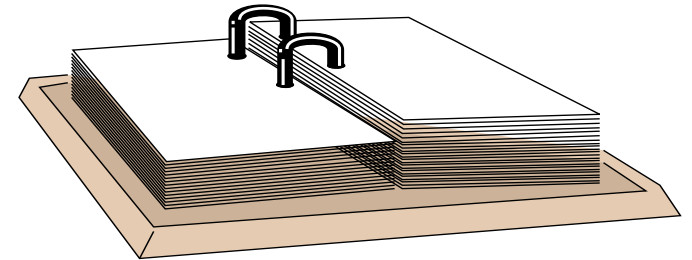




Components for Calculating Pell Grant Awards

- ❖ 9-Month EFC from valid SAR or ISIR
- ❖ Academic year
- ❖ COA for academic year
- ❖ Enrollment status
- ❖ Length of period of enrollment





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
Clock hours	900 clock hours	30 weeks
*Number of hours that a student enrolled full time is expected to complete in a full academic year.		



Steps in Calculating Pell Grant Awards

1. Determine enrollment status
2. Calculate Pell Grant COA
3. Determine annual award
4. Determine payment periods
5. Calculate payment for each payment period

$$\begin{array}{rcl} \text{Tuition} & & \\ + \text{Books} & \times & \frac{26}{36} \\ + \text{Supplies} & & \\ \hline \end{array}$$

Academic Year



Title IV Standards for Enrollment Status for Standard Terms

❖ Full-time



— At least **12** semester or quarter hours per term

❖ 3/4-time



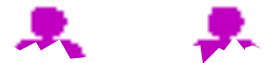
— At least **9** semester or quarter hours per term

❖ 1/2-time



— At least **6** semester or quarter hours per term

❖ Less-than-half-time



— Fewer than **6** semester or quarter hours per term



Exercise B1: Pell Grant Disbursement Schedules

- ❖ Bill's annual award is \$2,350 for both terms
- ❖ Janet's annual award is \$1,650 for fall and \$825 for spring



Calculating the Payment for the Payment Period— Formula 1

$$\frac{\text{Annual award}}{\text{Payment periods in academic year}} = \text{Payment for each payment period}$$



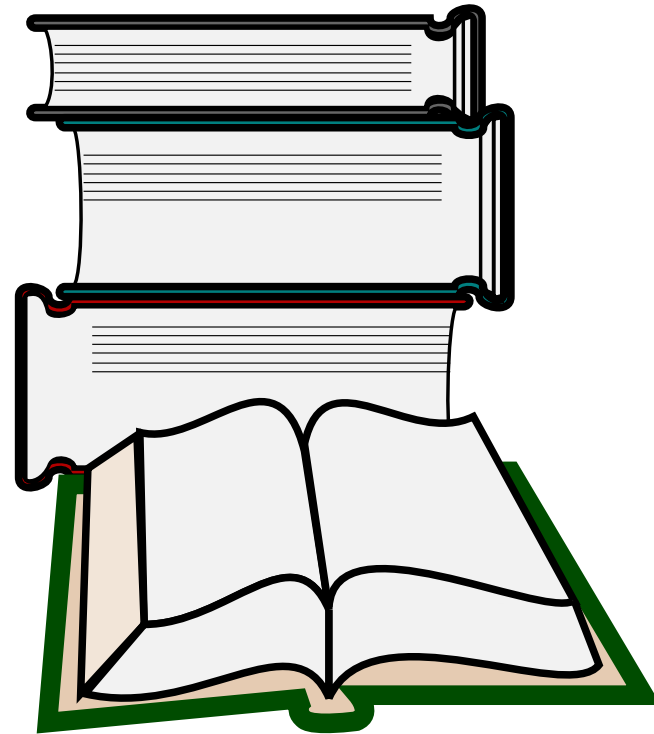
Exercise C: Formula 1 Calculation

1. Academic year = **30** weeks of instructional time
2. Credit hours = **12** quarter hours for each quarter
3. Payment periods = **3**
4. Half-time student, Annual award = **\$1,275**
5. Payment for each period = $\frac{\$1,275}{3} = \425



COA Components for Less-Than-Half-Time Enrollment

- ❖ Tuition
- ❖ Fees
- ❖ Books
- ❖ Supplies
- ❖ Transportation
- ❖ Dependent care





Prorating Pell COA

- ❖ Multiply COA by lesser of:
$$\frac{\text{Weeks in program's definition of AY}}{\text{Weeks of instructional time for which costs apply}}$$
or
$$\frac{\text{Credit or clock hours in program's definition of AY}}{\text{Credit or clock hours for which costs apply}}$$



Formula 3: Step 5, Calculate Payment for Payment Period

Annual
Award

X

Weeks of instructional time in the term

Weeks of instructional time in
program's definition of academic year



Case Study—Solution

Step 1—Determine Enrollment Status

❖ Winter	< 1 / 2-time
❖ Spring	Full time
❖ Summer #1	Full time
❖ Summer #2	Full time



Case Study—Solution

Step 2—Calculate Cost of Attendance

Full-time COA	\$5,400
COA for less-than-half-time enrollment	\$2,300

Proration ratios	30 weeks / 30 weeks
	36 hours / 36 hours



Case Study—Solution

Step 3—Determine Annual Award

❖ Winter	\$ 450
❖ Spring	\$2,150
❖ Summer 1	\$2,150
❖ Summer 2	\$2,150



Case Study—Solution

Step 4—Determine Payment Periods

❖ Fall	not enrolled
❖ Winter	✓
❖ Spring	✓
❖ Summer 1	✓
❖ Summer 2	✓

Four Periods



Case Study—Solution

Step 5—Calculate Payment for a Payment Period

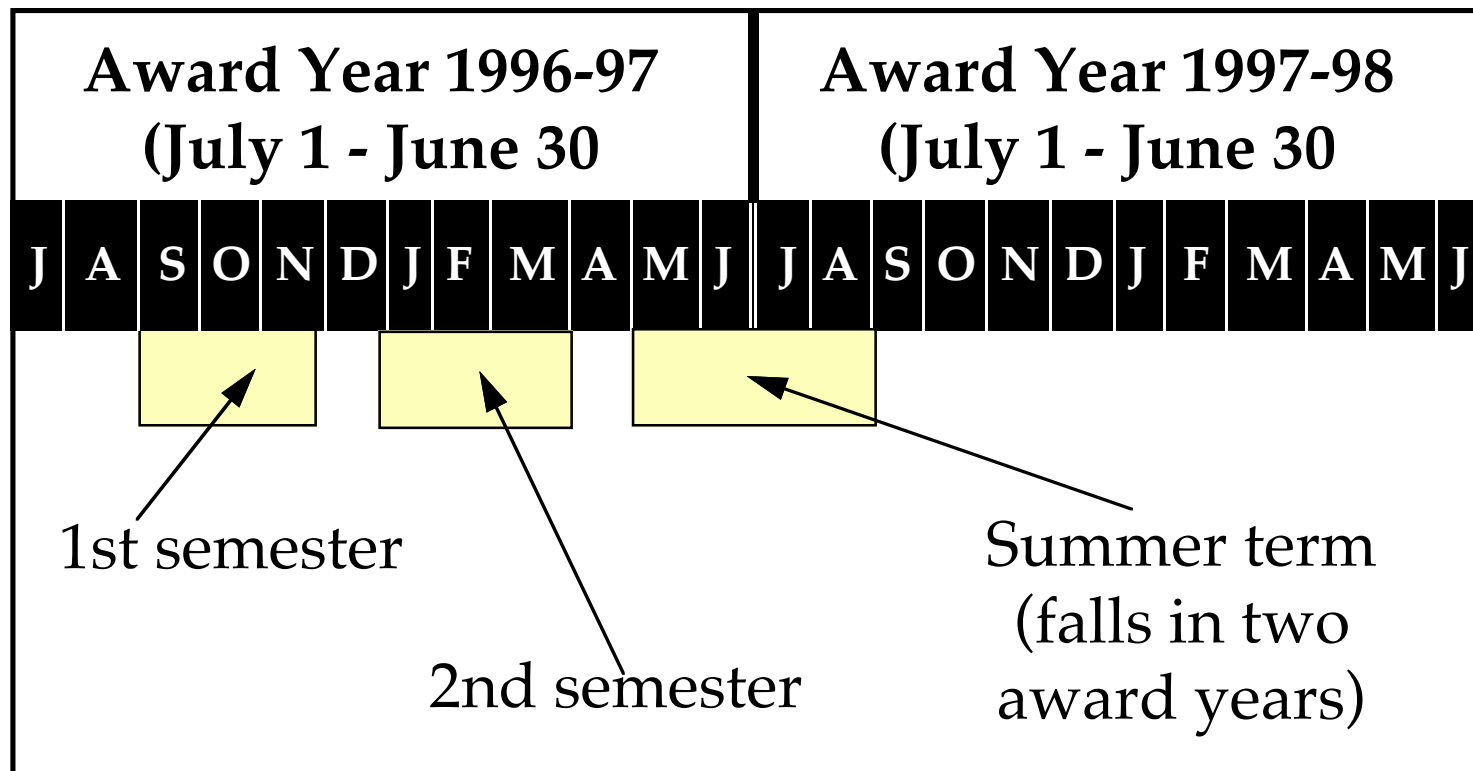
❖ Winter	\$ 450	X	10/30	=	\$ 150
❖ Spring	\$2,150	X	10/30	=	\$ 717
❖ Summer 1	\$2,150	X	5/30	=	\$ 359
❖ Summer 2	\$2,150	X	5/30	=	\$ 358

TOTAL

\$1,584



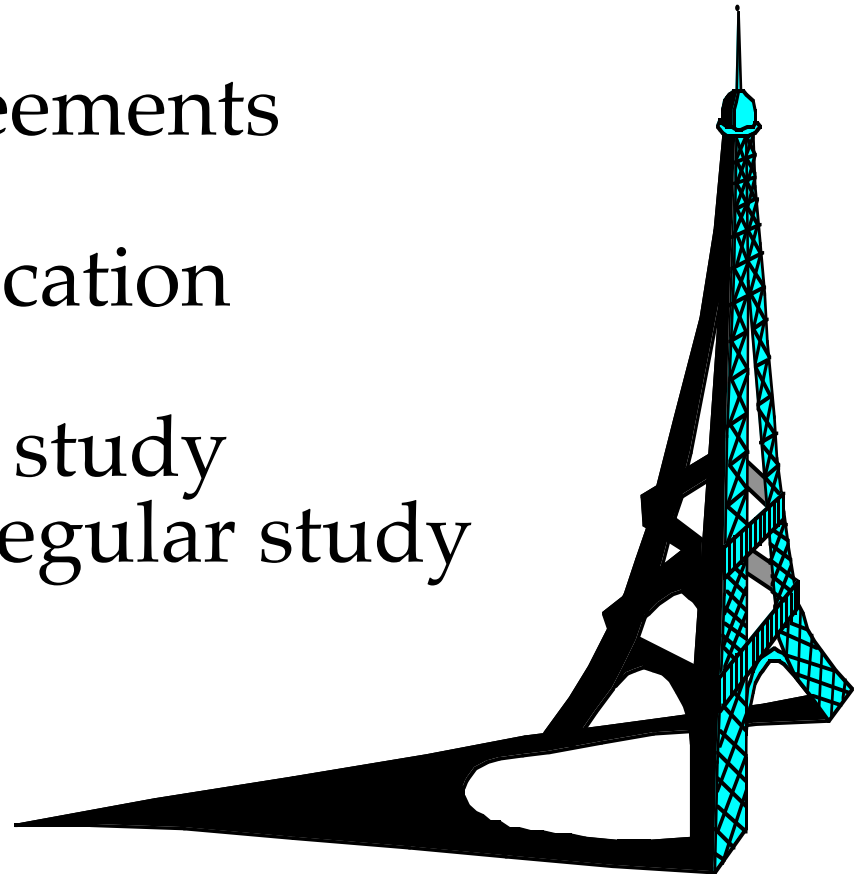
Crossover Payment Period





Special Program Considerations

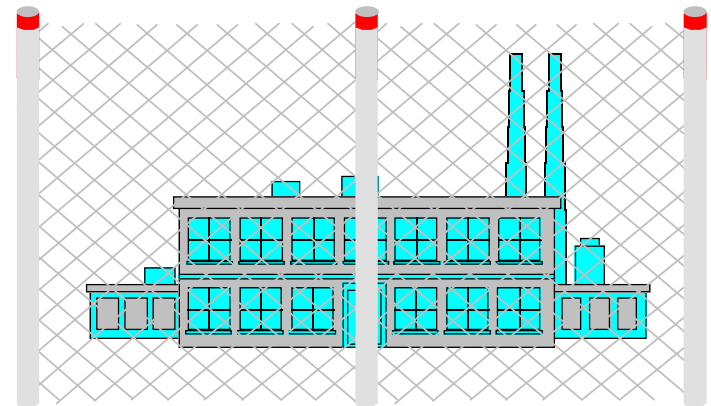
- ❖ Consortium agreements
- ❖ Cooperative education
- ❖ Correspondence study combined with regular study
- ❖ Foreign study





Special Program Considerations

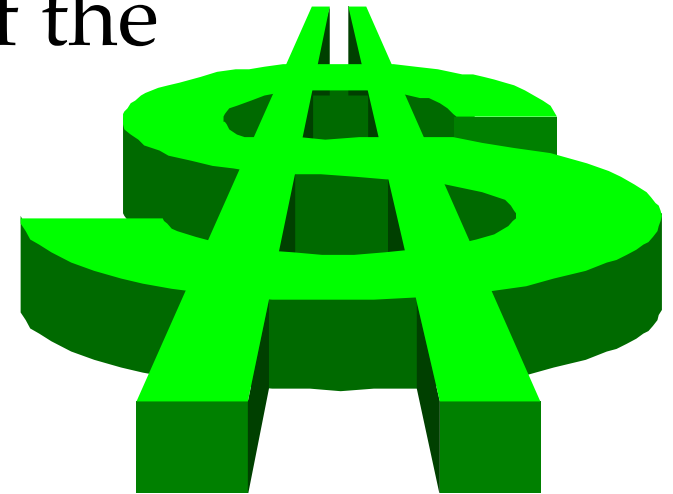
- ❖ Incarcerated students
- ❖ JTPA programs
- ❖ Remedial course work
- ❖ Summer mini-sessions





Recalculating a Pell Grant Award

- ❖ School must recalculate if the student's
 - EFC changes **or**
 - Enrollment status changes between payment periods





Session 18a

Calculating Federal Pell Grant Award Amounts— Term-Based Using Credit Hours