SUBJECT: Packaging Financial Aid (Award Letters)

PURPOSE: To establish a process to ensure that financial aid is awarded in a fair manner to all eligible students.

EFFECTIVE FOR: Student Financial Services Office, staff and students.

POLICY: All financial aid shall be awarded through the mechanism known as the “ladder” concept.

PROCEDURE: 1. Eligibility is determined by the following equation:

   a. Cost of Attendance
      Cost of Attendance is calculated each academic year by the Financial Aid Office according to Federal Guidelines (e.g. include tuition, fees, allowance for living expenses, books and supplies and transportation.)
      - EFC
         Expected Family Contribution as indicated on the applicant’s Institutional Student Information Report (ISIR) and determined by the Federal Processor.
         = Student’s Need (as defined by the U.S. Department of Education)

   b. Financial Aid is then awarded in the following order:
      
      Student’s Need
      - PELL – Federal PELL Grant (always awarded first)
      - Scholarships
      = Eligibility for Campus-based aid, state aid, institutional aid, and Federal Direct Subsidized Loans. (campus-based aid includes Federal Supplemental Educational Opportunity Grant (FSEOG), and Federal Work Study)
      Total need-based aid is not to exceed student’s need.
2. Eligibility for Federal Direct Unsubsidized Loan or Federal Direct Parent Loan for Undergraduate Students (PLUS loan) is determined by the following equation:

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\text{Cost of Attendance} - \text{Federal PELL Grant} - \text{Scholarships/Other need-based aid (includes campus-based and state aid)} - \text{Subsidized Loan} = \text{Eligibility for Unsubsidized Loan or PLUS Loan.}
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* Total aid is not to exceed Cost of Attendance.

3. Package the campus-based aid, state and institutional aid available in the following order:
   - FSEOG
   - Iowa Tuition Grant
   - Scholarships
   - Work Study
   - Loans
   
   Loans include: Allen/McElroy, Nursing Student Loans (NSL), Nurse Faculty Loan Program (NFLP), Subsidized and Unsubsidized Loans, PLUS loans and Alternative loans.

4. Federal and State guidelines shall be followed for each applicable program. (e.g. Federal PELL Grant and Iowa Tuition Grant).

5. No student shall be selected for packaging unless he/she has completed the application and/or verification process.

6. Preliminary financial aid award estimates may be given to students who have submitted all documents:
   a. An estimated award letter may be given but no funds may be disbursed.
   b. A revised estimated award letter may be given, as the Student Financial Services Office is apprised of changes in the student’s outside scholarship awards or eligibility criteria.

7. An Award Letter will be made available electronically in the student portal.
   a. The Award Letter will list the type and amount of funds awarded and the applicable term.
   b. An email is sent to the student via their Allen College email account letting the student know when their award letter is available.
   c. Students electronically accept, decline, or adjust the awards via their student portal.