


Clock Hour Basics



# Clock Hour Basics

## FASFAA Clock Hour Workshop

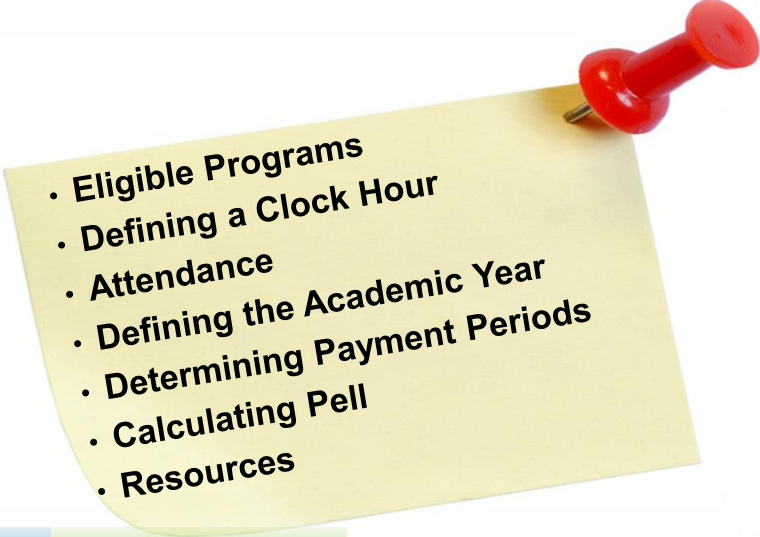
October 30-November 1, 2018

David Bartnicki – U.S. Department of Education

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# AGENDA



- Eligible Programs
- Defining a Clock Hour
- Attendance
- Defining the Academic Year
- Determining Payment Periods
- Calculating Pell
- Resources

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## Clock Hour Basics

## Eligible Non-Degree Programs

- Programs must provide training that prepares student for gainful employment in a recognized occupation and contain a *minimum* of:
  - 15 weeks instruction; 600 clock hours, 16 semester, 24 quarter hours
  - 10 weeks of instruction; 300 clock hours, 8 semester, 12 quarter hours
    - Graduate or professional program or admit only students with equivalent of an associate degree
  - 10 weeks instruction; 300-599 clock hours,
    - 70% completion/placement rate; in existence for one year (eligible for Direct Loans only)

3

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## Eligible Programs

- *Ensure gainful employment programs do not exceed by more than 50% the minimum number of clock hours or credit hours established by the state for training in the occupation for which the program prepares students (if minimums established by State)*

4

**34 CFR 668.14(26)**

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## Clock Hour Basics

## Definition (34 CFR 600.2)

- Clock hour: a period of time consisting of -
  - (1) A 50 to 60-minute class, lecture, or recitation in a 60-minute period;
  - (2) A 50 to 60-minute faculty supervised laboratory, shop training, or internship in a 60-minute period;
  - (3) Sixty minutes of preparation in a correspondence course
- A clock hour is based on an actual hour of attendance, though each hour may include a 10-minute break

5

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## What Hours Count?

- A school is not permitted to count more than one clock hour per 60-minute period
- May not schedule several hours of instruction without breaks and then count clock hours in 50-minute increments
  - Example - cannot consider seven consecutive hours of instruction to be 8.4 hours by dividing 50 minutes into 420 minutes
- Seven 60-minute periods of instruction may not count for more than seven clock hours

6

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## Clock Hour Basics

## Attendance Records

- Clock hour programs required to keep attendance
- Attendance documentation
  - Time clocks, computer cards, attendance rosters, log books, biometric scans, etc.
  - Identify when present or missing
    - Absences, make-up hours, tardiness
- INTEGRITY of the system/process
  - Concern if hours can be easily manipulated

7

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## Distance Education & Clock Hours

- Online clock hours
  - Must meet clock hour definition:
    - A 50 to 60-minute class, lecture, or recitation in a 60-minute period;
    - A 50 to 60-minute faculty supervised laboratory, shop training, or internship in a 60-minute period;
  - Periodically logging in and out is not adequate documentation
  - Cannot assume student completed clock hours due to completing assignments or passing the course

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# Distance Education & Clock Hours

- Work with regional school participation division (i.e. Atlanta, etc.) prior to offering any clock hours online to ensure meet all Title IV requirements
  - Develop and demonstrate school can track, monitor, and record proper clock hours through various technologies (web-cams, video conferencing, etc.)
  - ED does NOT approve portions of a program (only entire programs are approved by ED)

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# Academic Year

- Must be defined for each eligible program
  - May be the same for all programs
    - Credit hour and clock hour programs will have different academic years
  - May be different for some or all programs
- Must contain at least 900 clock hours and 26 weeks of instructional time
  - A week of instructional time is any 7 consecutive days in which at least one day of instruction occurs
  - Need not correspond to a “calendar” week



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## Academic Year Minimums

Statutory Definition of an Academic Year		
Academic Progress Measured By	Minimum Completion Requirement*	Minimum Instructional Time Requirement **
Semester hours	24 semester hours	30 weeks
Trimester hours	24 trimester hours	30 weeks
Quarter hours	36 quarter hours	30 weeks
<b>Clock hours</b>	<b>900 clock hours</b>	<b>26 weeks</b>

\*Number of hours that a student enrolled full time is expected to complete in a full academic year

\*\*A week is a seven day period in which there is at least one day of instruction or exams.

Minimum measure!  
Can be more!

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## Defining the Academic Year

- Full-time for an undergraduate clock hour program must be at least 24 clock hours a week
- Half-time must be at least 12 clock hours per week (needed for loan eligibility)
- Reminder: *AY definition may be greater than required minimum amounts*
  - A student attending 24 hours per week will complete 900 hours in 37.5 weeks
  - A student attending 30 hours per week will complete 900 hours in 30 weeks
  - A student attending 35 hours per week will complete 900 hours in 26 weeks

12

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## Defining the Academic Year

- A program may be shorter than, equal to, or longer than the defined academic year
  - A 600, 900, and 1300 hour programs could all have an academic year of 900 clock hours/30 weeks; or
  - A 1050 clock hour/35 week program could have an AY definition equal to the program
    - Receive one full Pell and one full loan for entire program
- The academic year determines the period of time for which Title IV aid will be awarded and disbursed
- Might NOT conform to school's *academic calendar*

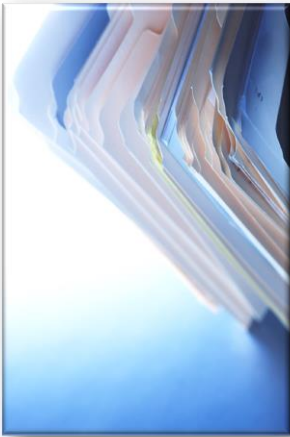
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## Your School's Academic Year




- Is the Academic Year defined in your Policy and Procedures manual?

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# Payment Periods

15

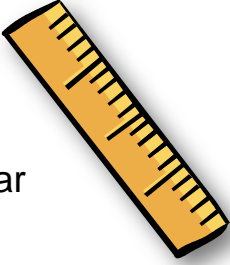
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## Defining Payment Periods

- Based on the academic year definition of the program and the defined length of the program, in clock hours and weeks of instructional time
- Rules for:
  - Programs equal to or shorter than an academic year
  - Programs longer than an academic year
    - Both measurements (hours and weeks) greater than AY definition



16

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## Defining Payment Periods

- *Programs equal to or shorter than an academic year*
  - Divide the program/academic year in half
  - First payment period equals half the clock hours and half the weeks
  - Second payment period equals the other half of the clock hours and weeks
    - Example1: Program of 900 clock hours and 30 weeks will have two payment periods of 450 clock hours and 15 weeks
    - Example 2: Program of 750 clock hours and 24 weeks will have two payment periods of 375 clock hours and 12 weeks

17

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## Defining Payment Periods

- *Programs longer than an academic year with remaining period equal to or less than half an academic year*
  - Use rule for one academic year for each full academic year in the program (simply divide hours and weeks in half)
  - Final portion is one payment period with remaining clock hours and weeks

**Program: 1230 clock hours/41 weeks; AY 900 hours/30 weeks (attend 30 hrs. wk.)**

PP1: 450 clock hrs/15 wks	PP2: 450 clock hrs/15 wks	PP3: 330 clock hrs/11 wks
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**Program: 1050 clock hours/42 weeks; AY 900 hours/36 weeks (attend 25 hrs. wk.)**

PP1: 450 clock hrs/18 wks	PP2: 450 clock hrs/18 wks	PP3: 150 clock hrs/6 wks
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18

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Clock Hour Basics

## Defining Payment Periods

- *Programs longer than an academic year with remaining period greater than ½ an academic year*
- Use the rule for one academic year for each full academic year in the program
- Remaining portion is divided into two equal payment periods, each with ½ the remaining hours/weeks

**Program: 1600 clock hours/46 weeks; AY 900 hours/26 weeks (attend 35 hr. wk.)**

PP1: 450 clock hrs/13 wks	PP2: 450 clock hrs/13 wks	PP3: 350 clock hrs/10 wks	PP4: 350 clock hrs/10 wks
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**Program: 1440 clock hours/54 weeks; AY 900 hours/34 weeks (attend 27 hrs. wk.)**

PP1: 450 clock hrs/17 wks	PP2: 450 clock hrs/17 wks	PP3: 270 clock hrs/10 wks	PP4: 270 clock hrs/10 wks
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19

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## Defining Payment Periods

- Schools **cannot** create more payment periods for a program than what's specified in the regulations
- These rules for defining lengths of payment periods do not change based on conditions such as
  - Student progress through the program
  - School terms
  - The award year in which the payment period falls

*However, there are two exceptions.....*

20

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## Clock Hour Basics

## Defining Payment Periods

- Exception #1 - *Transfer Students*
  - If you accept transfer hours, the hours/weeks remaining for the student to complete the program at your school make up the program length, and payment periods are defined accordingly
    - Example: Student transfers 300 hours into an 1170 hour program; this leaves 870 hours remaining. Program will be treated as one shorter than an academic year and will have two payment periods, each with 435 hours and the number of weeks to complete those hours



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## Defining Payment Periods

- Exception #2 – *Second Year Loans if accelerate hours*
  - If program is longer than an academic year, the 2<sup>nd</sup> year loan must be prorated by the hours student has remaining to complete at the end of the first academic year
  - Example: Student enrolled in 1650 program (AY = 900 hours) and attended more hours than scheduled so at the end of the first academic year in weeks, student had completed 1000 hours rather than 900. Year 2 loan would be prorated based on 650 remaining hours
    - Payment periods would be determined according to normal rules, in this case, 325 hour payment periods; will not line up with Pell payment periods

22

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Clock Hour Basics

# Defining Payment Periods

Three **BIG DIFFERENCES** for clock hour programs vs. credit hour term programs

- 1. For Title IV purposes, **there are NO TERMS; repeat, there are NO TERMS**
- 2. Clock hour payment periods may not line up with the terms for credit-hour programs
  - Example: 750 clock hour/24 week program will have two payment periods, each with 375 clock hours and 12 weeks. The first payment period will end 12 weeks into the first “semester”, and the 2<sup>nd</sup> payment period will overlap “semesters” one and two

23

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# Defining Payment Periods

- 3. A payment period ends only when an **individual student successfully completes** the clock hours AND the weeks in the payment period
  - “Successfully completes” means the student has attended and passed the coursework associated with the clock hours/weeks in the payment period
  - Students may complete payment periods at different times, for instance due to absences or failing coursework



24

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Clock Hour Basics

## Defining Payment Periods

- If programs have individual courses within a payment period and a student fails a course, the student will take longer to complete the payment period

450 clock hours and 15 weeks of instruction			
150 hr. course	150 hr. course	150 hr. course	150 hr. course
Successfully completes the course	Fails the course; fails to successfully complete 150 hrs.	Repeats failed course & passes or passes a different course of 150 hrs.	Successfully completes the course

Scheduled to complete payment period

Actually completes payment period

25

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## Excused Absences 34 CFR 668.164(b)(3)

- Optional
- Separate from attendance and SAP policies
- Written policy permitting excused absences
- An absence that a student does not have to make up
- Excused absences cannot exceed the lesser of --
  - Accrediting agency policy on excused absences
  - State licensing agency policy on excused absences **OR**
  - 10% of the clock hours in a payment period
- Example
  - 45 hours in a 450 hour payment period can be counted as excused absences (count as completed hours)

26

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## Crossover Payment Periods

- Defined as any payment period that begins prior to July 1 and ends on/after July 1
- Process for defining length of payment periods DOES NOT CHANGE if the program or payment period crosses over award years
- Number and length of payment periods as originally determined remain the same even when payment periods fall into different award years
- Must pay the full Pell disbursement completely from ONE award year

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## Cross-Over Payment Periods

1200 Clock-Hour/32 Week Program  
900 Clock-Hour/26 Week AY

450 hrs/13 wks	450 hrs/13 wks	300 hrs/6 wks
2016-17 award year	2017-18 award year	
March 2017	July 1	January 2018

Payment period that crosses over still retains the original length

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## Clock Hour Basics

## Payment Period Disbursements

- The earliest a school may make a Title IV disbursement is:
  - 10 days before the first day of classes of a payment period, or
  - Date the student completed the previous payment period for which he received Title IV funds
  - A school may not make an early disbursement of a Direct Loan to a first-year, first-time borrower who is subject to the 30-day delayed disbursement requirements in 34 CFR 685.303(b)(5)

29

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## Payment Period Disbursements

- Disbursements made by clock hour payment period
- Cannot choose to have more payment periods than those defined in regulation
  - Can make multiple *installments* of a disbursement within a payment period to best meet needs of the student; however, does not create more payment periods nor does it change amount student is eligible to receive for the payment period
- Cannot delay making disbursement until the student has completed at least 60% of the payment period in order to avoid having to return funds from an R2T4 calculation

30

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## Clock Hour Basics

## Clock Hour Disbursements

- Student must meet all student eligibility requirements
- Enrollment status, SAP, no defaulted loans, pass all required data matches, program requirements (i.e. not earned a BA for Pell, etc.)

**ARE YOU  
ELIGIBLE?**

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## Clock Hrs. & Repeating Coursework

- Student cannot be paid to repeat clock hours in same program of study
- Student will NEVER be paid TIV for more than the number of clock hours that make up the official program
  - Cannot receive next TIV aid disbursement until successfully complete clock hours & weeks in payment period

### Exceptions:

1. If a student completes a program of study and retakes the entire program over again
2. Student withdraws and returns after 180 days into same program of study the student is considered to have begun a new program
  - If any hours transfer into the program, the school would prorate accordingly based on remaining hours in the new program

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## Clock Hour Basics

# Pell Grant Calculations



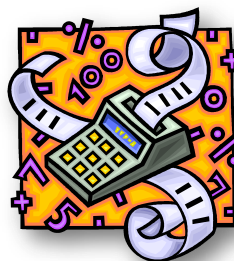
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## Calculation of Pell

- Always use Pell Formula 4 for clock-hour programs
- Five steps in the formula
  1. Determine enrollment status
  2. Calculate Pell COA
  3. Determine annual award
  4. Determine appropriate payment periods
  5. Calculate aid amount for the payment period



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## Clock Hour Basics

## Calculation of Pell

- Step 1: Determine Enrollment Status
  - Unlike credit-hour programs that have different payment charts based on enrollment status (full-time,  $\frac{3}{4}$  time etc.), you will always use the full-time Pell payment chart for clock-hour programs, even if a student is attending at a “part-time” schedule (night classes, morning-only classes)
  - Student must be enrolled at least half-time for loan eligibility (12 clock hrs a week)
  - If enrolled less than half-time, some COA components must be removed

35

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## Calculation of Pell

- Step 2: Pell Cost of Attendance
  - Always use the cost for a full-time student for a full-academic year (as you define it)
  - If program shorter than an academic year, prorate Pell COA up to what it would be for a full academic year
  - If program is longer than a full academic year and the COA is for the entire program, prorate Pell COA down to what it would be for a full academic year



36

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Clock Hour Basics

Step 2: Pell Grant COA Proration

Multiply program COA by the lesser of two fractions to determine Pell COA:

$$\frac{\text{Hours in program's definition of an academic year}}{\text{Hours to which the costs apply}}$$

OR

$$\frac{\text{Weeks of instructional time in program's definition of an academic year}}{\text{Weeks of instructional time in enrollment period to which the costs apply}}$$

37

Calculation of Pell

- Step 3: Determine Annual Award
- Always use the full-time Pell payment chart (GEN-18-04)

Federal Pell Grant Program

Payment Schedule for Determining  
Full-Time Scheduled Awards for the 2018-2019 Award Year

\$6,095 Max

Full-Time

March 2018

Page 1 of 2

Cost of Attendance		Expected Family Contribution																									
		0	1	101	201	301	401	501	601	701	801	901	1001	1101	1201	1301	1401	1501	1601	1701	1801	1901	2001	2101	2201	2301	
		To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	To	
		0	100	200	300	400	500	600	700	800	900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900	2000	2100	2200	2300	2400	
		0	100	200	300	400	500	600	700	800	900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900	2000	2100	2200	2300	2400	
0	-	199	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
200	-	299	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
300	-	399	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
400	-	499	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
500	-	599	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
600	-	699	650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
700	-	799	750	700	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
800	-	899	850	800	700	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
900	-	999	950	900	800	700	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
1000	-	1099	1050	1000	900	800	700	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

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# Calculation of Pell

- Step 4: Determine payment periods based on program academic year and program length
  - Programs equal to or shorter than an academic year
  - Programs longer than an academic year with a remaining portion equal to or shorter than half an academic year
  - Programs longer than an academic year with a remaining portion greater than half an academic year but less than a full academic year
  - *Exception for transfer students with clock hours accepted*

39

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# Calculation of Pell

## Step 5: Calculate disbursement by payment period

Scheduled award is multiplied by ***the lesser of:***

Clock hours in the **payment period**

Clock hours in the program's defined academic year

OR

Weeks of instructional time in the **payment period**

Weeks of instructional time in the program's defined academic year

40

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# Year-Round Pell: DCL GEN-17-06

- Per the Consolidated Appropriations Act of 2017, a student may now receive Pell Grant funds up to 150% of the Scheduled Award in an award year
  - 1<sup>st</sup> 100% is initial scheduled Pell award
  - Final 50% is considered the additional Pell award (YRP)
- YRP is effective with the 2017-2018 award year
  - Any payment period (including 2017 crossover payment periods) attributed to 2016-2017 award year is not eligible for year round Pell (additional 50%)

41

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# Pell Calculations & Year Round Pell

- The amount of Pell in any payment period is calculated exactly the same using formula 4
- No adjustments or special calculations for the Additional Pell amounts (year round Pell)



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## Clock Hour Basics

## Year-Round Pell: Student Eligibility

- Student must be enrolled at least half-time in the payment period(s) for which s/he receives the additional Pell Grant funds (additional 50%)
  - 12 hours per week
  - Dropping below half-time enrollment after Pell is disbursed will not render the student ineligible
- The additional Pell Grant funds will be reflected in the student's 600% maximum Pell Lifetime Eligibility Used (LEU)

43

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## Year-Round Pell: Awarding

- A disbursement in a payment period may include awards from both the initial Pell Grant Scheduled Award and from the additional Pell Grant award
- When the calculated award for a payment period is greater than the remaining balance of an initial Scheduled Award, the award for the payment period is the remaining balance plus an amount from the additional Pell Grant award
  - Will typically only happen in clock hour programs when students complete one short program and start another at the same school or transfer in hours from another school

44

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### Example #1 (18/19) – David

A/Y definition is **900 hours/30 weeks**

**Example #1:** Program 1200 clock hours/40 weeks

Payment periods: 450/15; 450/15; 300/10; 0 EFC

450/15

450/15

300/10

8/1/18

4/15/19

Scheduled award multiplied by **lesser of:**

Clock hrs. in the payment period (450) (300)

Clock hrs. in the A/Y (900)

OR

Weeks in the payment period (15) (10)

Weeks in the A/Y (30)

Both fractions are the same for all 3 payment periods, so can use either fraction

**Scheduled award: \$6,095**

PP1: \$5920 x 450/900 = \$3,047.50

PP2: \$5920 x 450/900 = \$3,047.50

PP3: \$5920 x 300/900 = \$2,031.66 (additional Pell) – must be ½ time

45

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### Example #1(18/19) – David

- Maximum Pell student could receive in 2018-2019 is 150% of scheduled award
- 0 EFC = scheduled award \$6,095
  - 150% = \$9,142.50 (most David could receive in 18/19)
- David so far has received \$8,126.66(133.3%)
  - \$3047.50(50%) + \$3047.50(50%) + \$2031.66(33.3%)
- If enrolled in a NEW program, still has \$1,015.84 (16.7%) in 18/19 Pell
  - \$8,126.66 + \$1,1015.84 = \$9,142.50 (150%)
- To receive additional Pell must be ½ time

46

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## Clock Hour Basics

## Calculating Pell for Transfer Students

1. Determine percentage of scheduled award received year-to-date (prior school)
  2. Subtract percentage used from 150% and determine amount of initial Pell and additional Pell remaining
  3. Multiply remaining percentage by the scheduled award at your school
  4. Additional steps involved if accepting hours
- Remember: Use percentages, not dollars

47

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## Calculating Pell for Transfer Students

- Determine percentage of Pell received at previous school during award year
  - Pell disbursed at prior school = % of Scheduled Award used  
Scheduled Award at prior school
  - Subtract result from 150% (e.g.  $150\% - 80\% = 70\%$ )
- End result is maximum percentage of the Scheduled Award that the student may receive at the new school
- Remember to break out initial Pell from additional Pell amounts to ensure enrollment status criteria met

48

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## Clock Hour Basics

## Calculating Pell for Transfer Students

- Multiply remaining % by the scheduled award at your school
  - Example –  $70\% \times \$6,095 = \$4,266.50$
- Pay the normal amount in each payment period, up to the remaining amount
  - Give the student the full amount for each payment period, rather than trying to ration the remaining amount by splitting it evenly across the remaining terms

**Remember: If hours are transferred into a program, the length of the program is the number of clock hours and weeks that the transfer student will be required to complete in the new program**

49

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## Example #2 (18/19) - Luke

- Luke transfers into School B from School A during 2018-2019 award year
- School A scheduled award - \$5000
- School A disbursed in 18/19 - \$4000
- Percentage used at School A is  $4000/5000 = 80\%$
- School B scheduled award is \$6,095 (0 EFC)
- $150\% - 80\% = 70\%$  remaining eligibility at School B
  - 20% initial Pell; 50% additional Pell
- $\$6,095 \times 70\% = \$4,266.50$  remaining

50

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Clock Hour Basics

51

### Example #2 (18/19) - Luke

- Luke enrolls into a 1500 hour program at School B
- School B accepts 800 clock hours from School A
- Luke’s program is  $1500-800 = 700$  clock hours
  - Weeks based on what it will take Luke to complete 700 hours
  - School B says it will take Luke 24 wks to complete 700 hours
- Payment periods are 350 hrs/12 wks; 350 hrs/12 wks

350/12

↓

2/1/19

350/12

↓

6/20/19

- AY definition at School B is 900 hours and 26 weeks

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52

### Example #2 (18/19) – Luke

Scheduled award multiplied by *lesser of*:

Clock hrs. in the payment period (350)

= 0.39 (use hours since lesser)

Clock hrs. in the A/Y (900)

OR

Weeks in the payment period (12)

= 0.46

Weeks in the A/Y (26)

Scheduled award: \$6,095; **70% remaining** at School B (\$4,266.50)

PP1: \$6,095 x 350/900 = \$2370.28 - **38.9%** total Pell at school B

- \$1219 initial Pell (20%)
- \$1151.28 additional Pell (18.9%) – must be ½ time

PP2: \$6,095 x 350/900 = \$2370.28 (*Only receive \$1896.22*) – **70%** total Pell

- \$1896.22 additional Pell (31.1%) – must be ½ time

**Total Pell received at School B - \$2370.28+\$1896.22 = \$4266.50**

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26

## Clock Hour Basics

## Crossover Payment Periods

- A payment period that includes both June 30 and July 1, overlapping two award years
  - One clock hour falling into the next award year causes a crossover payment period
- Institutions have the flexibility to assign crossover payment periods to either of the relevant award years “as it determines is most beneficial to students”
  - Develop a Pell crossover payment period policy
    - Student-by-student; or
    - Always assign certain payment periods to one year

53

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## Crossover Payment Periods

- The choice of crossover payment period award year can be made based on an institutional policy that –
  - Provides for an individual decision for each student
  - Applies to all students (or students within a group) without exception
  - Applies to all students (or students within a group) with flexibility for individual student exception

54

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## Crossover Payment Periods

- 55

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## 56

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Clock Hour Basics

57

### Example #3 (crossover) - Ethan

- Ethan enrolls in a 1500 hour, 44 week program
- Ethan has 0 EFC for 17/18; scheduled Pell \$5920
  - 150% for 17/18 for Ethan is \$8880
- Ethan has 0 EFC for 18/19; scheduled Pell **\$6095**
- PP #1, 2 and 3 all start and end in 2017-2018
- PP #4 crosses over between 2017-18 and 2018-19
  - School policy is to pay out of the year that best meets the needs of the student

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58

### Example #3 (crossover) – Ethan

Scheduled award multiplied by *lesser of*: **Payment Periods #1 & #2**

Clock hrs. in the payment period (450)

= 0.5

Clock hrs. in the A/Y (900)

OR

Weeks in the payment period (13)

= 0.5

Weeks in the A/Y (26)

Scheduled award: \$5920 (17/18);

PP1: \$5920 x 450/900 = \$2960 - **50%** total Pell

PP2: \$5920 x 450/900 = \$2960 - **100%** total Pell

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29

Clock Hour Basics

## Example #3 (crossover) – Ethan

Scheduled award multiplied by *lesser of*: **Payment Period #3**

$$\frac{\text{Clock hrs. in the payment period (300)}}{\text{Clock hrs. in the A/Y (900)}} = 0.33 \text{ (lesser)}$$

OR

$$\frac{\text{Weeks in the payment period (9)}}{\text{Weeks in the A/Y (26)}} = 0.35$$

**Scheduled award: \$5920 (17/18);**

**PP3: \$5920 x 300/900 = \$1973.33 - 133.3% total Pell**

- \$1973.33 additional Pell (33.3%) – must be ½ time

59

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## Example #3 (crossover) – Ethan

Scheduled award multiplied by *lesser of*: **Payment Period #4 (crossover)**

$$\frac{\text{Clock hrs. in the payment period (300)}}{\text{Clock hrs. in the A/Y (900)}} = 0.33 \text{ (lesser)}$$

OR

$$\frac{\text{Weeks in the payment period (9)}}{\text{Weeks in the A/Y (26)}} = 0.35$$

**Compare 17/18 with 18/19 and pay from year most beneficial**

**2017-2018 Scheduled award: \$5920**  
**PP4: \$5920 x 300/900 = \$1973.33 - (Only get \$986.67) –150% total Pell**

- \$986.67 additional Pell (16.7%) – must be ½ time
- \$2960+\$2960+1973.33+986.67 = \$8880 (150% Pell)**

**2018-2019 Scheduled award: \$6095**  
**PP4: \$6095 x 300/900 = \$2031.66 – 33.3% total Pell**

- Can get full amount since 1<sup>st</sup> disbursement of Pell in 18/19

60

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30

## Clock Hour Basics

## Calculation of Pell

- Will a student always receive Pell each payment period? ***It depends on:***
  - Pell LEU (600%)
  - ½ time status for additional Pell
  - Number of payment periods in program and remaining eligibility in award year
  - Crossover payment periods and eligibility in new award year

61

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## Final Step: COD

- Send origination records electronically to COD
- Send actual disbursement records electronically to COD
  - No funds in G5 until COD accepts the records
  - Disbursement date must reflect actual date of disbursement from student's account ledger
- Resolve all rejects!! (see COD Technical Reference, Volume II, Section 4: Edits)

62

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## Clock Hour Basics

## Year-Round Pell: COD

- The <AdditionalEligibilityIndicator> tag identifies Pell Grant recipients eligible for additional grant funds
  - If a school submits an AEI = “true”, the total awarded Pell can exceed 100% of the student’s Pell scheduled award not to exceed 150%
- Pell Grant Potential Overaward Project (POP) process updated to account for additional Pell Grant eligibility
- Reject/warning edits specific to updated Pell calculations are sent in response files
- COD Web Site screens and reports updated to incorporate Year-Round Pell

63

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## Resources

- FSA Handbook
  - Volume 3, Chapter 3: Pell Calculations
- GEN-17-06
  - Year Round Pell
- GEN-16-19
  - 2017-2018 Federal Pell Grant Payment and Disbursement Schedules
- GEN-18-04 (REVISED)
  - 2018-2019 Federal Pell Grant Payment and Disbursement Schedules

64

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## Clock Hour Basics

## Resources

- FSA Handbook
  - Volume 3, Chapter 1: Academic Year Definition, Payment Period Definition
  - Volume 3, Chapter 3: Pell Calculations
- GEN-17-06
  - Year Round Pell
- GEN-16-19
  - 2017-2018 Federal Pell Grant Payment and Disbursement Schedules
- GEN-18-04 (REVISED)
  - 2018-2019 Federal Pell Grant Payment and Disbursement Schedules
- Federal Register - 10/29/10 (Program Integrity Regulations)
- FAQs on program integrity website:
  - <http://www2.ed.gov/policy/highered/reg/hearulemaking/2009/integrity-qa.html>

65

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## Contacts

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66

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Clock Hour Basics

# Training Feedback

To ensure quality training we ask all participants to please fill out an online session evaluation

- Go to <http://s.zoomerang.com/s/DavidBartnicki>
  - Evaluation form is specific to David Bartnicki
- This feedback tool will provide a means to educate and inform areas for improvement and support an effective process for “listening” to our customers
- Additional feedback about training can be directed to [Mark.Gerhard@ed.gov](mailto:Mark.Gerhard@ed.gov)

67

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# Questions?



68

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