

AHEAD Committee Request Regarding Awarding of the Federal Pell Grant

Submitted on behalf of State Grant Agencies (J. Ritchie Morrow)

Reasoning:

To confirm that the Federal Pell Grant will be administered as a first-dollar program for students whose non-Federal aid is less than the student's Cost of Attendance.

Pell Grant Disbursement Clarification

Add Section 690.80(e)

(d) Receipt.of.assistance.from.non_Federal.grants; If, prior to the final disbursement of a student's Pell Grant for an award year, the institution becomes aware that the student has received or will receive grant or scholarship assistance from non-Federal sources that equals or exceeds the student's cost of attendance as described in 34 CFR 690.5, the institution must either –

(1) Reduce the non-Federal Grant or scholarship assistance until it does not equal or exceed the student's cost of attendance; or

(2) Return all of the Federal Pell Grant funds that the student received for that award year and cancel any future disbursements of such funds for that award year.

(e) Should a student receive grant assistance from non-Federal sources that does not equal or exceed the student's cost of attendance as described in 34 CFR 690.5, the Federal Pell Grant must be applied as described in Subpart F of Section 690 except in circumstances described in 34 CFR 668.22.