

Combine and Align -- Student Centered Limits on Federal Student Aid

A comparative study in confusion

Category	Applies to	Measured by	Exceptions by Appeal or Professional Judgement?	Consequences and Notes
Satisfactory Academic Progress	All Federal Student Aid	Must include both a quantitative measure with minimum gpa (at least 2.0), pace measurement, and maximum time frame of no more than 150% of published program length. Maximum time frame can be measured in terms or in credit hours. All terms/hours count regardless of whether any federal aid was received in that term.	Yes, students may appeal for more time due to special circumstances -- school may place on probation.	Students lose all federal aid (grants and loans) until back in compliance or on probation. Can cause students to drop out, stop out, or go to community college and try for readmission. Can also cause a bill if students continue to attend but appeals not approved.
Pell Lifetime Eligibility (LEU)	Pell Grants	600% of maximum Pell awards -- ie the equivalent of 6 years of full time Pell. Measured by dollars received relative to maximum Pell in each year Pell grant was awarded. All years count back to beginning of Pell program.	No	No more Pell once 600% limit is reached. Can affect completion for individual students, particularly those on non-traditional paths. Pell limits can be unclear for students attending more than one school.
Direct Loan 150% Rule (SULA)	Subsidized Direct Loans	Number of years for receipt of direct loans limited to 150% of program length (6 years at a 4 year school). Amount borrowed per year does not matter, except that if the full annual limit is taken in one term it counts as a full year. Percent time enrolled affects limits. Only applies to borrowers who borrowed for the first time after July 1, 2013	No	No more subsidized loan once time limit is reached even if aggregate dollar limit not reached. If student continues enrollment past limit they lose subsidy on existing loans. Can affect completion or students who move from 4 year to 2 year institutions. Can increase costs of existing loans for students who lose subsidy and that interest capitalizes.
Direct Loans Aggregate and Lifetime (Dollar) Limits	Subsidized and Unsubsidized Direct Loans	Limits annual and total direct loan borrowing for undergraduate and graduate students. Measured based solely on borrowed amounts. Higher limits for independent undergraduates, those whose parents have denied PLUS loans, and graduate students in health professions	No, but can repay amounts to get below limit.	Generally students in four year programs do not reach aggregate limits unless they are independent or slow to complete college.
Return to Title IV	All Federal Student Aid	Federal aid is reduced for students who do not complete at least 60% of a given term due to withdraw. Includes unofficial withdrawals for students who "walk away" from a term. Highly complex formula especially for courses not taught in a traditional term calendar.	No, but can make adjustments for health related withdrawals.	Confusing to calculate and explain to students. High workload for little return of funding - at least in 4 year sector. Often leave students with bill from federal government or school which is a barrier to return and completion of degree.

Can we COMBINE and ALIGN these measures for greater efficiency, reduced confusion and better student success?