How Modules Can Affect Title IV

Kevin Campbell
U.S. Department of Education
Leave The Modules Take the Cannoli
ED presentations will be available at www.lasfaa.org
What do Modules Look Like?
What do Modules Look Like?

- Module A
- Module B

SEMESTER
What do Modules Look Like?

SEMESTER

Module C  Module D  Module E
What do Modules Look Like?

SEMESTER

Module F

Module G

Module H
What do Modules Look Like?

- SEMESTER
  - Module A
  - Module B
  - Module C
  - Module D
  - Module E
  - Module F
  - Module G
  - Module H
How Do We Deal With Them?

It depends on a lot of variables…
The program’s academic calendar dictates how modules are dealt with when administering Title IV.

**Academic calendars**
- **Standard Term**
  - Semesters, Quarters, and Trimesters
- **Nonstandard Term**
  - Any other term
- **Nonterm**
  - No terms at all for Title IV purposes
  - All clock-hour programs are nonterm
  - Nonterm also may include credit-hour programs
Modules and Nonterm Calendars

• In a nonterm calendar, modules have very little impact
• There are no terms to be affected by modules
• Student completes a payment period by successfully completing hours, clock or credit, and completing weeks of instruction
• Whether the instruction is presented in modules or not generally does not affect the payment periods
• It is possible that a school may not be able to determine if hours have been successfully completed until the conclusion of a module
Modules and Nonstandard Calendars

• In a nonstandard term calendar, modules will fall into two types
  • The first is where the modules, themselves, will be freestanding nonstandard terms
  • If substantially equal in length, meaning no term is different by more than two weeks, the nonstandard terms will be the payment period for all Title IV programs except FWS
  • If not substantially equal, the nonstandard terms will be the payment period for all Title IV programs except FWS and DL
    • DL will be disbursed as if the calendar was nonterm
Modules and Nonstandard Calendars

• In a nonstandard term calendar, modules will fall into two types
  • The second is where the modules, themselves, will not be freestanding nonstandard terms
  • The modules will be contained within the nonstandard terms that make up the academic calendar
• In most cases, the nonstandard term will be the payment period for most Title IV programs
• Modules in a nonstandard term calendar work very much like modules in a standard term calendar
Term – Standard or Nonstandard

• Definition: a discrete period of time during which all courses in the term are scheduled to begin and end.
  • Course start and end dates must reflect the boundaries imposed by terms.
  • Courses with start and end dates that overlap terms, call into question a program’s term-based status.
• Within a term: full-length courses, compressed courses or modules, courses offered sequentially.
  • Although start and end dates are defined, flexibilities regarding how coursework is delivered within the term exist.
Modules and Standard Term Calendars

- Spring Semester
- Summer Semester
- Fall Semester
- Spring 1
- Spring 2
- Summer 1
- Summer 2
- Fall 1
- Fall 2

6 Modules
Standard Term Example 1

- Standard term, semester-based program
  - Academic year is 32 weeks, consisting of two 16 week semesters
- Semester contains two 8 week modules
- Classes may last the entire term or occur within modules
  - Students may enroll in any combination of classes
- Full-time enrollment is 12 semester hours

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<tr>
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What Do We Have to Think About In Our Example?
Example 1 Disbursement Considerations

- Payment period is the entire standard term (semester)
  - Regardless of student’s enrollment in classes 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
- Earliest disbursement date is 10 days before the first day of classes for a payment period
Example 1 Pell Grant Considerations

- Pell Grant recalculation policy may affect enrollment flexibilities
  - Acme School of Culinary Arts uses Example 1 calendar and has a Pell recalculation date of September 21, which falls before the start of Module 2
  - As of the Pell recalculation date, Janet is enrolled for 9 credits
  - On September 23, 2 days after the Pell Recalculation Date, Janet adds 3 credits from Module 2; Pell enrollment status must not be changed to add the additional credits due to school’s policy
Example 1 Pell Grant Considerations

• Pell Grant recalculation policy may affect enrollment flexibilities
  • Borax School of Mining uses Example 1 calendar and uses multiple Pell recalculation dates and must recalculate Pell up to the Pell recalculation date for the last class the student begins
    • September 7 for Module 1
    • September 21 for the full semester
    • November 1 for Module 2
  • As of September 21 Pell recalculation date, student enrolled for, and began 12 credits from full semester
  • On October 3, he drops 6 credits
  • On October 20, he adds 3 credits from Module 2
  • As of the November 1 Pell recalculation date for Module 2, he is enrolled for and has begun 9 credits; final Pell Grant enrollment status is $\frac{3}{4}$ time
Example 1 Pell Grant Considerations

- Student must begin every class used to determine enrollment status
  - Cindy at Acme (using Example 1 calendar and a has single Pell recalculation date) enrolls for 6 credits in Module 1 and 6 credits in Module 2
  - As of the September 21 Pell recalculation date, she is still enrolled for all 12 credits (enrollment status = full time) with a disbursement made based on that enrollment status
  - However, on September 25, she drops the 6 credits in Module 2
  - Although the Pell recalculation date is past, her enrollment status must be adjusted to ½ time and her award recalculated because she never attended any class(es) in Module 2
  - This is a mandatory Pell Recalculation
Example 1 DL Considerations

• Loan period
  • Shortest period for which a loan may be originated is the term, not a module
  • Student enrolls for spring semester only, taking 6 credits all from Module 1; loan period is the entire semester, not Module 1
  • Loan eligibility for a term-only loan is COA − EFC (if subsidized) − EFA up to the applicable annual loan limit, not one half or some other portion of the annual loan limit
Example 1 DL Considerations

- Enrollment status
  - Census date is not applicable to Direct Loan, only Pell/TEACH Grant
  - Recalculations not required
  - Enrollment status is checked at the time of disbursement
  - Student enrolls for 6 credits (3 in Module 1 and 3 in Module 2); student begins attendance in Module 1; loan is disbursed (enrollment status ½ time); student never begins attendance in Module 2
    - Loan disbursement is okay; no adjustment or recovery of funds
    - Possible R2T4 issues associated with student not taking all modules she was scheduled to take
Example 1 COA and EFC Considerations

- Standard term, semester-based program
  - Academic year is 32 weeks, consisting of two 16 week semesters
- Semester contains two 8 week modules
- Classes may last the entire term or occur within modules
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Example 1 COA and EFC - Adrianna

- Adrianna is going to attend Fall and Spring Semesters
- BUT, she is only attending classes in Module 1 of Fall and Module 1 of Spring
  - What is Adrianna’s loan period?
  - What is her COA?
  - What is her EFC?

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Example 1 COA and EFC - Marty

- Marty is going to attend Fall and Spring Semesters
- He is attending classes in Modules 1 and 2 of Fall and Modules 1 and 2 of Spring
  - What is Marty’s loan period?
  - What is his COA?
  - What is his EFC?

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Example 1 COA and EFC - Marty

- Marty decides to drop classes in Fall Module 2 and Spring Module 2
- His enrollment pattern ends up looking like Adrianna’s
  - What is Marty’s loan period?
  - What is his COA?
  - What is his EFC?

- Fall 16 wks
  - 8-wk module

- Spring 16 wks
  - 8-wk module
Example 1 COA and EFC - Marty

• Marty decides to drop classes in Fall Module 2 and Spring Module 2
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Example 2  Making Modules Into a Standard Term

• Program is offered in twelve 5 week modules and awards semester credits
• School has two options
  • Offer program using a nonstandard term calendar with twelve payment periods spanning the length of the program, OR
Example 2  Making Modules Into a Standard Term

- Program is offered in twelve 5 week modules and awards semester credits
- School has two options
  - Offer program using a nonstandard term calendar with twelve payment periods spanning the length of the program, OR
  - Offer program using a standard term calendar with four 15 week semester/payment periods
What Do We Do With Summer?
Summer Terms

• Most summer terms contain multiple or mini-sessions (e.g., Summer 1, Summer 2, and Summer 3)
  • These are considered modules

• School has options
  • Combine mini-sessions into a single term
    • Numerous advantages
  • Treat as stand-alone terms
    • Could result in entire program being a nonstandard term program

• Awards of Title IV aid must be made for summer
  • Option to not pay Title IV aid for enrollment in summer, intersessions, J terms, Maymester, etc., does not exist
Summer Terms: Pell

- If term-based program offers a series of mini-sessions that crossover an award year end date (June 30), they may be combined and treated as 1 term.
- If program qualifies for Formula 1 or 3, use the same formula to calculate Pell for summer.
  - If program does not define full-time for summer as 12 credit-hours, Formula 3 must be used for all calculations in the award year.
    - Full-time definition for summer must be applied across all programs.
- When mini-sessions are combined into a single term:
  - Weeks of instructional time in the combined term are weeks from beginning of the first mini-session to date the last mini-session ends.
  - Student’s enrollment status for the payment period is based on the total number of credits for all sessions.
Summer Terms: Pell

• If a combined mini-session term crosses over the award year, the combined term is treated as a crossover payment period, regardless of what classes the student attends.

• If mini-sessions are *not* combined into a single term:
  • Each mini-session is generally treated as a separate nonstandard term.
  • Pell Formula 3 must be used.
    • Exception: If full-time for each mini-session is defined as 12 credit-hours, Formula 1 may be used.
Summer Terms: Direct Loan

- **SAY and mini-sessions**
  - May be grouped together into either a header or trailer to the SAY
  - May be treated separately and assigned to different SAYs

- **BBAY and mini-sessions**
  - Must be grouped together as a single term in order to use BBAY
  - BBAY containing summer term (regardless of whether comprised of mini-sessions) does not have to be 30 weeks in length

- **Loan period**
  - Shortest period of time a loan may be originated for is the term
    - Even if the student is attending fewer mini-sessions than comprise the term

- **COA for summer cannot include costs for mini-sessions the student is not expected to be enrolled**
Summer Example 1

- Summer mini-sessions 1, 2, and 3 combined to make 1 summer payment period (term)
- Full-time enrollment is defined as 12 semester hours

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<tr>
<th></th>
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<th>Summer 2</th>
<th>Summer 3</th>
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<tr>
<td>Duration</td>
<td>4 wks</td>
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July 1
Summer Example 1 - Thomas

• Thomas is taking 6 credits all in Summer 1, 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 comprises 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 student to receive a Pell Grant disbursement from the upcoming award year because the combined summer term is a crossover payment period
Summer Example 1 - Sally

• Sally is taking 9 credits: 3 credits in Summer 1, 3 credits in Summer 2, and 3 credits in Summer 3
• Enrollment status is $\frac{3}{4}$ time
• Loan period comprises 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 most advantageous to the student
Summer Example 1 - Sally

- Student was full time in the previous Fall and Spring payment periods and received 100% of her Pell Grant.
- Student is paid a ¾ time Pell for Summer from the next award year and the disbursement is made at the start of Summer 1.
- Student is disbursed DL Funds for Summer payment period (the Loan Period is Fall/Spring/Summer).
- Student completes Summer 1 and Summer 2 but does not return for Summer 3.
Summer Example 1 - Sally

- Student received a $\frac{3}{4}$ time Pell for Summer and a DL disbursement for Summer

- Student was expected to have three hours in each Summer modules but the student actually completes Summer 1 and 2 but does not return for Summer 3
  - Pell Grant is subject to a mandatory Pell Recalculation
    - Does not matter what School Pell Recalculation Policy says
  - No adjustment to Direct Loan disbursement
    - Student was $\frac{1}{2}$ time or more at the time of DL disbursement
  - Possible R2T4 implications
    - Student MAY be beyond the 60% point of the payment period or may have dropped Summer 3 classes before the end of Summer 2 or may be a withdrawal
Summer Example 2

- School does not wish to define full-time enrollment status as 12 credit-hours
- Each summer session becomes a nonstandard term

- Enrollment status = \[ \frac{\text{Credit-hours in Academic year}}{\text{Weeks in nonstandard term}} \times \frac{\text{Weeks in academic year}}{4} \]

- Only Summer 2 is a crossover payment period

**REMEMBER!**
These are NOT modules, they are non-standard 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 followed.
Intersessions

Winter Intersession
earn 3 credit hours
in 2 weeks
Standard Terms: Intersessions

• How to deal with intersessions or other additional terms and keep your program standard?
  • J-terms
  • Maymester
  • Mini-session

• Add the intersession to one standard term or the other
  • Treat the entire combined term as one payment period
Standard Terms: Intersessions

• Doesn’t adding the intersession make a nonstandard term?
• FSA’s guidance states that for a program already using established standard terms, adding a term that is immediately prior to, or after, the standard term, and does not overlap with another term, keeps the standard terms as standard

• Does create a term with modules
  • Intersession is a module
  • Standard term is a module
Standard Terms: Intersessions

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

- That’s OK!

- Modules can overlap.
What do Modules Look Like?

Remember this…
Standard Terms: Intersessions

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

- That’s NOT OK!
- These are now overlapping terms and overlapping terms created a nonterm calendar
Standard Terms: Intersessions

• Jean Franklin University has two 15 week semesters with a 4 week intersession between them
• JFU attaches the intersession to spring semester

JFU Calendar
Payment Periods: Pell

• Fall semester is Payment Period (PP) 1
• The combined intersession and spring semester is PP 2
• School may still use Pell Formula 1
  • Terms are still considered standard
  • Must use 12 hours (or more) as full-time
• Hours in intersession count toward spring enrollment status
• COA is for full year, full-time costs regardless of whether or not student has hour in intersession
Payment Periods: DL

- Fall semester is Payment Period (PP) 1
- The combined intersession and spring semester is PP 2
  - PP 2 now has two modules, the intersession and the 15 week semester
- School may use SAY or BBAY 1
- Hours in intersession count toward spring enrollment status
- COA reflects costs associated with all terms that school knows student will pursue at time of origination
Payment Periods: DL

- Jose takes 9 hours in the fall, 3 hours in the intersession and 3 hours in the spring
- Jose’s COA includes costs for all 3 periods
- Jose is at least half time in PP 1 and receives his disbursement for PP 1 at or about the beginning of PP 1, assuming Jose is not subject to delayed disbursement
- Jose is at least half time in PP 2 and receives his second disbursement at or about the beginning of PP 2, which is the beginning of the intersession
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NSLDS                Research and Customer Care Center
G5                   Nelnet Total & Permanent Disability Team
Contact Information

Your Region VI Training Officers:

Trevor Summers
trevor.summers@ed.gov
214.661.9468

Rick Renshaw
rick.renshaw@ed.gov
214.661.9506

Kevin Campbell
kevin.campbell@ed.gov
214.661.9488
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Jo Ann Borel, Title IV Training Supervisor   joann.borel@ed.gov
Thank You LASFAA!
QUESTIONS?