AWARDING TITLE IV AID FOR MODULES, SUMMER, AND INTERSESSIONS

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AASFAA Conference
May 2022

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WHY THIS TOPIC?

Ensure you have a seat at the table

- Academic calendar decisions impact Title IV aid administration
- Academic programs continue to innovate around course delivery
- Summer terms, intersessions, and modules will have implications

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AGENDA

1. Review of Academic Calendar Types
2. Modules
3. Summer Terms
4. Intersessions
5. Resources

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REVIEW OF ACADEMIC CALENDAR TYPES

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ACADEMIC CALENDARS

Three main types of calendars to review

STANDARD TERM

NONTERM

- CLOCK HOUR
- CREDIT HOUR

NONSTANDARD TERM

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SUBSCRIPTION-BASED CALENDARS

Subscription-based programs involve a fourth type of academic calendar:

- Subject to all requirements that apply to other term-based calendars, except the requirement for coursework to start and end within a specified timeframe.
- Students maintain a single enrollment status throughout their program unless transferring (no more often than once per academic year)
- Students must complete coursework to continue receiving Title IV aid.

For more information, see the Department's webinar on Subscription-Based Programs:

- Slides
- Transcript
- Recording

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WHAT IS A TERM?

A discrete period during which all associated courses are scheduled to begin and end

Course start and end dates must generally reflect the boundaries imposed by terms

Within a term, there may be full-length courses, compressed courses or modules, and courses offered sequentially

- Although start and end dates are defined, flexibilities exist regarding how coursework is delivered within the term

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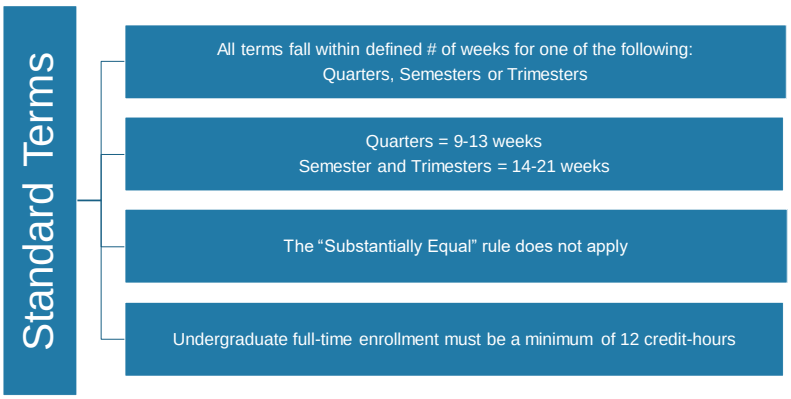
STANDARD TERMS



Fall Semester | Spring Semester

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STANDARD TERM FLEXIBILITIES

MAY BE OFFERED TRADITIONALLY

- All courses begin and end on or about the first and last day of the term

MAY BE OFFERED NONTRADITIONALLY

- Courses offered consecutively or sequentially within the term
- Compressed coursework (modules, mini-terms, etc.)
- Modules can overlap each other within the term

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STANDARD TERMS AND TITLE IV

Payment period?	The term
Pell formula used?	Typically, Formula 1 • Small number of programs use Formula 2 • All term-based programs may use Formula 3
Academic year used for Direct Loan limits?	SAY, BBAY1, or may alternate
Can use a 1-term loan period?	Yes

SAY = Scheduled Academic Year
BBAY1 = Borrower-Based Academic Year 1

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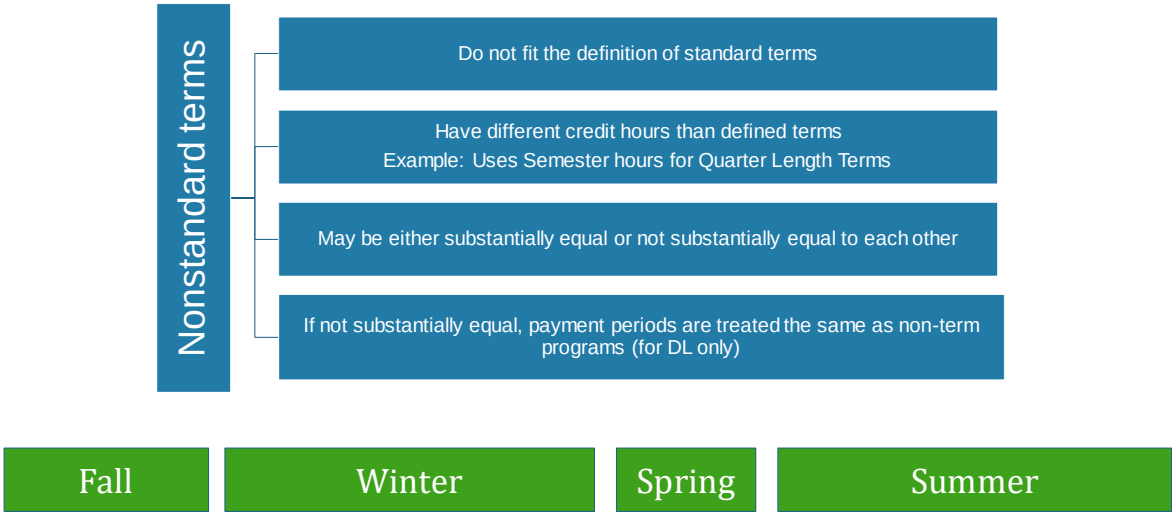
NONSTANDARD TERMS



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THREE TYPES OF NONSTANDARD TERMS

1 SE9W

Nonstandard terms that are substantially equal and at least nine weeks

Substantially equal means no term is more than two weeks of instructional time longer than any other term in the program

2 SE

Nonstandard terms that are substantially equal

3 NSE

Nonstandard terms that are NOT substantially equal

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NONSTANDARD TERMS AND TITLE IV

	SE9W	SE	NSE
Payment period?	The term	The term	For Pell, the Term; For DL, works like nonterm programs (half the hours and weeks in the loan period)
Pell formula used?	Formula 3	Formula 3	Formula 3
Academic year used for Direct Loans?	May use SAY or BBAY1 if the program has a scheduled academic year, otherwise BBAY2	BBAY3	BBAY3
Can use a 1-term loan period?	Yes	No	No

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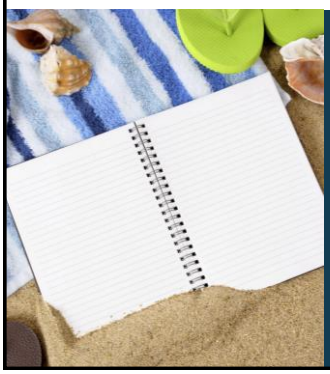
ADVANTAGES OF STANDARD INSTEAD OF NONSTANDARD

With standard terms, there is a consistency in disbursement rules across the programs. The payment period is always the term for all Title IV programs.

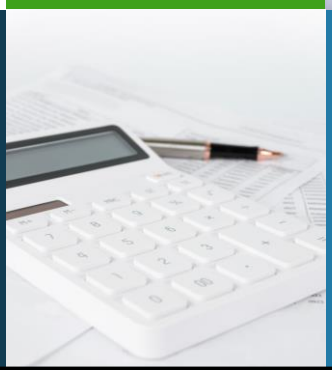
FEDERAL PELL GRANT

- Standard terms may use Formula 1



SUMMER TERMS

- Summer can be standard regardless of summer term length



FEDERAL DIRECT LOANS

- Flexibility with SAY or BBAY1
- May originate single-term loans

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NONTERM

Nonterm

- All clock-hour programs are nonterm for Title IV purposes
- Nonterm programs may also be credit-hour
- There are no terms to use as payment periods
- If program has terms that overlap, is considered nonterm for Title IV purposes

Course Course Course Course

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NONTERM

Remember, a nonterm program is one without set terms in which courses have to start and end within specific timeframes.

Therefore, if a program has terms that overlap each other, the program is nonterm for Title IV purposes.

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NONTERM PROGRAMS AND TITLE IV

Payment period?	½ the hours AND weeks in the school's definition of an academic year; or ½ the hours AND weeks remaining in the program (if shorter than an academic year)
Pell formula used?	Formula 4
Academic year used for Direct Loans?	BBAY3
Can use a 1-term loan period?	No (as there are no terms) but there may be a portion of a program remaining that is shorter than the academic year

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MODULES

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WHAT IS A MODULE?

A program is "offered in modules" if the program uses a *standard term or nonstandard-term academic calendar, is not a subscription-based program,* and a course or courses in the program do not span the entire length of the payment period or period of enrollment (34 CFR 668.22(l)

- Mini-session
- J-term
- Intersession
- Segment
- Short courses

Regardless of what the school calls these sessions, ED considers them to be modules.

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MODULES AND NONTERM

- A program is not considered to be "offered in modules" if it is nonterm
- Student completes a payment period by successfully completing hours and weeks of instruction
- Whether the instruction is presented in something called modules or not generally does not affect the payment periods
- It is possible that a school may not be able to determine if hours in a payment period have been successfully completed until the successful completion of a module

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MODULES AND NONSTANDARD TERMS

Modules Are Contained Within Longer Nonstandard Terms

- In most cases, the term is the payment period
- Treated similarly to how modules are handled in a standard term program

Modules Themselves are Freestanding Terms

- If SE: The term is the payment period
- If NSE: The term is the payment period **except** for DL, which is disbursed as though nonterm

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MODULES AND STANDARD TERMS

Fall 16 weeks	
8-week module	8-week module

Spring 16 weeks	
8-week module	8-week module

Summer 12 weeks		
4-week module	4-week module	4-week module

Illustration of how modules may look in a "typical" semester-based program

- Classes may last the entire semester or occur within the modules
- Students may enroll in any combination of classes
- Full-time enrollment is 12 hours

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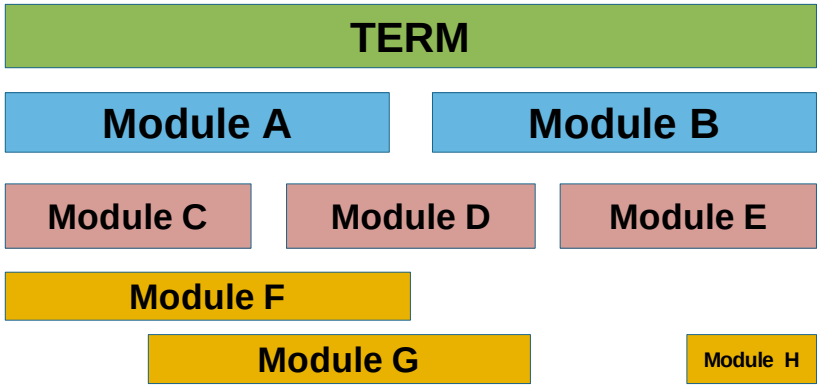
WHAT CAN MODULES LOOK LIKE?



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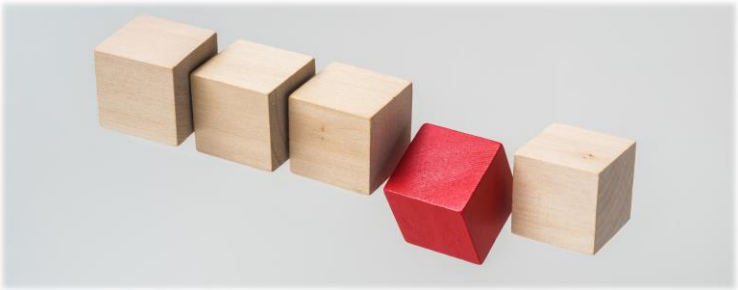
HOW DO YOU AWARD AID WITH MODULES?

Several things to keep in mind…



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DISBURSEMENT CONSIDERATIONS

Payment period is the entire standard term (semester)

- Regardless of student's enrollment in courses over the entire semester, modules, or both

Payment of Title IV (except FWS) is calculated on a payment period basis, not by individual module

- However, it is allowable to break up the payment for the payment period into multiple disbursements if the school chooses

Earliest disbursement date is 10 days before the first day of classes for a payment period

- This is centered around when the **student's** classes begin

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MANDATORY PELL GRANT RECALCULATION

Student must begin every class that was used to determine his or her enrollment status

- George enrolls for six credit hours in Module 1 and six credit hours in Module 2
- As of the school's optional Pell recalculation date, George is still enrolled for all 12 credit hours (full-time), and school disburses Pell award
- However, George drops the six credit hours in Module 2 before it begins
  - Although the Pell recalculation date is past, his enrollment status must be adjusted to ½-time and his award recalculated because he never attended any course(es) in Module 2
  - This is a **mandatory** Pell recalculation

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OPTIONAL PELL GRANT RECALCULATION EXAMPLE #1

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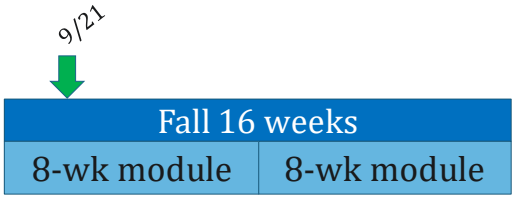
School has a **single** Pell recalculation date of September 21 (green arrow), which falls before the start of Module 2.

- As of the Pell recalculation date, John is enrolled for nine credit hours and received a ¾ time Pell Grant.
- On September 23, two days after the Pell recalculation date, John adds three credit hours from Module 2.
- Pell enrollment status must not be changed to add the additional credit hours due to school's Pell recalculation policy of a **single** Pell recalculation date.



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OPTIONAL PELL GRANT RECALCULATION EXAMPLE #2

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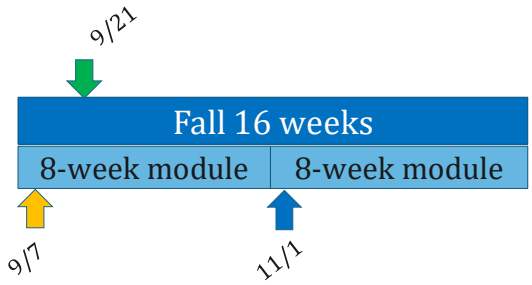
A different school uses **multiple** Pell recalculation dates and must recalculate Pell up to the Pell recalculation date for the last class in which the student enrolls and attends.

- September 7 for Module 1 (**Orange** arrow)
- September 21 for the full semester (**Green** arrow)
- November 1 for Module 2 (**Blue** arrow)



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OPTIONAL PELL GRANT RECALCULATION EXAMPLE #2

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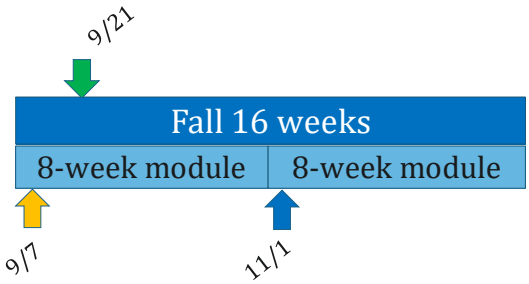
- Paul enrolled in 12 credit hours of full semester coursework.
- He was full-time as of the September 21 (green) Pell recalculation date, and the school disbursed full-time Pell.
- On October 3, he drops six credit hours of the full semester coursework.
- On October 20, he adds three credit hours for Module 2.
- As of the November 1 Pell (blue) recalculation date, Paul is enrolled in nine credit hours.
- His final Pell enrollment status is ¾-time, and the school must recalculate Paul's Pell Grant.



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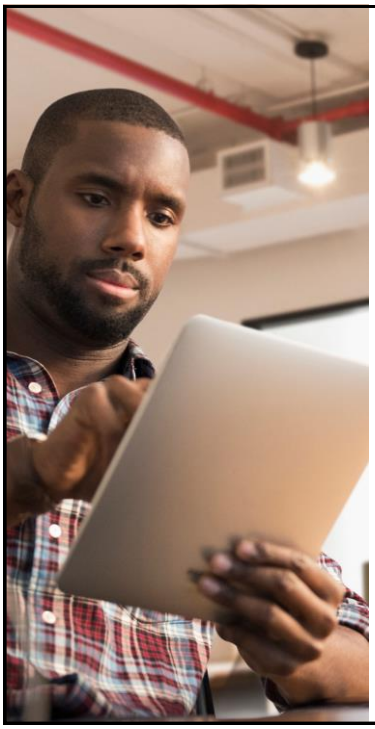

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DIRECT LOAN CONSIDERATIONS

Loan processing

LOAN PERIOD

Shortest period for which a loan may be originated is the term, **not** a module

LOAN ELIGIBILITY

If the student enrolls in just one of the two modules in a term, you **need not** determine what portion of the academic year the module represents or try to prorate the loan amount to that module length

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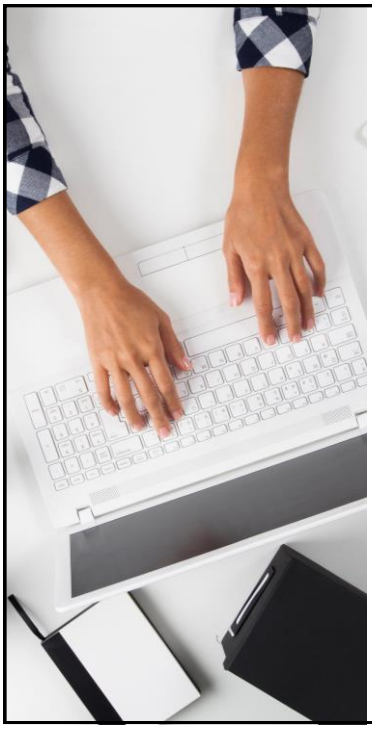

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DIRECT LOAN CONSIDERATIONS

Enrollment status

PRD NOT APPLICABLE

Pell recalculation date does not apply to Direct Loans, only Federal Pell Grant, TEACH Grant and Iraq Afghanistan Service Grant

TIME OF DISBURSEMENT

For Direct Loans, check enrollment status at time of disbursement

No recalculation required later

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DIRECT LOAN EXAMPLE – ADRIANNA

- Adrianna is going to attend Fall and Spring Semesters
- In Fall, she is ½-time and only attending classes in Module 1
- In Spring, she is attending full semester classes

Fall 16 weeks

8-week module

Spring 16 weeks

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DIRECT LOAN EXAMPLE – ADRIANNA

- What is Adrianna's loan period?
- What is her COA?
- What is her EFC?

Fall 16 weeks

Spring 16 weeks

8-week module

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DIRECT LOAN EXAMPLE – ADRIANNA

What is Adrianna's loan period?

- Her loan period is from the first day of Fall to the last day of Spring

Fall 16 weeks

Spring 16 weeks

8-week module

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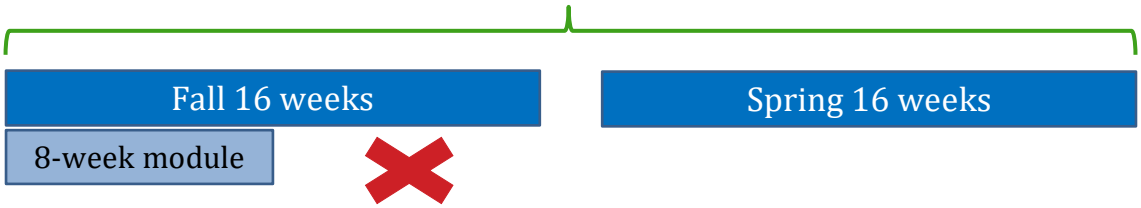
DIRECT LOAN EXAMPLE – ADRIANNA

What is Adrianna's COA?

- Her COA will reflect her costs for the entire loan period minus any time during an academic term that the school knows she will not be attending
- So, Adrianna's costs will be from the beginning of Fall to the end of Spring minus the costs attributable to Fall Module 2, when she is not attending, but including the costs associated with the break between terms



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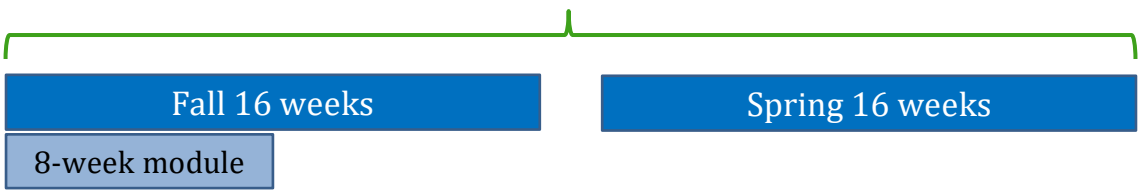
DIRECT LOAN EXAMPLE – ADRIANNA

- What costs are used for Spring when originating the DL at the beginning of Fall?
  - Adrianna is a ½-time student for Fall so the school can use the costs associated with that enrollment status for both academic terms or if the school knows that her enrollment status will be different in Spring, it can use that information
  - The school can change the Spring COA, and loan amount, if applicable, if enrollment status changes when the Spring semester starts



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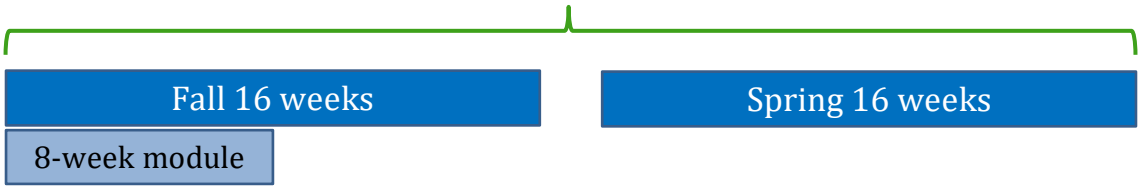
DIRECT LOAN EXAMPLE – ADRIANNA

What is Adrianna's EFC?

- The school has latitude
  - EFC for the number of months from the beginning of Fall to the end of Spring
  - EFC from Fall to Spring but back out the break between semesters
  - EFC from Fall to Spring but back out the Fall – Module 2



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SUMMER TERMS

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SUMMER TERMS

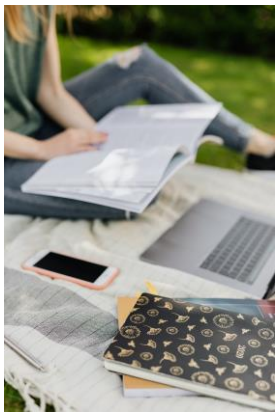
Summer terms often contain multiple mini-sessions

School has two options

1. Combine modules into a single term which has many advantages
2. Treat modules as stand-alone terms which could result in entire program being a nonstandard term program

If a combined summer term crosses over July 1, it is treated as a crossover payment period, regardless of which modules the student attends

School must award Title IV aid for Summer enrollment to eligible students



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SUMMER TERMS – FEDERAL PELL GRANT

If mini-sessions are **not** combined into a single term:

- Each mini-session is treated as a separate nonstandard term
- Pell Formula 3 must be used if full-time enrollment status for each of these terms is something less than 12 hours
- Pell Formula 1 may be used if the school establishes full-time for each of these Summer terms as 12 hours
  - This only applies to Summer terms where the Fall through Spring terms are standard

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SUMMER TERMS – FEDERAL DIRECT LOANS

SAY and modules

- May be grouped together into either a header or trailer to the SAY

BBAY and modules

- **Must** be grouped together as a single term in order to use BBAY
- BBAY containing Summer term (regardless of whether comprised of modules) does not have to be 30 weeks in length—applies to BBAY 1 only

Loan period

- Shortest period a loan may be originated for is the term, even if attending fewer modules

COA for Summer loans cannot include costs for modules the student is not expected to be enrolled

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SUMMER EXAMPLE 1 – COMBINED MODULES

Full-time enrollment is defined as 12 semester hours

School combines modules 1, 2, and 3 to make one Summer payment period (term)

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SUMMER EXAMPLE 1A – JAMES

James is taking six credit hours all in Summer 1, is awarded a Summer-only loan and a Federal Pell Grant as a header to the upcoming award year

- Enrollment status is ½-time
- Loan period is the entire Summer term or payment period
  - If school is required to make multiple disbursements, second disbursement will not be made until the calendar midpoint — after the student has completed classes
- Summer 1 does not have to crossover for James to receive a Pell Grant disbursement from the upcoming award year because the combined Summer term, which is the payment period, is a crossover payment period

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SUMMER EXAMPLE 1B – BENJAMIN

Benjamin is taking 9 credit hours, 3 in each of the three modules.

- Enrollment status is ¾-time
- Loan period is Fall/Spring/Summer
- School's policy for crossover payment periods is that it determines Pell eligibility for a crossover payment period on a student-by-student basis and pays from the award year that is most advantageous to the student

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SUMMER EXAMPLE 1B - BENJAMIN

Benjamin was full time in the previous Fall and Spring payment periods and received 100% of his Pell Grant

He is paid a ¾-time Pell for Summer from the next award year and the disbursement is made at the start of Summer 1

He is disbursed Direct Loan Funds for Summer payment period (the loan period is Fall/Spring/Summer)

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SUMMER EXAMPLE 1B - BENJAMIN

Benjamin's Title IV aid for Summer is based on expected enrollment of three hours in each Summer module

Benjamin successfully completes Summer 1 and 2, but does not return for Summer 3

- Pell Grant is subject to a mandatory Pell Recalculation
- No adjustment to Direct Loan disbursement
  - Student was ½-time or more at the time of Direct Loan disbursement
- No R2T4 required because of regulatory withdrawal exemptions

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SUMMER EXAMPLE 2 – NONSTANDARD TERMS

- School does not combine Summer modules 1, 2, and 3 into one term
- School does not define full-time enrollment status as 12 credit hours
- Each Summer session is a nonstandard term

$$\text{Enrollment status} = \text{Credit-hours in Academic year} \times \frac{\text{Weeks in nonstandard term}}{\text{Weeks in academic year}}$$

- Only Summer 2 is a crossover payment period

Summer 1	Summer 2	Summer 3
4 wks	4 wks	4 wks

7/1

REMEMBER!
These are NOT modules, they are nonstandard terms

This choice results in the entire program being nonstandard term. Pell Formula 3 must be used and the disbursement rules for nonstandard terms not substantially equal in length are followed.

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INTERSESSIONS

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STANDARD TERMS & INTERSESSIONS

Sometimes modules fall between scheduled terms

- J-terms
- Maymester
- Mini-session
- Winter session

How to deal with intersessions and keep your program standard?

- Add the intersession to one standard term or the other and treat the entire combined term as one payment period

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STANDARD TERMS & INTERSESSIONS

Does adding the intersession create a nonstandard term program?

For a program already using established standard terms, adding an intersession that is immediately prior to or after the standard term keeps the standard terms as standard

If student enrolls in intersession:

- Total term length = length of intersession + length of term
- Intersession becomes a module within the term

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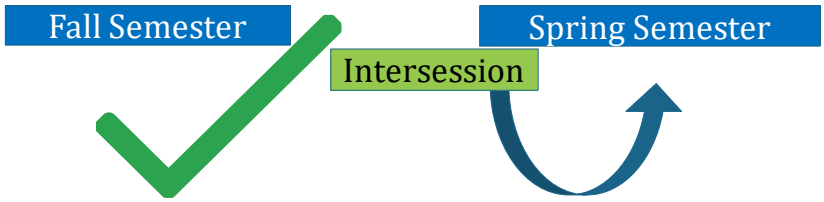
STANDARD TERMS & INTERSESSIONS

Sometimes the intersession will overlap with the term to which it is attached

Modules can overlap



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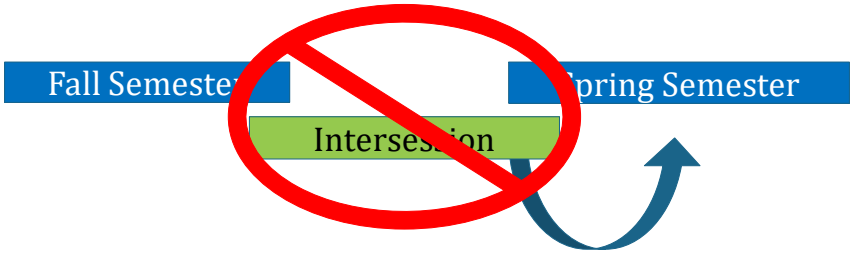
STANDARD TERMS & INTERSESSIONS

Sometimes the intersession will overlap with the term to which it is attached and another term



These are now overlapping terms, which create a nonterm calendar

An intersession may overlap one of the semesters, but not both

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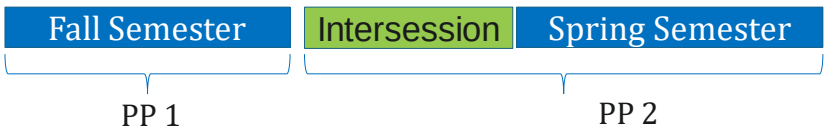
INTERSESSIONS & PELL GRANT

Fall semester is payment period 1 and the combined intersession and Spring semester is payment period 2 with two modules

School may still use Pell Formula 1

- Terms are still considered standard
- Must use 12 hours (or more) as full-time
- The Pell disbursements for each payment period will be equal
- Hours in intersession count toward Spring enrollment status

Pell COA is for full year, full-time costs regardless of whether student has hours in intersession



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Federal Student Aid

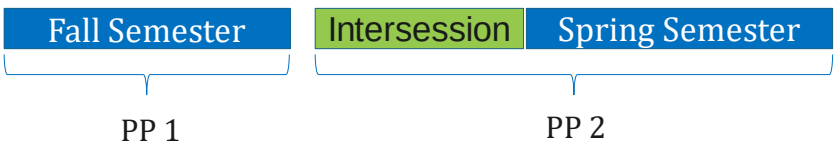
INTERSESSIONS & DIRECT LOANS

Fall semester is payment period 1 and the combined intersession and Spring semester is payment period 2 with two modules

School may use SAY or BBAY 1

- Hours in intersession count toward Spring enrollment status

COA for loans reflects costs associated with all periods that school knows student will pursue at time of origination



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Federal Student Aid

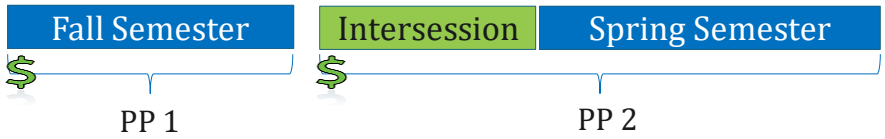
INTERSESSIONS & DIRECT LOANS

Kathryn takes nine hours in the Fall, three hours in the intersession and three hours in the Spring

Kathryn's COA includes costs for all three periods

Kathryn is at least half time in PP 1 and receives her loan disbursement for PP 1 at or about the beginning of PP 1, assuming she is not subject to delayed disbursement

Kathryn is at least half time in PP 2 and receives her second loan disbursement at or about the beginning of PP 2, which is the beginning of the intersession



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Federal Student Aid

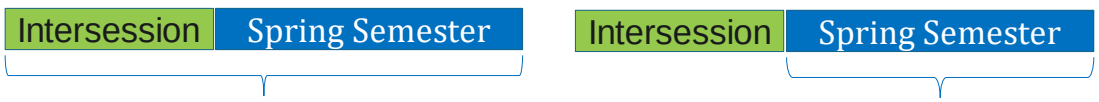
INTERSESSIONS & REPORTING

Reporting in COD for Direct Loans

- Academic year in COD would span the entire time: fall, intersession, spring
- Loan period for an academic year loan would also span this entire time
- Loan period for a single term loan would include the intersession if student enrolls in the intersession and would not include it if not enrolled

Enrollment reporting on NSLDS® website

- Reporting would include the intersession for students who take classes in the intersession



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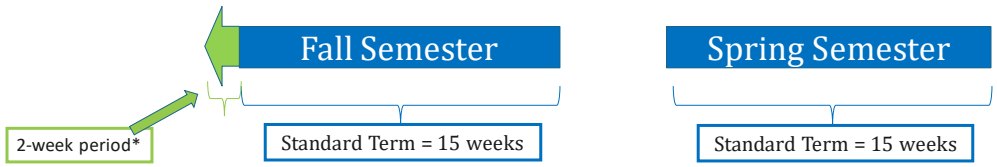
Federal Student Aid

CLASSES OUTSIDE DEFINED TERM

Consider a class in an academic program that may begin before all the other classes in a standard term and/or finishes after all the classes in a standard term

- The additional time simply becomes part of the term for the student



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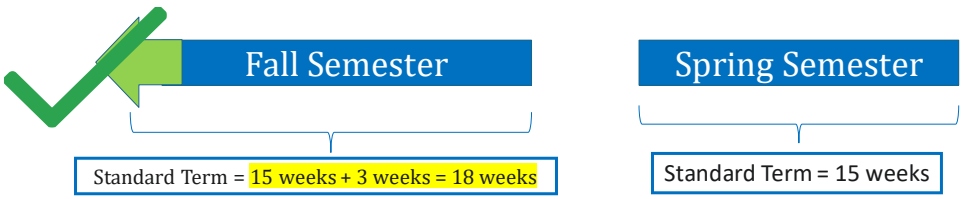
CLASSES OUTSIDE DEFINED TERM

The additional time could make a semester as long as 21 weeks, or a quarter as long as 13 weeks, and it does not have to be substantially equal to another standard term

Classes that do not span the entire term become modules



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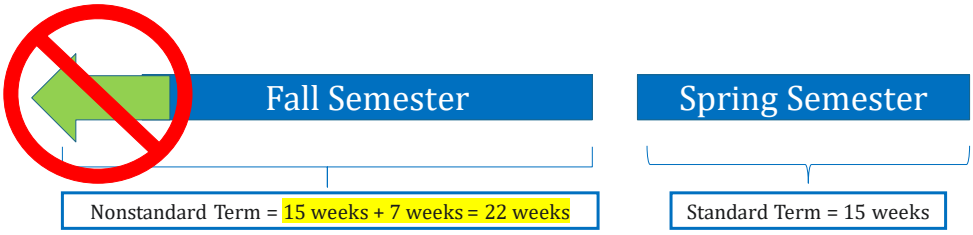
CLASSES OUTSIDE DEFINED TERM

This choice results in the entire program being nonstandard term. Pell Formula 3 must be used and the disbursement rules for nonstandard terms not substantially equal in length are followed.



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Federal Student Aid

RESOURCES

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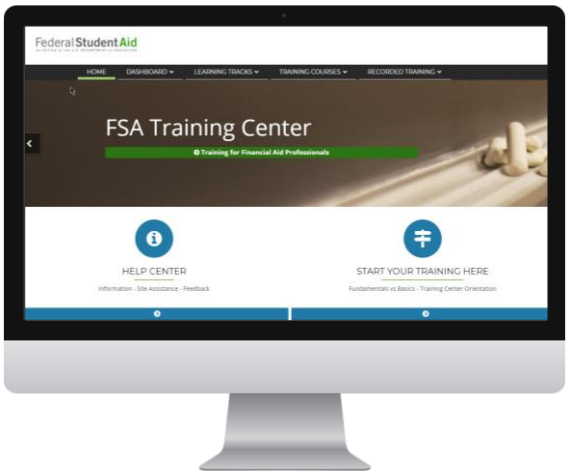
Federal Student Aid

FSA TRAINING CENTER

fsatraining.ed.gov

Visit the FSA Training Center for learning tracks, software training, and recorded policy videos.

This is also the place to register for either the FSA Fundamentals Training Series or the FSA Basics for New Staff course.



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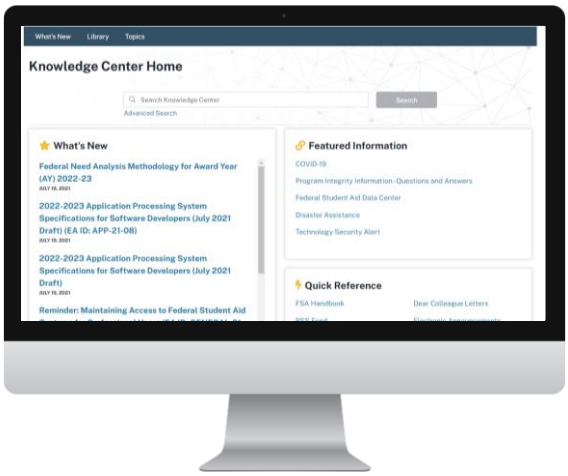
KNOWLEDGE CENTER

fsapartners.ed.gov/knowledge-center

IFAP is now the Knowledge Center!

Be sure to set up a Knowledge Center subscription to get daily or weekly email updates.



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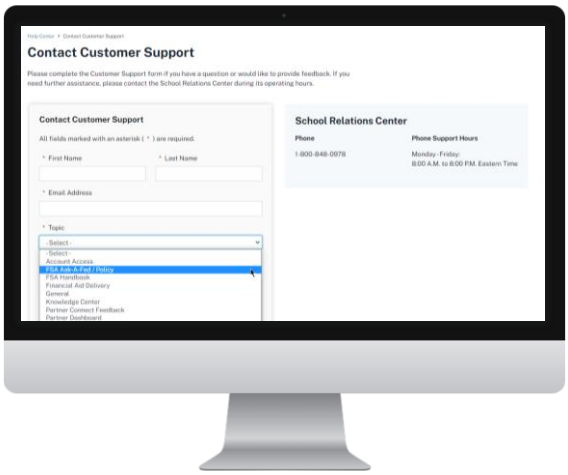
Federal Student Aid

GETTING HELP

fsapartners.ed.gov/help-center/

If you need additional assistance with a policy question, you should use the Contact Customer Support Form found in the Help Center on the FSA Partner Connect website and choose "Ask A Fed/Policy" from the topic dropdown list.



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Federal Student Aid

TRAINING FEEDBACK

- All attendees will receive email from FSA with link to online evaluation at end of conference

- Please complete online FSA session evaluation
  - Helps ensure quality training
  - Informs FSA of areas for improvement
  - Serves as effective tool for "listening" to our school partners

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QUESTIONS

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