



Title: Federal Pell Grant Awarding Policy
Effective Date: November 12, 2025
Issuing Authority: Executive Vice President
Policy Contact: Associate Vice President for Student Financial Planning
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Purpose

Mercer University participates in the Federal Pell Grant Program and awards Pell Grants in accordance with the Higher Education Act, applicable regulations, and the Federal Student Aid (FSA) Handbook, Volume 7. This policy describes how Pell Grant awards are determined for **term-based, credit-hour programs** offered at Mercer.

Scope

This policy applies to:

- All Pell-eligible undergraduate degree programs.
- All Pell-eligible students whose ISIR/FAFSA indicates Pell Grant eligibility for the applicable award year.

Exclusions

None

Definitions

As used in this policy, the following term(s) have the meaning specified below:

Annual Award: the maximum Pell Grant amount the student may receive for the award year **after adjustments for enrollment intensity and COA**. For a full-time student in a term-based program, the annual award equals the Scheduled Award.

Award Year: July 1 through June 30 (e.g., 2024–25 award year is July 1, 2024–June 30, 2025). **Academic Year is set each year** and generally runs August to May for Fall/Spring terms and then Summer is generally the trailer for the academic year. Master (MOP) Academic Year for 2024-25 is August 19, 2024 to May 3, 2025 for the fall/spring academic year. Summer is trailer.

Enrollment Intensity: the percentage of full-time enrollment at which the student is enrolled, **rounded to the nearest whole percent**.

Formula: $(\text{\#hours enrolled}/12) \times 100 = \text{Enrollment Intensity}$

Example: If full-time is 12 credits and the student is enrolled in 7 credits, $7 \div 12 \times 100\% = 58.3\%$, which is rounded to **58%**.

Maximum and Minimum Pell Grant Amounts: Each award year, the Department announces the **Maximum Pell Grant** amount in the appropriation act. The **Minimum Pell Grant** is **10% of the Maximum Pell**. Both the maximum and minimum amounts are rounded to the **nearest \$5** and published by FSA.

Payment Period: for term-based, the **academic term is the payment period** (semester).

Scheduled Award: the maximum Pell Grant a student can receive for an award year if enrolled **full time** for a **full academic year**, based on the student's Student Aid Index (SAI) (or Max/Min Pell indicators) and Pell Cost of Attendance (COA) for a full-time student.

Policy Statement

Determining Pell Grant Eligibility Type (Max, Min, or Calculated Pell)

For each award year, Mercer uses the student's ISIR/FAFSA to determine the type of Pell eligibility:

1. **Maximum Pell (Max Pell)**

- The ISIR includes a **Max Pell Indicator** when the student meets specific AGI/poverty guideline criteria (different for dependent vs. independent students).
- Students meeting these criteria receive a **Scheduled Award equal to the Maximum Pell Grant** for the award year, subject to COA and Lifetime Eligibility Used (LEU) limits.

2. **Minimum Pell (Min Pell)**

- The ISIR includes a **Min Pell Indicator** when the student meets specific criteria based on AGI relative to poverty guidelines.
- Students meeting the Min Pell criteria receive **at least the published Minimum Pell amount**, subject to COA and LEU limits.

3. **Calculated Pell (Based on SAI and COA)**

- If the Pell Eligibility Flag is "Y" and both Max and Min Pell Indicators are blank, the student is eligible for a **Calculated Pell Grant**.
- The school calculates the **Scheduled Award** by subtracting the SAI from the **published Maximum Pell** and **rounding the result to the nearest \$5**:

- If the result is **greater than or equal to the published Min Pell** and **not greater than the Pell COA**, the Scheduled Award is that rounded amount, capped at COA as necessary.
- If the calculated amount is **less than the published Min Pell**, the student is **not** eligible for a Calculated Pell Grant, but may still qualify for Min Pell under the Min Pell criteria.

Determining Enrollment Intensity by Number of Credit Hours

Federal Policy defines full-time enrollment for undergraduate, term-based programs as at least **[12] credit hours per term** for federal student aid purposes. This definition meets the regulatory minimum for standard terms and is the adopted policy for Mercer University. For Pell, enrollment intensity is calculated **each payment period (semester)** using the student's registered credits as of the Pell census date:

Enrollment Intensity is the percentage of full-time enrollment at which a student is enrolled, rounded to the nearest whole percent. For example, if full-time enrollment is 12 credit hours and the student is enrolled in 7 hours, the enrollment intensity would be $7 \div 12 \times 100\% = 58.3\%$ (round to 58%).

- The result is **rounded to the nearest whole percent**.
- Pell-eligible credits exclude courses that are not part of the student's Pell-eligible program of study or otherwise ineligible under federal rules.

Example (assuming 12 credits = full time):

Credit Hours	Enrollment Intensity Formula	Enrollment Intensity	Enrollment Status Equivalent
12 (or more)	$12 \div 12 = 1.0$	100%	Full-Time
11	$11 \div 12 = 0.917$	92%	Three-Quarter Time
10	$10 \div 12 = 0.833$	83%	Three-Quarter Time
9	$9 \div 12 = 0.75$	75%	Three-Quarter Time
8	$8 \div 12 = 0.667$	67%	Half-Time
7	$7 \div 12 = 0.583$	58%	Half-Time
6	$6 \div 12 = 0.50$	50%	Half-Time
5	$5 \div 12 = 0.417$	42%	Less-than-Half-Time
4	$4 \div 12 = 0.333$	33%	Less-than-Half-Time
3	$3 \div 12 = 0.25$	25%	Less-than-Half-Time
2	$2 \div 12 = 0.167$	17%	Less-than-Half-Time
1	$1 \div 12 = 0.083$	8%	Less-than-Half-Time

(Actual Pell awarding uses **enrollment intensity %**, not the categorical "half-time/ $\frac{3}{4}$ -time" statuses, which still apply to other Title IV programs.)

Calculating the Annual Pell Award

For **term-based programs**, the student's **annual Pell award** is based on:

- The student's **Scheduled Award** (Max, Min, or Calculated Pell),
- The student's **enrollment intensity**, and
- The student's **Pell COA**.

General rule for term-based programs (Formulas 1):

1. Determine the Scheduled Award using Max, Min, or Calculated Pell rules.
2. Determine **Enrollment Intensity %** using credits in the term and full-time credits.
3. Determine the **Annual Award**:
 - If intensity is **100%**, annual award = Scheduled Award.
 - If intensity is **less than 100%**, annual award = **Scheduled Award × Enrollment Intensity %**.

The annual award is limited so that the student's total Pell disbursed in the award year:

- Does not exceed the student's annual award,
- Does not exceed the student's Pell COA, and
- Does not cause the student's Pell Lifetime Eligibility Used to exceed 600%.

Calculating Pell Grant Payments by Term (Pay Period)

Mercer uses the **appropriate Pell formula** for each term-based program, following 34 CFR 690.63 and the FSA Handbook Volume 7, Chapter 4.

For **standard-term, credit-hour programs** that meet Formula 1 (semesters/trimesters/quarters, ≥ or < 30 weeks of instruction as applicable):

1. **Payment Period**
 - The **term (semester)** is the payment period.
2. **Per-Term Payment**
 - For a program with **two semesters** (Fall/Spring):
3. **When Enrollment Intensity Changes by Term**
 - If the student's enrollment intensity differs across terms, the **annual award and per-term payment amounts are recalculated** for the new term using that term's enrollment intensity, consistent with FSA guidance on Pell payments by payment period.
4. Examples:

Semester Disbursement Schedule - Full Time	Schedule Pell Grant award: \$7,500	
	Fall	Spring
Credit Hours (Enrollment Intensity %)	12 (100%)	15 (100%)
Annual Pell Award	\$3,750	\$3,750
Semester Disbursement Schedule - Less-Than-Full-Time	Fall	Spring
Credit Hours (Enrollment Intensity %)	12 (100%)	9 (75%)
Annual Pell Award	\$3,750	$(\$7,500 \times 75\%) \div 2 = \$2,813$

Rounding Rules

Mercer follows the rounding guidance in FSA Handbook Volume 7, Chapter 4:

1. Institutional Practice for Whole-Dollar Disbursements

- Mercer disburses in **whole dollars**, we:
 - Round **up** when the decimal is **0.50 or higher**,
 - Round **down** when the decimal is **less than 0.50**.
- When a student is enrolled in **more than one payment period** in the award year, we **alternate rounding up and down** to ensure that total disbursements do not exceed the annual award.

2. Example (Two Equal Terms)

- If a student's full-time Scheduled Award is \$7,005 with a Fall/Spring calendar, the full-time payment per term before rounding is \$3,502.50. Under the rounding rule, the school may round:
 - Fall: \$3,503
 - Spring: \$3,502
 ensuring the total does not exceed the annual award.

3. Calculated Pell (SAI-Based) Rounding

- When determining a **Calculated Pell Scheduled Award**, the difference between Max Pell and SAI is **rounded to the nearest \$5**.

4. Rounding Limitations

- Rounding **may not** be used to exceed the student's annual Pell eligibility or cause Pell LEU to exceed regulatory limits.

Mercer applies these rounding rules **consistently to all students**.

Maximum and Minimum Pell Amounts – Annual Update

Each award year:

1. Mercer's SIS system is updated with the Regulatory U.S. release from Anthology to use the **published Maximum and Minimum Pell Grant amounts** from the Department of Education (ED).
2. The Regulatory U.S. update from Anthology ensures the SIS is updated to compute Max, Min, and Calculated Pell Scheduled Awards.
3. The Financial Aid Office ensures that no Pell award is originated above the annual **Maximum Pell** or below the **Minimum Pell** threshold for Min Pell recipients, except when the Calculated Pell amount is less than Min Pell and the student does not qualify for Min Pell eligibility.

Consistency, Documentation, and Cross References

- Pell awarding must be **consistent with**:
 - The student's assigned award year and Pell COA,
 - The program's academic year definition
 - Mercer's enrollment status and census-date policies.
- All calculations, intensity determinations, and rounding adjustments are **documented in the student's file** and supported by system calculations and reports.
- Related policies (Pell recalculation/census date, LEU monitoring, R2T4, concurrent enrollment, and COA) are addressed in separate sections of the financial aid policy manual.

Pell Recalculation

- **Pell Recalculation due to changes in SAI or other Pell Indicators:** If the student's SAI or one of the other Pell eligibility indicators change due to corrections, updates, or an adjustment, and the change would alter the amount of the Pell award, you must recalculate the Pell award for the entire award year. In addition to the SAI, these indicators include the Max Pell, Minimum Pell, CFH, or IASG indicators.
- **Change in Enrollment Intensity Between Academic Terms:** In a credit-hour program that uses terms, you must calculate a student's payment for each term based on the enrollment intensity for that term. If a student attended full time for the first term and then enrolled less than full time in the second term, you must use the less than full time enrollment intensity to calculate the student's payment for the second term.

- **Changes in Enrollment Intensity Within a Payment Period:** If the student doesn't begin attendance in all classes for a payment period, resulting in a change in the student's enrollment intensity, you must recalculate the student's award for that payment period based on the lower enrollment intensity. A student is considered to have begun attendance in all classes if the student attends at least one day of each class whose credits are counted for purposes of determining the student's enrollment intensity for Pell Grant eligibility.

Establishing the Pell Recalculation Date (PRD)

- Mercer University establishes a **PRD each semester**, coinciding with the **scheduled financial aid disbursement date** for that term.
- For semesters divided into multiple sessions or modules, the PRD aligns with the disbursement date for the **first session in which the student begins attendance**.
- The **student's enrollment intensity as of the PRD** is locked in for Pell awarding purposes for the entire term, except in cases requiring mandatory recalculation.

Recalculation Guidelines

1. Recalculation Before the PRD

- If a student's projected enrollment intensity changes prior to the PRD and the initial Pell calculation was performed before the PRD, the Pell Grant will be **recalculated based on the new enrollment intensity** as of the PRD, provided the student began attendance in all classes that formed the basis of the original calculation.

2. Recalculation After the PRD

- After the PRD, Pell awards are **not adjusted** for changes in enrollment intensity unless required by regulation (e.g., withdrawal before attendance or changes to SAI).

3. Students Not Enrolled as of PRD but Enrolling Later in the Term

- If a student is not enrolled in any classes as of the PRD but later begins attendance in a subsequent session, the student **remains Pell-eligible** based on the initial calculation.
- The recalculated Pell amount is based on the **enrollment intensity at the time the student begins attendance** in that later module

4. Initial Calculation Occurring After the PRD

- If the initial Pell calculation occurs after the PRD (including in compressed coursework), the Pell award is based on the **student's effective enrollment intensity on the calculation date**, and there is **no subsequent recalculation** for that term, provided the student began attendance in each class.

5. Change in Student Aid Index (SAI) or Other Eligibility Indicators

- If a student's **SAI** or other Pell eligibility indicator (Max Pell, Min Pell, CFH, IASG) changes due to verification, correction, or adjustment, the Pell Grant must be **recalculated for the entire award year** to reflect the new valid ISIR or FAFSA Submission Summary.

Multiple PRDs in a Term

For programs divided into modules

- The PRD applicable to a specific student is the **first disbursement date of the term for which the student begins enrollment**.
- Pell enrollment intensity is determined by reviewing all Pell-eligible credits from the start of the term up to that applicable PRD.

Pell Disbursement

The Disbursement Approval Criteria is configured in the SIS. The disbursement eligibility is run each morning prior to disbursement. All eligibility checkpoints must be met before disbursement is made in SIS.

Pell Grant Disbursement Policy	
Meet SAP	ISIR on file
Accepted Origination	Originated before Last Day of Attendance (LDA)
Enrollment Intensity Packaged = Actual	Cannot have Bachelor Degree
Verification statuses: B- Blank, V-Verified, E-Selected Quyalified Extension, C-Calculated, N-Not Selected, T- Tolerance	Student Statuses: Ready to Register, Re-Admit Same Program, Active, Graduated, Active Not Attending, Non Returning
Cannot be in Grad Program	Must reflect attended hours greater than 0
Must PRD guidelines for disbursement	

Edit Disbursement Approval Criteria - Federal Grant w Attendance

Save Save & Close Save & New Cancel

Name * Federal Grant w Attendance Code * FEDGRNTATT Active Yes

Disbursement Criteria

Evaluation Mode

Disbursement Term

Min Pct Attendance 0.00 Min Hours Attended 0.01 Min Numeric Average 0.00 Min Cum GRA 0.00

Min Credits Scheduled 0.00 Min Credits Completed 0.00 Min Hours Scheduled 0.00 Min Hours Completed 0.00

Min Enrollment Status

☒ Student meets SAP ☐ Include Attendance for All Courses in term ☐ Use FA Credit values for Non TIV awards

☒ SIR on file ☐ First Time Borrower 30 Days ☒ Pell Enrollment Intensity - Packaged = Actual ☒ Accepted Origination ☒ Originated/Certified before LDA ☐ Entrance Interview ☒ Enroll status = packaged to status

Bachelor Degree CANNOT have Bachelor Degree X Grad Program CANNOT be in Grad Program X FA Credits/Clock Hours

Days after Student LDA 0 Residency State Residency State Years 0

Max Diff between Actual and Exp Disb Amount 0.00 Max days after Loan period End Date 0

Min Payment period Hours extended 0.00 Max days prior to Term Start date 0

Student Statuses Ready to Register X Re-Admit Same Program X Active X Graduated X Program Change X Active Not Attending X

Verification Statuses B - Blank X V - Verified X E - Selected, Qualified Exclusion X N - Not Selected X T - Tolerance X

Additional Resources

Office of the Bursar: <https://bursar.mercer.edu/>

History

Revised July 1, 2023

Revised March 25, 2024

Revised November 12, 2025