

FEDERAL FINANCIAL AID PROGRAMS

Federal Pell Grant

A Federal Pell Grant, unlike a loan, does not have to be repaid. Pell Grants are awarded to undergraduate students who have not earned a bachelor's or a professional degree. Pell Grants are considered the foundation of federal financial aid, to which aid from other federal and nonfederal sources might be added. The maximum Pell grant for a full-time student for 2024–2025 is \$7,395. Based on enrollment status, the Pell Grant will be prorated according to the number of credits a student is enrolled in. Pell Grants are disbursed after the third-week attendance report is verified for the fall and spring semesters and after the add/drop periods during the summer sessions. A student who is reported as never attending a class may have the Pell Grant adjusted to reflect the number of class credits the student is attending.

Federal Supplemental Educational Opportunity Grant (FSEOG)

The Federal Supplemental Educational Opportunity Grant (FSEOG) program is for undergraduates with exceptional financial need. Pell Grant recipients with the lowest EFCs will be considered first for a FSEOG. Just like Pell Grants, the FSEOG does not have to be repaid. The minimum FSEOG amount is \$100 and the maximum is \$4,000; however, it may be prorated if enrolled for less than an academic year.

Federal Teach Grant

The federal Teacher Education Assistance for College and Higher Education (TEACH) Grant Program provides up to \$4,000 per year in grants for graduate and undergraduate students who intend to teach full-time in high-need subject areas for at least four years at schools that serve students from low-income families. Graduate students are also eligible for \$4,000 per year (\$8,000 total). Students may receive up to \$16,000 for undergraduate study and up to \$8,000 for graduate study. Part-time students are eligible, but the maximum grant will be prorated based on enrollment. GCU freshmen are not eligible to apply for a TEACH Grant.

As required by the Budget Control Act of 2011 (the sequester law), any TEACH Grant that is first disbursed on or after October 1, 2017, and before October 1, 2018, must be reduced by 6.6 percent from the award amount for which a recipient would otherwise have been eligible; and any TEACH Grant that is first disbursed on or after October 1, 2018, and before October 1, 2019, must be reduced by 6.2 percent from the award amount for which a recipient would otherwise have been eligible.

Important: This is a grant with a service requirement. If you fail to complete the four-year teaching obligation you will have to repay the grant with interest!

To receive a federal TEACH Grant you must:

- Complete the Free Application for Federal Student Aid (FAFSA) (although you do not have to demonstrate financial need to receive a federal TEACH Grant) at <http://www.studentaid.gov>.
- Meet the eligibility requirements for federal student aid.
- Be enrolled in a program of study designated as TEACH Grant-eligible. Eligible programs are those that prepare a student to teach in a high need field such as Bilingual Education and English Language

- Acquisition, Foreign Language, Mathematics, Reading Specialist, Science, Special Education in a school serving low-income students.
- Meet one of the following academic achievement requirements
 - Score above the 75th percentile on a college admissions test (e.g. SAT, ACT, GRE), or
 - Graduate from high school with a cumulative GPA of at least 3.25 (on a 4.0 scale) to receive a grant as a freshman, or
 - Have a cumulative GPA of at least 3.25 (on a 4.0 scale) on your college coursework to receive a grant for each subsequent term.
- Complete TEACH Grant counseling at the GCU Office of Financial Aid.
- Sign a TEACH Grant Agreement to Serve and respond to requests by the U.S. Department of Education confirming your continuing intention to meet the teaching obligation.

TEACH Grant Agreement To Serve And Promise To Pay

Each year you receive a federal TEACH Grant, you must sign a TEACH Grant Agreement to Serve and Promise to Pay (service agreement) that is available electronically on a Department of Education website: <http://www.studentaid.gov>. The TEACH Grant service agreement specifies the conditions under which the grant will be awarded, the teaching service requirements, and includes an acknowledgment by you that you understand that if you do not meet the teaching service requirements you must repay the grant as a Federal Direct Unsubsidized Loan, with interest accrued from the date the grant funds were first disbursed.

Teaching Obligation

To avoid repaying the federal TEACH Grant with interest you must be a highly-qualified, full-time teacher in a high-need subject area for at least four years at a school serving low-income students. You must complete the four years of teaching within eight years of finishing the program for which you received the grant. You incur a four-year teaching obligation for each educational program for which you received TEACH Grant funds, although you may work off multiple four-year obligations simultaneously under certain circumstances. Specific definitions of these terms can be found at <https://studentaid.gov/understand-aid/types/grants/teach> (<https://studentaid.gov/understand-aid/types/grants/teach/>).

Federal Work Study

Federal Work-Study (FWS) provides part-time jobs for undergraduate students with financial need, allowing them to earn money to help pay educational expenses. The program encourages community service work and work related to the recipient's course of study. The amount you earn can't exceed your total FWS award. When assigning work hours, your employer will consider your award amount, your class schedule, and your academic progress.

William D. Ford Federal Direct Stafford Loans

The U.S. Department of Education administers the Direct Loan Program.

Additional Information can be found at www.studentaid.gov (<http://www.studentaid.gov>).

How much can I borrow?

It depends on your year in school and whether you have a subsidized or unsubsidized Federal Direct Stafford Loan eligibility. A subsidized loan is awarded on the basis of financial need. If you are eligible for a subsidized loan, the government will pay (subsidize) the interest on your loan while you are in school. Depending on your financial need, you may borrow subsidized money for an amount up to the annual loan borrowing limit for your level of study (see below).

You might be able to borrow loan funds beyond your subsidized loan amount even if you don't have demonstrated financial need. In that

case, you would receive an unsubsidized loan. GCU will subtract the total amount of your other financial aid from your cost of attendance to determine whether you are eligible for an unsubsidized loan. Unlike a subsidized loan, you are responsible for the interest from the time the unsubsidized loan is disbursed until it is paid in full. You can choose to pay the interest or allow it to accrue (accumulate) and be capitalized (added to the principal amount of your loan). Capitalizing the interest will increase the amount you have to repay.

You can receive a subsidized loan and an unsubsidized loan for the same enrollment period as long as you don't exceed the annual loan limits.

If you are a dependent undergraduate student, each year you can borrow a combination subsidized and unsubsidized loan up to:

- For the 2024–2025 academic year: \$5,500 if you are a first-year student enrolled in a program of study that is at least a full academic year.
- \$6,500 if you have completed 30 credits of study and the remainder of your program is at least a full academic year.
- \$7,500 if you've completed 60 credits of study and the remainder of your program is at least a full academic year. If you're an independent undergraduate student or a dependent student whose parents have applied for but were unable to get a PLUS Loan (a parent loan), each year you can borrow up to the following amounts:

If you're an independent undergraduate student or a dependent student whose parents have applied for but were unable to get a PLUS Loan (a parent loan), each year you can borrow up to the following amounts:

- For the 2024–2025 academic year: \$9,500 if you are a first-year student enrolled in a program of study that is at least a full academic year (no more than \$3,500 of this amount may be in subsidized loans).
- \$10,500 if you have completed your first year of study and the remainder of your program is at least a full academic year (no more than \$4,500 of this amount may be in subsidized loans).
- \$12,500 if you have completed 60 credits of study and the remainder of your program is at least a full academic year (no more than \$5,500 of this amount may be in subsidized loans).

These amounts are the maximum yearly amounts you can borrow in both subsidized and unsubsidized Direct Loans, individually or in combination. Because you can't borrow more than your cost of attendance minus the amount of any Federal Pell Grant you are eligible for and minus any other financial aid you will receive, you may receive less than these annual maximum amounts.

The lifetime aggregate limit for the Direct Stafford Loan for a dependent undergraduate student is capped at \$31,000. The lifetime aggregate limit for the Direct Stafford Loan for an independent student is capped at \$57,500.

PLUS Loans (Parent Loans for Undergraduate Students)

Parents can borrow a PLUS Loan to help pay your educational expenses if you are a dependent undergraduate student enrolled at least half time in an eligible program at an eligible school. PLUS Loans are available through the Federal Direct Education Loan Program. Your parents can apply for a PLUS Loan for you during the same enrollment period. They also must have an acceptable credit history.

The yearly limit on a PLUS Loan is equal to your cost of attendance minus all other financial aid you receive. For example, if your cost of attendance is \$6,000 and you receive \$4,000 in other financial aid, your parents can borrow up to \$2,000.

How much can my parents borrow?