidized Direct Loans.)

In addition to the above amounts, students may be eligible for an additional unsubsidized Direct Loan of \$2,000 a year.

The aggregate loan limit for a dependent undergraduate student is \$31,000 (no more than \$23,000 can be subsidized).

The aggregate loan limit for an independent undergraduate student is \$23,000 subsidized and \$34,500 unsubsidized.

\* Reminder: You can't borrow more than the cost of education at your school minus any other financial aid you receive. This means you may receive less than the annual maximum amounts listed.

## Responsibilities of Borrowers

The interest rate is set by the federal government. Please check with the FAO for current rates. If you have a subsidized Federal Direct Loan, the federal government pays the interest on the loan while you're in school or in deferment. After you graduate, leave school, or drop below half time, you have six months before you have to begin repayment. This is called a grace period if you have a subsidized Direct Loan. Within 120 days after you leave school, the organization holding your loan must notify you of the date repayment begins. However, you are responsible for beginning repayment on time, regardless of this notice. The amount of each payment depends on the size of your debt and on the length of your repayment period. Usually, you'll pay at least \$50 a month. You have six repayment options:

- standard
- graduated
- income based
- income contingent
- pay as you earn
- extended repayment plans

There are several deferment options available. Deferments can be granted for half-time study at a postsecondary school, if unable to find full-time employment, for economic hardship, and for service under the Peace Corps Act, Domestic Volunteer Service Act of 1975 or comparable service as a volunteer for a tax-exempt organization of demonstrated effectiveness in the field of community service.

There are also some cancellation conditions for total and permanent disability, death of the borrower, and if funding available, for teaching in designated schools serving students from low income families.

For complete information on deferment cancellation provisions, go to [studentaid.gov](http://studentaid.gov).

## Rights and Responsibilities of Recipients

Students must complete entrance and exit counseling for both subsidized and unsubsidized Federal Direct loans.

## Federal Parent PLUS Loans for Undergraduate Students

This loan is available to parents of dependent undergraduate students. Parents may borrow an amount up to the cost of attendance per student less other aid received. Repayment of principal and interest begins after loan is fully disbursed but may be deferred until after graduation, with up to 10 years to repay the loan. The interest rate is set by the federal government. Please check with the FAO for current rates. Information is available at [studentaid.gov](http://studentaid.gov).

Parent PLUS loans are not need based and have no income restrictions. To be eligible, parents shall have no adverse credit history, must meet

citizenship requirements and must not be in default or owe a refund to any student financial assistance program.

There is an origination fee (currently 4.228 percent) which is deducted from the loan amount. Payment is made through Electronic Fund Transfer (EFT).

A FAFSA for the student must be filed. A parent then applies for the Parent PLUS at [studentaid.gov](http://studentaid.gov).

## OTHER FEDERAL STUDENT FINANCIAL AID PROGRAMS

A large number of special-purpose federal programs exist of a variety of types:

- direct aid
- scholarships
- loans
- traineeships

Most of these programs would be of interest to relatively small numbers of students and prospective students, by virtue of need, or special interest, or both. Some are available only to graduate or professional students in certain fields. Some carry with them periods of obligated service.

The most authoritative, although certainly not the only, reference for additional information on these, and many other programs, is the [studentaid.ed.gov](http://studentaid.ed.gov) (<http://studentaid.ed.gov> (<http://www.studentaid.gov>)) website.