

## PRACTICE

### Exercise A — Selecting Which Formula To Use

Each of the following questions describes a school and the way its program is structured. Use the chart, “Selecting Federal Pell Grant Formulas,” on page 5 to help you determine which formula to use for each school.

1. Alexandria State University (ASU)

- ♦ ASU offers a 4-year B.A. program.
- ♦ The academic year (AY) is defined as 24 semester hours and 30 weeks of instructional time.
- ♦ ASU’s academic calendar has two 14-week semesters (fall and spring).
- ♦ The terms do not overlap.
- ♦ A 10-week summer term is offered.
- ♦ Summer full-time is 12 credits.

**Which formula would you use? Why?** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Julian Institute (JI)

- ♦ JI offers a 2-year degree program.
- ♦ The AY is defined as 36 quarter hours and 30 weeks of instructional time.
- ♦ JI has three 10-week quarters (fall, winter, spring).
- ♦ The terms do not overlap.
- ♦ Two summer mini-sessions are offered. Each is 5 weeks long.
- ♦ Summer full-time, per mini-session is 6 credits.

**Which formula would you use? Why?** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## PRACTICE (cont'd)

### Exercise A — Selecting Which Formula To Use (cont'd)

#### 3. New West College (NWC)

- ♦ NWC offers a two-year associate degree program.
- ♦ The AY is defined as 24 semester hours and 30 weeks of instructional time.
- ♦ NWC's academic calendar has two 15-week semesters (fall and spring).
- ♦ The terms do not overlap.
- ♦ A 10-week summer term is offered.
- ♦ Summer full-time is 12 credits.

**Which formula would you use? Why?** \_\_\_\_\_

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#### 4. Horizon Technical College (HTC)

- ♦ HTC offers a 4-year degree program.
- ♦ The AY is defined as 24 semester hours and 30 weeks of instructional time.
- ♦ HTC has two 15-week semesters (fall and spring).
- ♦ The terms do not overlap.
- ♦ An intersession between fall and spring is 4 weeks of instructional time, and full time in the intersession is 4 semester hours.
- ♦ The summer term has 10 weeks, and full time in the summer term is 12 hours.

**Which formula would you use? Why?** \_\_\_\_\_

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## PRACTICE (cont'd)

### Exercise B1 — Steps 1, 2, and 3 for Formula 1

Your school has two standard terms, fall and spring. The academic year is defined as 30 weeks. Both students below are enrolled in an associate degree program with 30 weeks of instructional time in each academic year. The full-time COA for the academic year in this program is \$3,350. Use the Pell Grant Payment Schedule, starting on page 10, to help you determine the Note to Instructor:

|                        |             |
|------------------------|-------------|
| <b>Student:</b>        | <b>Bill</b> |
| <b>EFC:</b>            | <b>375</b>  |
| <b>Fall credits:</b>   | <b>12</b>   |
| <b>Spring credits:</b> | <b>12</b>   |

Step 1: What is Bill's enrollment status? (check one per term)

Fall            ☐ Full-time      ☐  $\frac{3}{4}$ -time      ☐  $\frac{1}{2}$ -time      ☐  $< \frac{1}{2}$ -time

Spring        ☐ Full-time      ☐  $\frac{3}{4}$ -time      ☐  $\frac{1}{2}$ -time      ☐  $< \frac{1}{2}$ -time

Step 2 : What is Bill's Pell Grant COA? \$ \_\_\_\_\_

Step 3: What is Bill's annual award?    \$ \_\_\_\_\_

|                        |              |
|------------------------|--------------|
| <b>Student:</b>        | <b>Janet</b> |
| <b>EFC:</b>            | <b>1,050</b> |
| <b>Fall credits:</b>   | <b>12</b>    |
| <b>Spring credits:</b> | <b>6</b>     |

Step 1: What is Janet's enrollment status? (check one per term)

Fall            ☐ Full-time      ☐  $\frac{3}{4}$ -time      ☐  $\frac{1}{2}$ -time      ☐  $< \frac{1}{2}$ -time

Spring        ☐ Full-time      ☐  $\frac{3}{4}$ -time      ☐  $\frac{1}{2}$ -time      ☐  $< \frac{1}{2}$ -time

Step 2: What is Janet's Pell Grant COA? \$ \_\_\_\_\_

Step 3: What is Janet's annual award?

Fall    \$ \_\_\_\_\_

Spring \$ \_\_\_\_\_

## PRACTICE (cont'd)

### Exercise B2 — Steps 4 and 5 for Formula 1

|                             |                |
|-----------------------------|----------------|
| <b>Student :</b>            | <b>Bill</b>    |
| <b>Fall Annual Award:</b>   | <b>\$2,350</b> |
| <b>Spring Annual Award:</b> | <b>\$2,350</b> |

Step 4: What are the payment periods? \_\_\_\_\_

Step 5: What is the payment for each payment period?

Fall    \$ \_\_\_\_\_ (annual award ÷ 2)

Spring \$ \_\_\_\_\_ (annual award ÷ 2)

|                             |                |
|-----------------------------|----------------|
| <b>Student:</b>             | <b>Janet</b>   |
| <b>Fall Annual Award:</b>   | <b>\$1,650</b> |
| <b>Spring Annual Award:</b> | <b>\$ 825</b>  |

Step 4: What are the payment periods? \_\_\_\_\_

Step 5: What is the payment for each payment period?

Fall    \$ \_\_\_\_\_ (annual award ÷ 2)

Spring \$ \_\_\_\_\_ (annual award ÷ 2)

## **PRACTICE (cont'd)**

insert page 1/4 of Pell Payment Schedule

Full-time

**PRACTICE (cont'd)**

insert page 2/4 of Pell Payment Schedule

3/4 time

## **PRACTICE (cont'd)**

insert page 3/4 of Pell Payment Schedule

1/2-time

**PRACTICE (cont'd)**

insert page 4/4 of Pell Payment Schedule  
less-than-half-time



## PRACTICE (cont'd)

### Exercise C — Formula 1 Calculation

Refer to page 4-91 of your Handbook.

Woodridge College is on a quarter system and meets the minimum Title IV definitions for an academic year and a full-time student. Answer the following questions for this school.

1. How many weeks of instructional time does the school offer during the academic year?  
(a) 36 (c) 34  
(b) 30 (d) 38
2. For how many credit hours would an undergraduate student have to be enrolled during each quarter to be considered full time?  
(a) 12 (c) 36  
(b) 24 (d) 900
3. How many Pell Grant payment periods are there during the school's academic year?  
(a) 1 (c) 3  
(b) 2 (d) 4
4. Larry is enrolled at Woodridge College as a half-time student in a program for the full academic year. The full-time COA is \$3,350. Larry's 9-month EFC is 150.

**What is Larry's annual award?** \$ \_\_\_\_\_

**How much of the Pell Grant would he receive for each payment period?** \$ \_\_\_\_\_

## PRACTICE (cont'd)

### Case Study — Formula 3: Term-Based, Credit-Hour Programs

**Directions:** Read the following scenario, then calculate Federal Pell Grant payments for each term using Formula 3.

**School Information.** The Julian Institute (JI) offers a 2-year degree program. Academic year (AY) is defined as 36 quarter hours and 30 weeks of instructional time. JI has three 10-week quarters (fall, winter, and spring). Terms do not overlap. Two summer mini-sessions are offered—each is 5 weeks long. Summer full-time per mini-session is 6 credits.

**Student Information.** Marie's EFC is 550. Cost of attendance\* for 3 quarters is as follows:

|          |   |
|----------|---|
| \$ 2,000 | Tuition and fees  |
| 3,000    | Room and board** (not allowable for $< \frac{1}{2}$ -time)    |
| 200      | Books and supplies  |
| 100      | Transportation  |
| 100      | Personal expenses** (not allowable for $< \frac{1}{2}$ -time) |
| <hr/>    |   |
| \$ 5,400 | <b>Total</b>  |

Marie will enroll:

|              |                |
|--------------|----------------|
| Not enrolled | Fall 1997      |
| 4 credits    | Winter 1998    |
| 12 credits   | Spring 1998    |
| 6 credits    | Summer #1 1998 |
| 6 credits    | Summer #2 1998 |

\* Assume cost components for summer are the same.

\*\* The following cost components are not allowable for less-than-half-time enrollment:

- |                                |                       |
|--------------------------------|-----------------------|
| 1. room and board              | 5. loan fees          |
| 2. miscellaneous expenses      | 6. insurance premiums |
| 3. study abroad                |                       |
| 4. employment-related expenses |                       |

## PRACTICE (cont'd)

### Case Study — Formula 3: Term-Based, Credit-Hour Programs (cont'd)

#### 1. Enrollment Status:

Term 1      ☐ Full-time   ☐  $\frac{3}{4}$ -time   ☐  $\frac{1}{2}$ -time   ☐  $< \frac{1}{2}$ -time

Term 2      ☐ Full-time   ☐  $\frac{3}{4}$ -time   ☐  $\frac{1}{2}$ -time   ☐  $< \frac{1}{2}$ -time

Term 3      ☐ Full-time   ☐  $\frac{3}{4}$ -time   ☐  $\frac{1}{2}$ -time   ☐  $< \frac{1}{2}$ -time

Term 4      ☐ Full-time   ☐  $\frac{3}{4}$ -time   ☐  $\frac{1}{2}$ -time   ☐  $< \frac{1}{2}$ -time

#### 2. Full time COA:

$$\begin{array}{rcl} & \boxed{\phantom{000000}} & \text{Total} \\ \times & \boxed{\phantom{000000}} & \text{Proration ratio (see below)} \\ \hline = & \boxed{\phantom{000000}} & \text{Total COA for AY} \end{array}$$

#### Less than half time COA:

$$\begin{array}{rcl} & \boxed{\phantom{000000}} & \text{Total} \\ \times & \boxed{\phantom{000000}} & \text{Proration ratio (see below)} \\ \hline = & \boxed{\phantom{000000}} & \text{Total COA (< half time)} \end{array}$$

For proration ratio, use lesser of (1) or (2):

$$\begin{array}{lcl} (1) & \frac{\text{Weeks of instructional time in program's definition of AY}^*}{\text{Weeks of instructional time for which costs apply}} & = \boxed{\phantom{000000}} \\ (2) & \frac{\text{Credit hours in program's definition of AY}^{**}}{\text{Credit hours for which costs apply}} & = \boxed{\phantom{000000}} \end{array}$$

\* minimum of 30 weeks

\*\* minimum of 24 semester or 36 quarter hours

## PRACTICE (cont'd)

### Case Study — Formula 3: Term-Based, Credit-Hour Programs (cont'd)

3. Annual Award: (from appropriate schedule based on term enrollment status and EFC= \_\_\_\_\_)

Term 1

Term 2

Term 3

Term 4

4. Payment Periods: Number of payment periods in award year in which the student is enrolled

5. Payment for a Payment Period:\*

$$\text{Annual award} \times \frac{\text{Weeks of instructional time in the term}}{\text{Weeks of instructional time in program's definition of AY**}} = \frac{\text{ } \text{ or } \text{ }}{\text{ }}$$

\* A single disbursement may never exceed 50% of the annual award.  
\*\* Minimum of 30 weeks.

First term expected disbursement \_\_\_\_\_ x \_\_\_\_\_ =

Second term expected disbursement \_\_\_\_\_ x \_\_\_\_\_ =

Third term expected disbursement \_\_\_\_\_ x \_\_\_\_\_ =

Fourth term expected disbursement \_\_\_\_\_ x \_\_\_\_\_ =

Expected Federal Pell Grant for the award year *Total*

REMEMBER THE  
RULES FOR  
ROUNDING

## BACK AT THE OFFICE

Back at the office, you should:

- Select a Pell Grant formula for each educational program.
- Determine whether you will recalculate Pell for students whose enrollment status changes within a payment period.

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_