

Kilgore College

Categories of Available Student Aid Funds

Financial aid programs are available in four categories of aid:

1. Grants
2. Loans
3. Employment
4. Scholarships

In addition, the four categories shown above originate from four sources:

1. Federal Government
2. State of Texas
3. The institution
4. Other agency, or outside, donors

Students requesting any of the four categories of aid are required to submit the annual Fafsa prior to determination of eligibility, whether applying for federal, state, or institutional funds. Students and families are also expected to realize that the primary resource for meeting the cost of education is the *student and his/her parents or spouse*. *Financial aid is considered a secondary source.*

Financial aid is only awarded to a student account when a difference exists between the student's cost of attendance, and the student/family resources. In order to receive funds, a student must have a stated educational major and be making satisfactory academic progress while attending Kilgore College.

Types of Financial Aid available at KC

Grants: funds given to eligible students with no repayment initially required. Grants from Kilgore College may come from the federal government or the state of Texas. Specific rules apply to each grant program.

Federal Pell Grant: designed to provide financial assistance for undergraduate students only.

1. The Pell Grant is considered the cornerstone of grant programs, and may be combined with other forms of aid to help meet the cost of education. Awards are based upon full-time enrollment, but if a student enrolls in less than fulltime hours, the following rules will apply:
 - a. Fulltime enrollment: 12 hours or more, 100% of Pell
 - b. Three-quarter time enrollment: 9-11 hours, 75% of Pell
 - c. Half-Time enrollment: 6-8 hours, 50% of Pell
 - d. Less than half-time enrollment: 1-5 hours, 25% of Pell
2. In all awards the amount of Pell awarded is based on the student EFC as dictated by the FAFSA document. The amount of Pell funds a student may receive is limited by federal law known as "Pell LEU". The maximum amount of Pell funds a student can receive each year is 100%, with a six year amount of 600%. Students who have reached their maximum amount of Pell, or 600%, may not

receive further Pell funds. Students who are approaching the maximum amount of Pell funds will be monitored closely to make sure they are awarded up to the 600% level.

Texas Public Educational Grant (TPEG)

TPEG is a state and local grant funded program designed to assist students with supplemental educational needs. A student must show unmet need to qualify, which means a current Fafsa is required. Students must be enrolled in a credit hour program in a minimum of 6 credit hours, and making SAP. Awards range from \$500 to \$1000 on an annual basis.

TEXAS Grant

Texas Grant is a state funded program designed to assist students who have graduated from high school in a Recommended, Advanced, or Honors program. Students must also show financial need, and submit an annual Fafsa. Specific criteria for student eligibility apply to Texas Grant, such as: semester hours of enrollment, higher gpa standards, and amounts of awards available.

Texas Educational Opportunity Grant (TEOG)

TEOG is a state funded grant program designed to assist students NOT eligible for the original Texas Grant, but who demonstrate unmet need with the annual Fafsa. Students may not have more than 30 attempted hours to qualify, and must be enrolled in at least 6 hours per semester.

Federal Direct Loan Program

Kilgore College participates in the Federal Direct Loan Program to assist students in meeting their educational costs. Student loans are not available to students in default on previous loans received. The following loan programs are available:

Subsidized Federal Direct Loan

Subsidized Loans are need-based. When a student files a Fafsa and an EFC is calculated, the EFC is then a factor when a Subsidized Loan is awarded. Interest only starts to accrue one the grace period begins, either 6 months after graduation or when a student is no longer enrolled at least half time in an eligible program. Direct Sub Loans with a disbursement date between 7-1-2014 and 6-30-2015 will have an interest rate of 4.66%.

Unsubsidized Federal Direct Loan

Unsubsidized Loans are non-need-based. When a student files a Fafsa and an EFC is calculated, the EFC is not a factor when an Unsubsidized Loan is awarded. Unsub loans can be awarded to almost any student and interest begins to accrue once the loan is fully disbursed to the student account. Unsub loans with a disbursement date between 7-1-2014 and 6-30-2015 will have an interest rate at 4.66%.

The following loan factsheet is helpful to students new to the Direct Loan Program:

1. Students who accept loans must submit a loan request form, master promissory note, and entrance loan counseling.
2. Students must be enrolled in and maintain a minimum of 6 hours to be eligible for disbursement. If a student drops below 6 hours, the loan will be cancelled.
3. Loan funds are disbursed in two installments. Most loans have one disbursement in the fall and one in the spring. Loans disbursed during only one semester will be issued in two disbursements; one in the early semester, and other midway through the semester.
4. Students considered to be first time borrowers will have their first loan disbursement delayed 30 days after the first official class day.
5. Students who have received loans must complete Exit Loan Counseling if they either drop below 6 hours, or withdraw from all classes, or do not return for a subsequent semester. Students who do not complete exit loan counseling will have a hold placed on their account, which will prevent their ability to register or request a transcript until the exit counseling is performed and received by the financial aid office.
6. Maximum loan amounts are as follows:
 - Dependent Undergraduate:**
 - Freshman: \$5500 (\$3500 subsidized)
 - Sophomore: \$6500 (\$4500 subsidized)
 - Independent Undergraduate:**
 - Freshman: \$9500 (\$3500 subsidized)
 - Sophomore: \$10500 (\$4500 subsidized)
7. Subsidized Usage Limit:
 - a. Students are allowed subsidized loans for 150% of the published timeframe of the program of study. If the student is enrolled in a 2-year associate degree program, the maximum period for which a subsidized loan is available is 3 years (150% of 2 years = 3 years). Changing programs of study does not allow the 150% rule to be ignored; time already is subtracted from the maximum time allowed.
 - b. Students later seeking a four year degree must subtract eligibility already used from the 6 year limit at well. The student reaching the 150% limitation, whether seeking a certificate, 2 or 4 year degree, will continue to receive unsubsidized federal loans if otherwise eligible, but will have exhausted the subsidized amount eligibility.
 - c. The 150% rule affects only new borrowers as of July 2013, students who have loans prior to 7-1-2013 are not subject to the 150% timeframe legislation.