

**Patti's inquiry/example on 685.203 (Submitted by Jenna Colvin)**

In regards to what appears to be a double adjustment to less than full time enrollment- For students at the end of their program, or that will not attend a full academic year and loans are prorated. I suggest that schools are required to calculate eligibility based upon the lesser of the two factors (instead of both). Review the less than full time loan eligibility, or the proration for programs that are less than a full academic year, and choose the lesser of the two for eligibility purposes. Otherwise, the student is penalized, especially if they are at the end of their program and attempting to graduate.

Example:

A dependent 4th year bachelor's degree student has one final semester of half-time (6 credit) enrollment remaining to complete their program of study in a credit-hour program where full-time enrollment is considered 24 credits. The institution has defined their academic year as 32 weeks. The dependent student is eligible for \$7500, as based on full time enrollment for a full academic year.

Current end of program proration requirement, for a student attending less than a full academic year.

The proration is on credit hours, so the current proration formula would be  $(6 \text{ credits} / 24 \text{ credits}) \times 7500 = 1875$ .

New less than full time enrollment yields the same result  $(6/24) \times 100 = 25\% =$  reduced annual loan limit percentage;  $25\% \times 7500 = 1875$ .

However, if both adjustments are required, the new less than full time enrollment would yield eligibility for \$1875. Then, is a second calculation required for end of program (academic program less than a full year):  $(6/24) \times 1875 = 469$ ?

We believe that the lesser of the proration and/or adjustments should be done rather than both.