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If Pell Grants Are Cut, Some Colleges May Have to Backtrack on Financial-Aid Offers

By Derek Quizon

If Congress cuts the Pell Grant program's budget this year, many colleges may have to roll back a portion of the financial-aid offers they have made to students for the coming academic year, putting families and administrators in a difficult position, student-aid advocates said at a news conference today.

Congress's failure to pass this year's budget, which has been delayed numerous times since October, has kept the Pell Grant program in limbo. Both parties acknowledge that [some type of restructuring](#) will be necessary to put the program on sound financial footing, but lawmakers disagree on the size and scope of the cuts. Proposals include [lowering the maximum award](#), [ending the year-round program](#), and changing the income requirements to reduce the number of people eligible for the grants.

At Tuesday's news conference, held by the U.S. Public Interest Research Group, a nonprofit lobbying organization, a college administrator and student advocates said cuts in award levels, if enacted this late in the admissions season, would force many institutions to tell students their financial-aid packages will be smaller than what was initially offered. That's because most colleges have already sent families their financial-aid projections for the coming academic year. And the deadline for students to decide where they will attend—May 1 at many colleges—is fast approaching.

People participating in the telephone news conference included Michigan State University's financial-aid director, Rick Shipman, and a Pennsylvania high school counselor named Misty Whelan.

Mr. Shipman estimates that Michigan State would have to reduce the financial-aid packages offered to more than 9,000 students if cuts to the Pell program are enacted. Most of those students are already receiving the university's maximum aid award, he said.

Ms. Whelan said cutting Pell awards this late in the year would be

particularly hurtful to the low-income families the program serves.

"Families with the most unsteady income, or who don't have much financial flexibility ... need the most time to thoroughly plan out their expenses," she said.

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