


Clock Hours

Program Integrity Regs:

Clock Hour Programs

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To Be or Not To Be a Clock Hour Program?




Program Integrity Regulations “Clock Hour Programs”

- Programs that meet ED’s definition of a clock hour program must use clock hours in *ALL* facets of administering TIV funds
 - Awarding, disbursing, SAP, R2T4, etc.
- Applies to undergraduate programs
- **Applies to non-degree programs and, at for-profit schools, degree programs**
 - Only applies to GE programs
- 34 CFR 668.8(k)(2)




Clock Hour Program Definition

- Considered a clock hour program for Title IV if:
 - Must be measured in clock hours for Federal/State approval or licensure;
 - Completing clock hours is a requirement for graduates to apply for licensure or authorization to practice occupation;
 - Credit hours awarded don’t meet credit hour definition;
 - The institution does not provide the clock hours that are the basis for credit hours and does not require attendance in those hours in the case of program that might otherwise qualify for conversion to credit hours




Clock Hour Program Definition

- NOT considered a clock hour program if a *limited portion* of a program includes a practicum, internship or clinical experience that must include a minimum number of clock hours for Federal or State approval or licensure
- *Clock hour programs cannot use clock-to-credit conversion for Title IV purposes*



Clock Hour Program Transition


- Students enrolled in programs subject to being a clock hour program *as of July 1, 2011*, school may:
 - Use current regulations until students complete program; OR
 - Apply new regulations for all students enrolled in payment periods assigned to 2011-2012 and subsequent award years
- For students that enroll or reenroll *on or after July 1, 2011*, school must use new regulations



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Clock Hours

WILL THE PROGRAM STILL BE ELIGIBLE FOR TITLE IV?




Eligible Institution
Types of Institutional Control

Institution of Higher Education	Proprietary Institution of Higher Education	Postsecondary Vocational Institution
A public or private nonprofit educational institution located in a state	A private, for-profit educational institution located in a state	A public or private nonprofit educational institution located in a state




Eligible Programs
Institution of Higher Education

- Associate, bachelor's, graduate or professional degree, or
- At least a 2-year program acceptable for full credit toward a bachelor's degree, or
- At least a 1-year training program that leads to a degree or certificate (or other educational credential) and prepares students for gainful employment in a recognized occupation




Eligible Programs
Proprietary Institution of Higher Education and Postsecondary Vocational Institution

- 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)




What Hours Count?

- A clock hour is based on an actual hour of attendance
 - Each hour may include a 10-minute break
- Outside work does not count in the number of clock hours



Title IV Eligibility

- EXAMPLE
 - Prior to July 1, 2011, school has a 48 semester credit hour program granting a certificate
 - School offers the program over four 15 week terms during which the student attends and earns 12 semester credits for each 15 week term
 - School defines its AY as 24 semester credits and 30 weeks of instruction
 - Program exempt from clock/credit conversion



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Clock Hours

Title IV Eligibility

- EXAMPLE
 - 1 credit hour = 1 hour of instruction in the class room and at least 2 hours of outside work per week
 - Clock hour programs do not count outside work
 - For the entire program
 - 12 hours of instruction per week x 15 weeks = 180 hours
 - 4 (terms) x 180 hours = 720 clock hours of instruction
- Program is 720 clock hours/60 weeks of instruction
- Program was a 2 AY program using credit hours; now less than 1 AY program using clock hours

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Title IV Eligibility

- For TIV purposes, a program can either be a clock hour program or a credit hour program – *not both*
- If a program must now be administered in clock hours, but has a few courses taught in credit hour, the school will take the instructional hours (classroom, supervised lab, etc.) associated with each course and incorporate those hours into the clock hour payment periods

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Updating ECAR

- <http://www.eligcert.ed.gov>
- Click on “Use the E-App to update information”
- Go to Section A, Question 1 and list why you’re submitting the E-App
- Go to Section E, Questions 26, 27
- Section K question 69 is optional
- Go to Section L for appropriate signatures

Work with Atlanta School Participation Team
404-974-9303

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Title IV Basics

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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.

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Student Eligibility (34 CFR 668.32)

- Are there differences with - verification, admissions policies, citizenship, valid ISIR, professional judgment, default status.....?

NO

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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
Clock hours	900 clock hours	26 weeks

*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!



Academic Year

- Must be defined for each eligible program
 - May be the same for all programs
 - 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

- Minimum full-time standard for undergraduate programs is 24 clock hours per week
 - 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
 - School defines full-time (at least minimum standard)
- Half-time is half full-time (minimum 12 hours)


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Academic Year

- Programs may be longer than, or shorter than, the definition of the AY
- The AY determines the period of time over which Title IV aid is calculated and disbursed
- Does not always correspond to a school's scheduled academic calendar


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Academic Year Example

- Program is 1000 clock hours and 30 weeks
 1. Academic year definition is 900 hours/26 weeks
 - First AY is 900 hours and 26 weeks
 - Second AY contains 100 hours and 4 weeks (AY definition is still 900 hours and 26 weeks)
 2. Academic year definition is 1000 hours/30 weeks
 - Program is only one AY in length


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Your School's Academic Year

- Is the Academic Year defined in your P&P manual?
- You'll need to revisit the definition so your credit hour programs and your clock hour programs have the required components

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Clock Hours

Annual/Scheduled Pell Award


- The maximum amount a student would receive during a full academic year for a given enrollment status, EFC, and COA.
- The *annual award for a student in a clock-hour program is taken from the full-time payment schedule*, even if the student is attending less than full-time.
 - Therefore, the annual award will always equal the scheduled award

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Payment Periods


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Payment Periods

- In a term based program, terms usually are the payment period for Title IV programs
 - Always for Pell and CB
 - Usually for DL
 - Summer can be an exception
 - Summer I and II being considered one payment period

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Payment Periods

Two important points:

1. In a clock hour program, THERE ARE NO TERMS for Title IV
2. In a clock hour program, THERE ARE NO TERMS for Title IV


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Payment Periods

- There can be terms for other purposes
 - Grading
 - Charging
- Requires educating Title IV students on the difference
- The payment period depends on when the student begins and ends the payment period

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Payment Periods

- Payment period - smaller periods (measurement of time) used to determine award amounts and timing of disbursements during an academic year
- 2 areas impact payment periods –
 - Academic year definition
 - Length of program (clock hours)

Please note: Calendar time, award year or number of hours a student earns or is expected to earn in a period of time will NOT alter/change payment periods

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Payment Periods

- For clock-hour programs, the payment period is defined not only in clock hours but also in weeks of instructional time.
- A student must **successfully complete** the clock hours AND weeks of instructional time in a payment period to progress to the next payment period


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Payment Periods

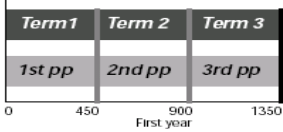
- The next payment period can't start until the previous one is completed
- Sometimes different students complete the payment period before others (if allowed – sometimes prescribed pace)
- If work is not prescribed -
 - Students will have a different start date for their next payment period
- *Payment periods are student-driven, not term driven*

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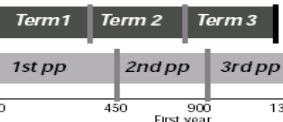


Terms with Clock Hours Example


Eileen enrolls in a 1,350-clock-hour program at Ivers Community College. The program is offered in three terms, each of which is 15 weeks of instructional time. The academic year for this program is 900 clock hours and 30 weeks of instructional time. Each payment



period has 450 clock hours. Eileen enrolls for 450 clock hours in each term in the first year. Eileen completes only 400 clock hours in the first term. She won't receive her second payment until she completes the remaining 50 hours from the first term in the second term. The second and third payment periods will still be 450 clock hours, and won't line up with the terms:




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Payment Periods

- **Program of one AY or less**
 - The academic year or program is divided into two payment periods
 - **CANNOT have more than 2 PP in an academic year**
 - First payment period is the period of time in which a student **successfully completes** half the clock hours, AND half the weeks of instructional time in the program
 - Second payment period is the period of time in which a student successfully completes the remainder of the program


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Payment Period

- Examples:
 - 840 clock hour program with 28 weeks of instructional time (AY definition is 900/30)
 - First payment period = 420 clock hrs & 14 wks
 - Second payment period = 420 clock hrs & 14 wks
 - 900 clock hour program with 26 weeks of instructional time (AY definition is 900/26)
 - First payment period = 450 clock hrs & 13 wks
 - Second payment period = 450 clock hrs & 13 wks


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Payment Period

- **Program greater than one AY**
 - For first AY, and any full AY after that
 - First payment period is point at which a student completes half the clock hours and half the weeks of instructional time in the AY
 - Second payment period is point at which a student completes the remainder of the AY

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Clock Hours


Payment Period

- **Example** (AY = 900 hrs/26 wks)
 - Program 1800 hrs and 52 wks
 - First AY
 - First payment period is 450 hrs and 13 wks
 - Second payment period is 450 hrs and 13 wks
 - Second AY
 - Third payment period is 450 hrs and 13 wks
 - Fourth payment period is 450 hrs and 13 wks

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Payment Period

- **Program greater than one AY**
 - **For the remainder of a program that is more than ½ of an AY but less than a full AY**
 - Third payment period is ½ of the clock hours and ½ of the weeks of instructional time in that remaining period
 - Fourth payment period is the time necessary to complete the remainder of the program

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Payment Period

- **Example** (AY = 900 hrs/26 wks)
 - Program is 1390 hrs and 40 weeks
 - First AY
 - First payment period is 450 hrs and 13 wks
 - Second payment period is 450 hrs and 13 wks
 - Second AY
 - First payment period is 245 hrs and 7 wks
 - Second payment period is 245 hrs and 7 wks

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Payment Period

- **Program greater than one AY**
 - **For the remainder of a program that is equal to or less than ½ of the AY**
 - The payment period is the remainder of the program

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Payment Period

- **Example** (AY = 900 hrs/26 weeks)
 - Program is 1200 hrs and 34 weeks
 - First AY
 - First payment period is 450 hrs and 13 wks
 - Second payment period is 450 hrs and 13 wks
 - Second AY
 - Single payment period of 300 hrs and 8 wks

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Payment Periods and Crossovers

- Crossover Payment period contains 6/30 & 7/1
- Pell must be assigned from ONE award year
 - For summer 2011, school can choose which year to pay Pell from (P-11-02)
- The process required to determine payment periods does NOT change if the program crosses over award years.
 - Number and length of payment periods that were initially determined stay exactly the same throughout the entire program no matter how many award years the program may be in.

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Clock Hours

Crossover Payment Periods

1200 Clock-Hour/32 Week Program 900 Clock-Hour/26 Week AYD	
450 hrs/13 wks	450 hrs/13 wks
2010-2011	2011-2012

Feb. 1 July 1 Nov. 11

The payment periods that crossover into the next award year still maintain the same number of hours and weeks as initially calculated

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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)

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Transfer or Reentry Students

10/11 FSA HDBK Vol. 5, Ch. 2

- Reentry within 180 days into the same program
 - Considered in same payment period when left (Student eligible for any funds returned)
- Reentry after 180 days; transfer into a new program at same school* or transfer from another school
 - The length of the program is the number of clock hours and weeks the student has remaining in the program
 - * Can be considered in same PP if specific criteria met

Reentry or transfer students may or may not receive credit for previous work based on institutional policy.

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Payment Period Disbursements

- May disburse first disbursement up to 10 days prior to beginning of 1st payment period
- Subsequent disbursements cannot be made until student has successfully completed the clock hours and weeks in the previous payment period

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Payment Period Disbursements

- Disbursements must be made by the defined payment period
 - Cannot choose to have more payment periods than the regulation allows
- May release a disbursement for a payment period in multiple installments
 - To best meet the needs of the student
- Cannot delay disbursement until the 60% point in the payment period to avoid R2T4

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Calculating Title IV Awards


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Clock Hours


Pell Grant

- Formula 4
 - Five steps in the formula
 1. Determine enrollment status
 2. Calculate Pell COA
 3. Determine annual award
 4. Determine payment periods
 5. Calculate payment for the payment period
- Formula 4 determines amount to be paid *each* payment period



Campus Based Aid


- FSEOG and Perkins
 - Divide the total award by the number of payment periods the student will attend in the AY
 - You still can pay in unequal amounts for unequal costs if desired
 - See FSA Handbook Volume 3, Chapter 7



Campus Based Aid


Federal Work Study

- Not disbursed on a payment period basis
- FWS wages are disbursed as work is performed, usually on a weekly or bi-weekly schedule




What about DL?

- Standard term programs establish either a scheduled academic year (SAY) or a borrower based academic year (BBAY) for DL purposes
- *Clock hour programs must use a BBAY for DL purposes*




What about DL?

- A loan period is typically going to be based on the BBAY
- BBAY = the defined AY for Title IV purposes
- BBAYs do not have headers or trailers like a scheduled academic year does



What about DL?

- Sometimes there are shorter loan periods
 - If program is less than an AY, the loan period is the length of the program
 - If a program is greater than one AY but less than two AYs then it will have a portion at the end. This is often referred to as the “period that remains”
- Remember our example...



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Clock Hours

Loan & Payment Periods

Program - 1400 hours and 40 weeks with an AY of 900 clock hours and 26 weeks

The diagram illustrates the distribution of clock hours and weeks across two loan periods. Loan Period 1 is shown as a blue double-headed arrow at the top, spanning the entire duration. Below it, two yellow boxes represent 450 hours/13 weeks each. Below those, two orange boxes represent 250 hours/7 weeks each. Loan Period 2 is shown as a green double-headed arrow at the bottom, labeled 'Proration Required', which covers the second 250-hour/7-week segment and the second 450-hour/13-week segment.

Loan Period 1

450 hrs/13 wks 450 hrs/13 wks

250 hrs/7 wks 250 hrs/7 wks

**Loan Period 2
Proration Required**

If student had only 400 CH left when entered 2nd loan period, the loan period would be 400 & the remaining # weeks

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Clock Hour Resources and References

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Information?

- FSA Handbook
 - Volume 3, Chapter 1(Academic Years and payment periods), Chapter 3 (Pell Formulas and case studies) and Chapter 6 (DL)
 - Volume 5, Chapter 2 (R2T4)
- 10/29/10 – Final Federal Register – Program Integrity Issues
- www.eligcert.ed.gov – EAPP
- Clock Hour School mentors – NCASFAA; SASFAA, etc.

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Contacts

- Atlanta School Participation Team
 - Main Number: 404-974-9303
 - Laura Hall (IIS) – 404-974-9293
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- Atlanta Training Officers
 - David Bartnicki – 404-974-9312
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Things to Consider

- System Capabilities
 - Work-arounds; manual processes
- Program continuation in Title IV
- Policy and Procedures Manual
- Student consumer information
- Communication with other offices
 - Business, registrar, admissions, etc.

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Thank You!

Feedback on Training
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