



**Year Round Pell  
OASFAA Annual  
Conference**

Presented by: Bruce Honer  
US Department of Education



---

---

---

---

---


---

---

---

**Year Round Pell**

- Higher Education Opportunity Act (Reauthorization) – August 14, 2008
- Final Rule; General and Non-Loan Programmatic Issues – Federal Register – Published October 29, 2009



---

---

---

---

---

---


---

---

**Year Round Pell is a Nickname**

- Old Law
  - A Pell recipient will receive up to ONE scheduled award in an award year
- New Law
  - A Pell recipient will receive up to TWO scheduled awards in an award year effective 2009-10 Award Year

3



---

---

---

---

---


---

---

---

### Year-Round Pell Grant

- Students may receive up to two scheduled Pell Grants during an award year
  - For receipt of the first scheduled award, student may be at any enrollment status
  - For receipt of any money beyond the first scheduled award, student must be enrolled at least half-time

4 

---

---

---

---

---

---


---

---

### Term-Based Calculation Old Rule

**Old Rule:** One Scheduled Award per Award Year  
 Student's Scheduled Award is \$4,000 in both award years

Fall 2009 \$2,000	Spring 2010 \$2,000	100% 2009-10 AY	
2009-10 Award Year			
Summer 2010 \$2,000	Fall 2010 \$2,000	Spring 2011 \$0.00	100% 2010-11 AY
2010-11 Award Year			

5 

---

---

---

---

---

---


---

---

### Term-Based Year-Round Pell Grant

**New Rule:** Up to Two Scheduled Awards per Award Year  
 Student's Scheduled Award is \$4,000 in both award years

Fall 2009 \$2,000	Spring 2010 \$2,000	Summer 2010 \$2,000	150% 2009-10 AY
2009-10 Award Year			
Fall 2010 \$2,000	Spring 2011 \$2,000	Summer 2011 \$2,000	150% 2010-11 AY
2010-11 Award Year			

6 

---

---

---

---

---

---

---


---

### Clock Hour Year-Round Pell Grant

New Rule: Up to 2 Scheduled Awards per Award Year  
 1500 clock hour program  
 AY = 900 hours/26 weeks  
 Student's Scheduled Award is \$5,350 for the award year

450 hours/13 weeks \$2,675	450 hours/13 weeks \$2,675
2009-10 Award Year	
300 hours/8 weeks \$1,645	300 hours/8 weeks \$1,645
2009-10 Award Year	

160%  
2009-10 AY

7 

---

---

---

---

---

---

---

---

---


---

### Term-Based Year-Round Pell Grant

New Rule: Up to Two Scheduled Awards per Award Year  
 Student's Scheduled Award is \$4,000 for the award year

Summer 2009 \$2,000	Fall 2009 \$2,000	Spring 2010 \$2,000	Summer 2010 \$2,000
2009-10 Award Year			

200%  
2009-10 AY

8 

---

---

---

---

---

---

---

---

---

---

### One Scheduled Award Per Award Year


Academic Year

One Scheduled Award's Funds Spent on Academic Year



One Scheduled Award's Funds Available for Award Year

Award Year

9 

---

---

---

---

---

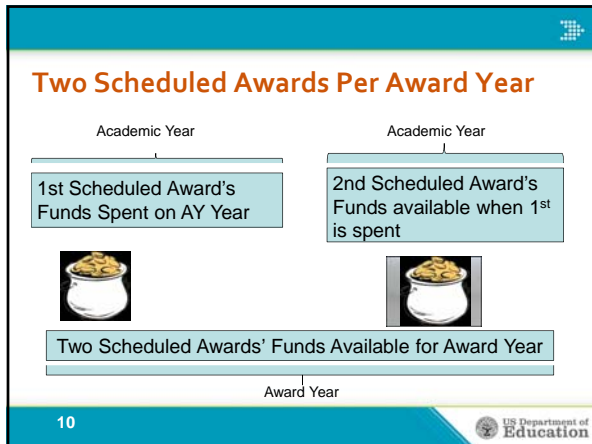
---

---

---

---

---



---

---

---

---

---

---

---

---

### Year-Round Pell Grant

- Effective with the 2009-2010 award year
  - 09/10 maximum scheduled award is \$5,350
  - For receipt of the first scheduled award, student may be at any enrollment status
  - For receipt of money from the second scheduled award, student must be enrolled at least half-time

11                      US Department of Education

---

---

---

---

---

---

---

---

### Year-Round Pell Grant

- Schools will continue to calculate the payment using scheduled award for award year
  - Not two scheduled awards
- Schools will be able to pay a student up to a maximum of 200% of the scheduled award for the award year

12                      US Department of Education

---

---

---

---

---

---

---

---

**Two Scheduled Awards Per Award Year**

- Crossover payment periods will still exist
  - Starts in one award year and ends in the next
- Pell funds are linked to an award year
  - G5 must know what year's funds are being drawn down
- Student must be eligible for that year's funds
  - Pell eligible ISIR

13 Effective July 1, 2009 US Department of Education

---

---

---

---

---

---

---

---

**Year-Round Pell Summer Mini-Sessions**

- Standard term programs using Pell formula 1 or 2 count the summer term as a standard term
  - May consist of mini-summer terms/sessions which are combined and handled like a standard term
  - Full-time for the combined summer terms/sessions must be defined as 12 credits
  - Length of summer terms/sessions does not matter

14 US Department of Education

---

---

---

---

---

---

---

---

**Year-Round Pell Summer Mini-Sessions**

- School with standard terms has 4 summer mini-sessions
  - Session I: May 4 – June 5
  - Session II: May 18 - June 19
  - Session III: June 8 – July 10
  - Session IV: July 6 – Aug 7
- School combines all 4 sessions into one 14 week summer term (May 4 – Aug 7)
- Summer is a crossover payment period
- Students may take courses in any session and still are enrolled in the combined summer term

15 US Department of Education

---

---

---

---

---

---

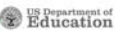
---

---

### Year-Round Pell

#### Summer Mini-Sessions

- Student A enrolls only in Sessions I and II
  - May 4 – June 19
- Student B enrolls only in Sessions III and IV
  - June 8 - August 7
- Student C enrolls only in Session IV
- All are considered to be enrolled in combined term that starts May 4, and ends August 7
  - Assuming valid ISIR for both 08/09 and 09/10, may be paid Pell from either award year

16 

---

---

---

---

---

---

---

---

Student A: Attends only Sessions I and II

May 4 to Jun 5	May 18 to June 19	
----------------	-------------------	--

All mini-sessions combined as one standard term

Student B: Attends only Sessions III and IV

		June 8 to July 1	July 6 to Aug 7
--	--	------------------	-----------------


All mini-sessions combined as one standard term

Student C: Attends only Session IV

			July 6 to Aug 7
--	--	--	-----------------

All mini-sessions combined as one standard term

08-09 award year ← July 1, 2009 → 09-10 award year

17 

---

---

---

---

---


---

---

---

### COD and Year-Round Pell

- New field added to COD record
  - Additional Eligibility Indicator (AEI)
- School sets AEI to "true" on origination record when awarding any part of second scheduled award
- AEI student will not trigger POP MRR but will trigger concurrent enrollment MRR

18 

---

---

---

---

---

---


---

---



**Year Round Pell for 2010-11**

- 2<sup>nd</sup> Scheduled Award
  - At least 1 credit or clock hour in the payment period must be attributable to the student’s next academic year
    - Must be enforced when performing any required recalculation

22 

---

---

---

---

---

---

---


---

**Year Round Pell 2010-11**  
**Payment from Second Award Example**

2010-11 Award Year 0 EFC = \$5,550 (estimate)

Summer 2010 Full-time (12/6 hr) \$2,775	Fall 2010 Full-time (12 hr) \$2,775	Spring 2011 Half-time (6 hr) \$0
---	---	--

- Student does not receive second scheduled award year in Spring 2011 since no portion of the credit hours are attributable to the second academic year.

23 

---

---

---

---

---

---

---


---

**Year Round Pell 2010-11**  
**Payment from Second Award Example**

2010-11 Award Year 0 EFC = \$5,550 (estimate)

Summer 2010 ¼ time (9 hr) \$2,082	Fall 2010 Full-time (12 hr) \$2,775	Spring 2011 Full-time (15 hr) \$2,775	Summer 2011 Full-time (15 hr) \$2,775
---	---	---	---

- In Spring student receives payment from both first and second Scheduled Awards since a portion of the credit hours are attributable to the second academic award year.
  - \$ 693 1st award
  - \$2,082 2nd award

24 

---

---

---

---

---

---

---

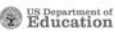
---

**Year Round Pell 2010-11**  
**Payment from Second Award Example**

2010-11 Award Year 0 EFC = \$5,550 (estimate)

Summer 2010 Full-time (12/7 hr) \$2,775	Fall 2010 Full-time (12/6 hr) \$2,775	Spring 2011 Full-time (12 hr) \$2775
---	---	--

- Student receives second scheduled award year in Spring 2011 since at least one credit hours is attributable to the second academic year.

25 

---

---

---

---

---

---

---


---

---

---

**Two Pell: Student Eligibility**

- Second Scheduled Award
  - Special Circumstances
    - FAA determines that student was unable to complete hours of 1st academic year due to 'circumstances beyond the student's control'.
      - Determination must be documented and made on a student by student basis.

26 34 CFR 690.67(c) 

---

---

---

---

---

---

---


---

---

---

**Two Pell: Student Eligibility**

- Second Scheduled Award
  - Special Circumstances beyond a student's control
    - May include, but are not limited to
      - » Student withdrawing from classes due to illness
      - » Student being unable to register for classes necessary to complete his or her eligible program because those classes were not offered
    - Does not include, for example
      - » Withdrawing to avoid a particular grade or failing to register for a necessary class that was offered during the period to avoid a particular instructor.

27 34 CFR 690.67(c) 

---

---

---

---

---

---

---

---

---

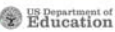
---

### Year Round Pell 2010-11 Payment from Second Award Example

2010-11 Award Year 0 EFC = \$5,550 (estimate)

Summer 2010 Full-time (12/6 hr) \$2,775	Fall 2010 Full-time (12 hr) \$2,775	Spring 2011 Half-time (6 hr) \$1387
---	---	---

- Student receives half-time Pell from Second Scheduled award year in Spring 2011 as a result of School waiving hour requirement due to illness in Summer 2010.

28 

---

---

---

---

---


---

---

---

### Second Award Eligibility

- In determining eligibility for a second Scheduled Award in an award year, may not use hours based on:
  - Advanced Placement (AP) programs
  - International Baccalaureate (IB) programs
  - Testing out, life experience, or similar competency measures

29 

---

---

---

---

---

---


---

---

### Two Pell's: Transfer student

- Final regulations: two options
  - Assumption method
  - Hours-earned method
- Method at option of institution: apply on a student-by-student basis or to all students

§690.67(b)

30 




---

---

---

---

---

---


---

---

**Two Pell's: Transfer student assumption method**

- Assume completed first academic year if received all of first Scheduled Award at prior institution
- If less than first Scheduled Award, calculate hours considered to have completed:

$$\frac{\text{Amount disbursed at prior institution} \times \text{Hours in current institution's academic year}}{\text{Amount of Scheduled Award at prior institution}} = \text{Hours considered completed}$$

31 

---

---

---

---

---

---

---

---


---

---

**Two Pell's: Transfer student assumption method**

EXAMPLE

- Transfer student received \$2,000 of \$4,000 Scheduled Award at prior institution
- Current institution defines academic year, in part, as 24 semester hours

32 

---

---

---

---

---

---

---

---


---

---

**Two Pell's: Transfer student assumption method**

- Hours in award year considered to have earned for prior attendance:

$$\frac{\$2,000 \text{ disbursed at prior institution} \times 24 \text{ hours in current institution's academic year}}{\$4,000 \text{ Scheduled Award at prior institution}} = 12 \text{ hours considered completed}$$

33 

---

---

---

---

---

---

---


---

---

---

**Two Pells: Transfer student hours-earned method**

- The institution may determine the credit or clock hours actually earned at other institutions
- The institution must have information that—
  - Includes the time periods when the credit or clock hours were earned, and
  - Does not include nonapplicable credit or clock hours

34 

---

---

---

---

---


---

---

---

**Two Pells: Transfer student hours-earned method**

- An institution must attribute to the current award year any credit or clock hours earned at other institutions that were earned in a summer crossover payment period

35 

---

---

---

---

---

---


---

---

**Two Pells: Transfer student hours-earned method**

EXAMPLE

- Current institution defines academic year, in part, as 24 semester hours
- Student's transcript shows earned 6 hours in the summer term and 12 hours in the fall semester

36 

---

---

---

---

---

---

---

---

### Two Pell: Transfer student hours-earned method

- Transfer student received \$2,000 of \$4,000 Scheduled Award at prior institution for the fall term and no payment for summer from the current award year
- At the current institution, the student is considered to have earned 18 semester hours in the award year: 6 from summer and 12 from fall

37




---

---

---

---

---

---

---

---

### Two Pell: Transfer student

- No requirement to apply additional information to disbursements for prior payment period in award year
- For example—
  - Assumption method: a payment is reported late to NSLDS
  - Hours-earned method: a transcript is received indicating student earned additional hours in the award year at another institution

38




---

---

---

---

---

---

---

---

### Two Pell: Crossover Payment Period

- Must assign the payment period to the award year in which the student receives the greater payment
  - If assigned to first award year, must pay with first award year funds
  - If assigned to second award year must pay with second award year funds

§690.64

39




---

---

---

---

---


---

---

---

**Two Pell's: Crossover Payment Period**

- Must reassign if receive information that student would receive greater payment
  - within deadline date for the first award year
- May reassign if information received after initial deadline
  - but not later than the deadline date for administrative relief for the first award year(2010 crossover payment period, February 1, 2011)

40 

---

---

---

---

---


---

---

---

**Two Pell's: Crossover payment period and packaging**

- Raises packaging issues
- Must use same EFC, COA and need for all programs except Pell
- For Pell, use EFC for the award year from which the student will be paid

41 

---

---

---

---

---

---


---

---

**Two Pell's: Crossover payment period and packaging**

EXAMPLE

- Summer term normally assigned as last payment period of award year
- Institution decides to pay 2010 summer Pell from 2010-11 ISIR
  - Use 2010-11 ISIR/EFC for Pell
  - Use 2009-10 ISIR/EFC for packaging all other aid
- Amount of Pell received applied to determining need for other Title IV

42 

---

---

---

---

---

---

---

---

**Two Pell's: Term Based Example**

New Law: Up to 2 Scheduled Awards per Award Year  
 Assume student's 2009-10 Scheduled Award is \$5,350 and \$5,550 for 2010-11

Fall 2009 \$2,675	Spring 2010 \$2,675	Summer 2010 \$0	100% 2009-10 AY
2009-10 Award Year			
Summer 2010 \$2,775	Fall 2010 \$2,775	Spring 2011 \$2,775	150% 2010-11 AY
2010-11 Award Year			

43 

---

---

---

---

---

---


---

---

**Two Pell's: Term Based Example**

New Law: Up to 2 Scheduled Awards per Award Year  
 Student's Scheduled Award is \$5,350 for the award year

Summer 2009 \$2,675	Fall 2009 \$2,675	Spring 2010 \$2,675	Summer 2010 \$2,775
2009-10 Award Year		2010-11	

44 

---

---

---


---

---


---

---

---



**Maximum Duration of Eligibility**



---

---

---

---

---

---

---

---

### Maximum Duration of Eligibility

- Limits Pell eligibility to 18 semesters
  - Department equivalent is 9 scheduled awards
- Applies only to students who are first-time Pell recipients in the 2008-2009 award year or after
  - Students enrolled less than full-time will be assessed at the fractional enrollment status
- 

46

---

---

---

---

---

---

---

---

### Maximum Duration of Eligibility

- COD will track student usage
  - Percentage used available in COD and NSLDS beginning July 2009 and will appear on the ISIR beginning in 2010-2011

47

---

---

---

---

---

---

---

---

### Maximum Duration of Eligibility

Student's Pell disbursements based on enrollment status per payment period				Percentage Used 787.5%	
2008-09	Fall 2008 FT	Spring 2009 FT		=	100%
2009-10	Fall 2009 TQT	Spring 2010 TQT	Summer 2010 TQT	=	112.5%
2010-11	Fall 2010 HT	Summer 2011 HT	Fall 2011 HT	=	75%
2014-15	Summer 2014 FT	Fall 2014 FT	Spring 2015 FT	Summer 2015 FT	= 200%
2015-16	Fall 2015 FT	Spring 2016 FT	Summer 2016 FT	=	150%
2016-17	Fall 2016 FT	Spring 2017 FT	Summer 2017 FT	=	150%

48

---

---

---

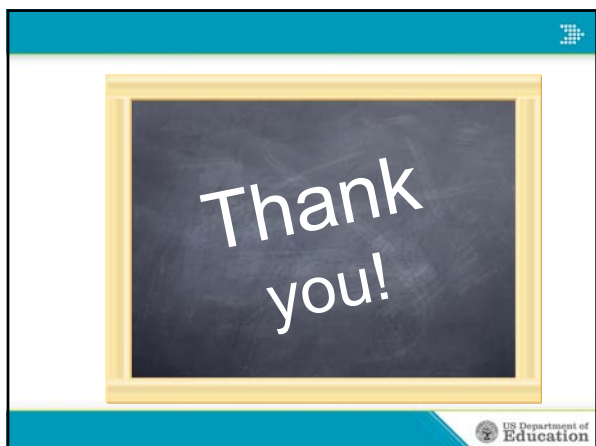
---

---

---

---

---



---

---

---

---

---

---

---

---