

Subject: Important updates to financial aid for 2026–27

Dear Student,

We want to make sure you are aware of upcoming federal financial aid changes that could affect how you pay for college beginning July 1, 2026. We know financial aid can feel complicated; this email summarizes the biggest updates.

### **Pell Grant Changes**

Beginning with the 2026–27 academic year, some students who previously received a Pell Grant may no longer qualify. This is due to changes in federal financial aid rules and FAFSA calculations.

- If your SAI is \$14,790 or higher, you will not be eligible for a Pell Grant.
- If your grants or scholarships from non-federal sources cover your full cost of attendance, you may no longer receive a Pell Grant.
- If your family reports foreign earned income, that amount will now be included automatically in the Pell calculation through the FAFSA.

### **Federal Loan Changes**

Federal student loan options are also changing for students who borrow on or after July 1, 2026. These updates may affect how much students and families are able to borrow through federal aid programs.

- **Schedule of Reduction:** Loans will be adjusted/reduced for enrollment less than full-time.
- **Graduate students:** Graduate PLUS Loans will be eliminated for new borrowers, and most graduate students will be limited to \$20,500 per year in Direct Unsubsidized Loans, with a \$100,000 aggregate limit.
- **Professional students:** Certain professional programs will have a \$50,000 annual Direct Unsubsidized Loan limit and a \$200,000 aggregate limit.
- **Parents of undergraduate students:** New Parent PLUS borrowers will be limited to \$20,000 per year and \$65,000 total per dependent student.
- **All borrowers:** There will be a new lifetime federal student loan maximum of \$257,500, excluding Parent PLUS Loans for all loans regardless of repayment status.

- **Repayment plans:** New borrowers will choose between a standard repayment plan and the new Repayment Assistance Plan (RAP).

This means it will be especially important to review your aid offer carefully and plan for any costs that may not be covered by federal loans.

- Review your class registration. If you are not attending full time, determine if you are able to adjust your schedule to add classes.
- Consider carefully the ramifications of dropping courses after the semester starts as it could impact your future loan amounts, and result in a balance.
- If you are depending on Pell Grant or federal loan funding, be sure to enroll and stay enrolled with a full-time schedule.
- If you are a graduate, professional, or dependent undergraduate student, plan now for any funding gap that federal aid may not cover.
- Ask questions as soon as you receive your aid offer so you have time to plan before the semester begins.

Note, there are some exceptions to the above changes for students who were enrolled in their program of study prior to June 30, 2026, and borrowed a federal loan for the program. Those students may be considered Legacy students for a period and remain under the current regulations for borrowing. Legacy students may qualify for the limited exception of the lesser of three academic years or the difference between the program length for a full-time student and the period the student already completed.

We understand that changes to financial aid can be stressful. Our goal is to help you prepare early so you can make informed decisions about your options for the year ahead.

Sincerely,

The Financial Aid Office