

## Federal Pell Grant

The Federal Pell Grant is a post-secondary educational federal grant program sponsored by the U.S. Department of Education. These types of grants are awarded based on a "financial need" formula that is determined by the U.S. Congress via the FAFSA application.

One of the great benefits of a Federal Pell Grant is that it does not need to be repaid like a loan. They are usually awarded to undergrad students who have not earned a bachelor's or any other type of professional degree. In this sense, a Pell Grant is considered as federal financial aid and more aid from other sources, either federal or nonfederal, might be added on top.

The maximum award for the 2008-2009 award year is \$4,741. The amount available usually changes every year depending on the funds that the program has available. The maximum that an individual can get depends solely on the individual's financial need, their cost to attend school, and their status as full-time or part-time students.

Federal Pell Grants are usually applied toward tuition costs but arrangements can be made to pay a student directly (most likely via check). During limited occasions, a combination of these methods might be used. As far as regulations for the school, they must tell you in writing how much your award will be and the method that you will receive payment. Additionally, schools must disburse funds at least once per term. Schools who do not use semesters will have to disburse funds at least two times per academic year.