Financial aid may be classified into the following three types:

1. Need-based aid
2. Cost-of-attendance-based aid
3. Gift aid

Financial need is defined as: Cost of Attendance – Expected Family Contribution (from the FAFSA)

When a student's need-based aid and gift aid (scholarships, grants, and other resources) exceed the student's need, a need-based overaward has been created.

When the cost-of-attendance-based aid in combination with other awards and resources exceeds cost of attendance, a cost-of-attendance overaward has been created.

Overawards also may happen when a change in enrollment status occurs, or when a student receives additional aid such as a scholarship. Because students may receive additional scholarships and/or resources at any time during the award period and these supplementary resources must be added to the student's aid package, overawards can arise at any time.

The student is required to report all outside resources to the Office of Financial Aid. These resources include all scholarships, loans, and/or other funding that is paid directly to the student or to the University on the student's behalf. Not reporting these resources is a violation of federal regulations.

Institutional scholarships must all be reported to the Office of Financial Aid. If any department on campus is aware of a student award, the entire institution is expected to have knowledge (per federal regulations regarding administrative capability).

The Office of Financial Aid is required to eliminate overawards. To correct a need-based overaward, the student's need-based aid must be reduced; and to correct a cost-of-attendance-based overaward, the cost-of-attendance-based aid must be reduced. If the aid that is to be reduced is at a “paid” status, a payback may be required.

According to the State of Mississippi regulations, if any Education & General (Fund 10) funds are used to scholarship a student, the student’s financial aid package shall not exceed the “Cost of Attendance.” Therefore, Fund 10 scholarships in combination with all other financial aid and resources may not exceed the student’s estimated cost of attendance. If it exceeds this cost, it will be subject to reduction.

A student may not receive a combination of Federal Pell Grant and MTAG that exceeds maximum value of the Federal Pell Grant for that award year. To comply with this law, reductions are made to the MTAG.

Gift aid is not typically restricted.
Examples of need-based aid are as follows:

1. LuckyDay Success
2. Federal Perkins Loan
3. McKinstry Loan
4. Federal Direct Subsidized Loan
5. Federal Work-Study
6. Federal Supplemental Educational Opportunity Grant (FSEOG)
7. Scholarships for Disadvantaged Students (SDS)
8. Health Professions Loan

Examples of cost-of-attendance based aid are as follows:

1. All institutional Fund 10 scholarships
2. Federal Direct Unsubsidized Loan
3. Most State of Mississippi Aid Programs such as the Mississippi Tuition Assistance Grant
4. Direct PLUS loan and Direct Graduate PLUS
5. Private educational loans
6. Federal TEACH Grant

Examples of gift aid are as follows:

1. Federal Pell Grant
2. Mississippi Eminent Scholarships Grant
3. Most foundation scholarships

Due to the hundreds of different aid awards, none of these lists are exhaustive.