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PRISON EDUCATION PROGRAM

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NASFAA Prison Education Program Learning Series

Federal Pell Grant Lifetime Eligibility Used

Award Year 2023-24

What is lifetime eligibility used (LEU)? The aim of the federal Pell Grant program is to provide funds to assist low-income students to reach up to the level of a bachelor's degree. Because the program can't fund a student indefinitely, the government set a limit on the amount of Pell Grant funds students are eligible to receive over their lifetime. LEU calculates how much of that limit each student has used.

How does LEU work? LEU is not about a specific amount of money or a specific amount of time on the calendar; it's about the percentage of personal Pell Grant eligibility you've used. Each time you use Pell Grant funds, you use up a small percentage of your lifetime limit, adjusted for your enrollment intensity (for example, full-time at 12 or more credits per semester, part-time at 9-11 credits per semester, half-time at 6-8 credits per semester, or less-than-half-time at 1-5 credits per semester.) The LEU number indicates how much of the lifetime Pell Grant eligibility you have already used so you can plan your studies effectively and avoid running out of funds before you reach your educational goals.

The financial aid administrator for your school or your Prison Education Program representative can provide you with your LEU number, which is also available on your online financial aid account. This number is calculated based on six times one year's full-time scheduled Pell Grant award, which is referred to as "600," and represents the sum of the percentage of your annual Pell award that you could use for each of six years. While the LEU number is expressed as a percentage, it is actually the sum of percentages that you use each year. To find the percentage of the eligibility you've used out of the total you are eligible to receive, you need to interpret the LEU number by dividing it by six. For example, if your LEU number is 150, you have used only 25% of your total eligibility for Pell funds (150/6). However, if your LEU is 550, you have used up more than 91.6% of your total eligibility (550/6) and are close to running out.

Why does it matter? You can't receive Pell Grant funds beyond your lifetime eligibility. If you have academic plans for the future — for example, if you want to ensure you have enough remaining Pell eligibility to earn a bachelor's degree — you need to avoid using up your Pell eligibility by accumulating credits and credentials outside of your area of academic interest. You also need to avoid "sampling" courses by signing up for several classes and then dropping some. Every class you take while using a Pell Grant, whether you complete the class or not, counts toward your lifetime eligibility. It's important to plan your educational journey so you can use that eligibility wisely.

How does the LEU calculation work? Traditionally, students complete a bachelor's degree in eight semesters of full-time study. However, the Department of Education recognizes students may be unable to complete their degree in that time frame for many reasons: their program might be longer than four years, they might attend less than full

time, or they might run into challenges that slow their progress. Recognizing this, ED set the equivalent of 12 full-time semesters as the Pell limit, which is 600% of a full-time, full-year award.

A student can receive up to their full scheduled Pell Grant award for an academic year (July through June). The award is adjusted based on the student's intensity of enrollment. For example, full-time study for two semesters is 100% of the award, half-time study for two semesters is 50% of the award, half-time study for one semester is 25% of the award, and so on. LEU adds up the percentages of the full scheduled award used by the student over the course of their studies.

Fortunately, students don't need to do these calculations — the Department of Education does them for you — but these are two examples of how LEU is calculated followed by what it actually means for you as a student.

Example Student A

	Course intensity	% of annual award used	Cumulative LEU
Year 1, fall	Full time	50%	50
Year 1, spring	Full time	50%	100
Year 2, fall	Full time	50%	150
Year 2, spring	Full time	50%	200

Student A has an LEU of 200. To find the percentage of their total eligibility they've used so far, divide 200 by 6. This student has only used about 33.3% of their lifetime Pell limit and has about 66.7% remaining.

Example Student B

	Course intensity	% of annual award used	Cumulative LEU
Year 1, fall	Half time	25%	25
Year 1, spring	Half time	25%	50
Year 1, summer	Half time	25%	75
Year 2, fall	Half time	25%	100
Year 2, spring	Half time	25%	125
Year 2, summer	Less than half time	12.5%	137.5

Student B has an LEU of 137.5. To find out what percentage of their total eligibility they've used so far, divide 137.5 by 6. This student has used about 23% of their total Pell eligibility and has about 77% remaining.

These are just a couple of brief examples to show the basic concepts behind LEU and remaining eligibility. If your program's calendar does not use semesters, you can talk with the financial aid staff about how LEU is calculated at your school. However, the rule of dividing the LEU by six to find out what percentage of your Pell eligibility you've used remains the same.

Frequently Asked Questions

My facility doesn't offer a bachelor's degree. If I receive Pell funds to take associate degree or career technical education classes now, can I later receive Pell on the outside toward my bachelor's?

You will be able to receive up to your remaining lifetime eligibility, assuming you continue to meet the income eligibility level, so you need to plan carefully to ensure you have enough eligibility left to complete the bachelor's degree.

If I stay within the lifetime eligibility limits but drop out of or fail some of my classes along the way, can I keep getting Pell?

The classes you take that are paid for by Pell count toward your LEU regardless of whether you complete or pass the class. But you also need to show you're progressing toward your educational goals. Find out how your school measures satisfactory academic progress to remain eligible for federal funds.

I already earned a bachelor's degree but didn't use up my lifetime eligibility. Can I use it to take more classes?

Pell Grants help students earn up to their first bachelor's degree. If you've already earned a bachelor's, you no longer qualify for Pell.

If I received a Pell Grant in another program years ago, is that still part of my LEU?

Yes, typically any Pell Grant you've received is counted toward the total LEU.

Will I use less of my total lifetime eligibility if I go to a school with a lower tuition?

The tuition rate of the school does not change the amount of lifetime eligibility you use. The LEU is based on the amount of Pell-funded education you've enrolled in, not the rate at which you are billed.

A final note: The Department of Education plans to adjust how it calculates Pell Grant awards starting in 2024-25 by changing how it calculates enrollment intensity. You will still be able to receive your LEU number from the financial aid office or Prison Education Program representative.

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