

## 2024-25 DRAFT SAI Guide Supplement: Pell Formulas and Enrollment Intensity

### Scheduled Pell Award

The Scheduled Pell Award is the maximum amount a student can receive during the award year if the student attends full-time for a full academic year. This definition remains unchanged.

Beginning with the 2024-25 academic year, the Department will no longer publish a Federal Pell Grant Payment and Disbursement Schedule. Instead, each student's Scheduled Pell Award is:

1. An automatic Maximum Pell Grant Award (Max Pell);
2. The difference between the Annual Max Pell and the student's Student Aid Index (SAI); or
3. A Minimum Pell Grant Award (Min Pell).

The following rounding rules and limitations apply.

#### *Fractions, Rounding, and Limitations*

Use the following rules when determining Federal Pell Grant amounts.

- Subtract the student's SAI from the Max Pell, then round to the nearest \$5 to get the Scheduled Pell Award for that student.
- If the Max Pell minus the SAI calculation results in a Scheduled Pell Award less than the Min Pell amount, the student is ineligible for Pell based on SAI. However, they may still be eligible for Min Pell if they meet the criteria described in Step 3 of the 2024-2025 Draft Pell Eligibility and SAI Guide.
- When using fractions, multiply first, then divide.
- If the Scheduled Pell Award exceeds COA, reduce the Scheduled Pell Award to COA (do not round; truncate cents).

#### *Examples*

Below are some examples of the calculation and the resulting Scheduled Pell Awards for students not eligible for an automatic Max or Min Pell Award. Note, the Max Pell Grant amount (\$7,000) and Min Pell Grant amount (10% of the Max Pell Grant amount, or \$700) are for illustrative purposes only. As of the publication of this guide, the Max and Min Pell Grant amounts for the 2024-25 award year are not yet available.

Example	Max Pell	SAI	Max Pell - SAI	Scheduled Pell Award
Student A	\$7,000	\$300	\$6,700	\$6,700
Student B	\$7,000	\$512	\$6,488	\$6,490
Student C	\$7,000	\$1,114	\$5,886	\$5,885
Student D	\$7,000	\$5,501	\$1,499	\$1,500
Student E	\$7,000	\$6,900	\$100	\$0

A student's Scheduled Pell Award cannot exceed the student's cost of attendance (COA). Therefore, you may need to further adjust the Scheduled Pell Award based on the COA.

Below are the same examples with COA limits applied.

Example	Max Pell - SAI	Scheduled Pell Award	COA	Adjusted Scheduled Pell Award
Student A	\$6,700	\$6,700	\$7,000	\$6,700
Student B	\$6,488	\$6,490	\$6,487	\$6,487
Student C	\$5,886	\$5,885	\$5,880	\$5,880
Student D	\$1,499	\$1,500	\$1,000	\$1,000

### Annual Pell Award

The Annual Pell Award is the Scheduled Pell Award adjusted for enrollment intensity. The FAFSA Simplification Act (the Act) changes the way a Scheduled Pell Grant must be reduced for students enrolled less than full-time. Per the Act, the Pell Grant must be prorated according to the student's enrollment intensity rounded to the nearest whole percent.

### Enrollment Intensity

Enrollment intensity is the percentage of full-time enrollment at which a student is enrolled, rounded to the nearest whole percent. For example, if full-time enrollment is 12 credit hours and the student is enrolled in 7 hours, the enrollment intensity would be  $7 \div 12 \times 100\% = 58\%$ .

#### *Programs Offered in Standard Terms*

For federal student aid purposes, full-time enrollment for programs offered in standard terms is 12 credit hours. Below is a chart of enrollment intensity relative to full-time. Note that enrollment intensity cannot exceed 100% for purposes of Pell Grant proration.

Credit Hours	Enrollment Category (Old)	Enrollment Intensity (New)
12 (or more)	Full-Time	100%
11	Three-Quarter Time	92%
10		83%
9		75%
8	Half-Time	67%
7		58%
6		50%
5	Less-than-Half-Time	42%
4		33%
3		25%
2		17%
1		8%

#### *Programs Offered in Non-Standard Terms*

Full-time enrollment for programs offered in non-standard terms is determined by multiplying the number of weeks in each term by the number of credit hours in an academic year, then dividing by the

number of weeks in an academic year. The full-time enrollment number is then used as the denominator for determining enrollment intensity.

For example, College X has a program that consists of four 8-week terms. College X defines the academic year as 40 quarter hours and 32 weeks of instructional time. College X determines that full-time enrollment is 10 credit hours per term  $[(8 \text{ weeks per term} * 40 \text{ credit hours})/32 \text{ weeks of instruction}]$ . Below is a chart of enrollment intensity, relative to 10 credit hours per term.

Credit Hours	Enrollment Category (Old)	Enrollment Intensity (New)
10 (or more)	Full-Time	100%
9	Three-Quarter Time	90%
8		80%
7	Half-Time	70%
6		60%
5		50%
4	Less-than-Half-Time	40%
3		30%
2		20%
1		10%

*Year-Round Pell*

Students may be eligible to receive up to 150% of their Scheduled Pell Grant Award for an award year. The FAFSA Simplification Act made one change to Year-Round Pell. Previously, a Pell Grant-eligible student must have been enrolled at least half-time in a payment period during which they received more than 100% of their scheduled award. The Act removed the half-time enrollment requirement beginning with the 2024-25 award year but made no other changes to the Year-Round Pell provision. Year-Round Pell is not discussed in this resource and the examples provided do not include illustrations of disbursements that exceed 100%. Additional guidance on Year-Round Pell is currently available in Volume 3 Chapter 3 of the [Federal Student Aid Handbook](#).

## Pell Formula 1: Credit-Hour Programs Using Standard Terms

To use Pell Formula 1, the program must:

- Measure academic progress in credit hours;
- Be offered in semesters, trimesters, or quarters;
- Define full-time enrollment for each term in the award year as at least 12 credit hours; and
- Use an academic calendar providing at least 30 weeks of instructional time.

For Formula 1, the term is the payment period, and the student’s award is divided by the number of terms in the program’s academic year.

<b>Formula 1: Full-time Enrollment</b>			
In Formula 1, the Annual Pell Award is simply divided by the number of terms in the fall through spring at a school with a traditional academic calendar.			
<ul style="list-style-type: none"> <li>• COA: \$10,000</li> <li>• SAI: \$300</li> <li>• Scheduled Award: <math>\\$7,000 - \\$300 = \\$6,700</math></li> </ul>			
<b>Semester Disbursement Schedule</b>			
	<b>Fall</b>	<b>Spring</b>	
<b>Credit Hours</b>	12	15	
<b>Annual Pell Award</b>	\$3,350	\$3,350	
<b>Quarter Disbursement Schedule</b>			
	<b>Fall</b>	<b>Winter</b>	<b>Spring</b>
<b>Credit Hours</b>	12	15	12
<b>Annual Pell Award</b>	\$2,234	\$2,233	\$2,233

### Formula 1: Part-time Enrollment

The Annual Pell Award must be prorated proportionally based on the student's enrollment for anything less than full-time enrollment.

- COA: \$10,000
- SAI: \$300
- Scheduled Award: \$7,000 - \$300 = \$6,700

### Semester Disbursement Schedule

	Fall	Spring
Credit Hours	9	6
Calculation	$(\$6,700 * 75\%)/2$	$(\$6,700 * 50\%)/2$
Annual Pell Award	\$2,513	\$1,675

### Quarter Disbursement Schedule

	Fall	Winter	Spring
Credit Hours	3	8	7
Calculation	$(\$6,700 * 25\%)/3$	$(\$6,700 * 67\%)/3$	$(\$6,700 * 58\%)/3$
Annual Pell Award	\$558	\$1,496	\$1,295

## Pell Formula 2: Standard-Term Programs with Less Than 30 Weeks in the Fall Through Spring

Pell Formula 2 may be used for programs that would qualify for Formula 1 except that the program’s academic calendar provides less than 30 weeks of instructional time in the fall through spring terms. You may use Formula 2 if the program:

- has an academic calendar that consists of two semesters or trimesters (in the fall through the following spring) or three quarters (in the fall, winter, and spring);
- does not have overlapping terms; and
- measures progress in credit hours and defines full-time enrollment for each term in the award year as at least 12 credit hours.

### Formula 2: Full-time Enrollment

In Formula 2, the Scheduled Pell Award is prorated based on the number of weeks in the academic calendar to determine the Annual Pell Award. The Annual Pell Award is then divided by the number of terms in the fall through spring.

- COA: \$15,000
- SAI: \$1,114
- Scheduled Award:  $\$7,000 - \$1,114 = \$5,886 \rightarrow \$5,885$  (rounded to the nearest \$5)
- Weeks: 29
- Annual Award:  $(\$5,885 * 29)/30 = \$5,689$

### Semester Disbursement Schedule

	Fall	Spring
<b>Credit Hours</b>	12	15
<b>Annual Pell Award</b>	\$2,845	\$2,844

### Quarter Disbursement Schedule

	Fall	Winter	Spring
<b>Credit Hours</b>	12	15	12
<b>Annual Pell Award</b>	\$1,897	\$1,896	\$1,896

### Formula 2: Part-time Enrollment

For part-time enrollment, the Annual Pell Award must be further prorated proportionally based on the student's Enrollment Intensity.

- COA: \$15,000
- SAI: \$1,114
- Scheduled Award:  $\$7,000 - \$1,114 = \$5,886 \rightarrow \$5,885$  (rounded to the nearest \$5)
- Weeks: 29
- Annual Award:  $(\$5,885 * 29)/30 = \$5,689$

### Semester Disbursement Schedule

	Fall	Spring
<b>Credit Hours</b>	9	6
<b>Calculation</b>	$(\$5,689 * 75\%)/2$	$(\$5,689 * 50\%)/2$
<b>Annual Pell Award</b>	\$2,133	\$1,422

### Quarter Disbursement Schedule

	Fall	Winter	Spring
<b>Credit Hours</b>	3	8	7
<b>Calculation</b>	$(\$5,689 * 25\%)/3$	$(\$5,689 * 67\%)/3$	$(\$5,689 * 58\%)/3$
<b>Annual Pell Award</b>	\$474	\$1,271	\$1,100

### Pell Formula 3: General Formula for Any Term-Based Program

Any term-based program may use this formula for Pell calculations, but you *must* use this formula for a term-based program that does not qualify for Formulas 1 or 2 (for instance, a program that uses only nonstandard terms). Additional guidance on when and how to use Pell Formula 3 is available in [Volume 3 Chapter 3 of the FSA Handbook](#).

#### Formula 3: Payments for standard terms with full-time enrollment

In Formula 3, the Scheduled Pell Award is prorated based on the number of weeks of instructional time in each term in the academic year to determine the Annual Pell Award by term. In other words, the prorated Annual Pell Award is calculated for each term, rather than the full academic year.

For example, College A has a semester-based program with a 2-term academic calendar that comprises 28 weeks of instructional time. The program’s academic year is defined as 24 semester hours and 30 weeks of instructional time.

- COA: \$15,000
- SAI: \$6,001
- Scheduled Award:  $\$7,000 - \$6,001 = \$999 \rightarrow \$1,000$  (rounded to the nearest \$5)

#### Semester Disbursement Schedule

	Fall (14 weeks)	Spring (14 weeks)
<b>Credit Hours</b>	12	15
<b>Calculation</b>	$(\$1,000 * 14)/30$	$(\$1,000 * 14)/30$
<b>Annual Pell Award</b>	\$467	\$467



### Formula 3: Payments for standard terms with part-time enrollment

For part-time enrollment, the Annual Pell Award must be further prorated proportionally based on the student's Enrollment Intensity.

In the example of College A described above, the student enrolls part-time, rather than full-time.

- COA: \$15,000
- SAI: \$6,001
- Scheduled Award: \$7,000 - \$6,001 = \$999 → \$1,000 (rounded to the nearest \$5)

### Semester Disbursement Schedule

	Fall (14 weeks)	Spring (14 weeks)
<b>Credit Hours</b>	9	5
<b>Calculation</b>	$((\$1,000 * 14)/30) * 75\%$	$((\$1,000 * 14)/30) * 42\%$
<b>Annual Pell Award</b>	\$350	\$196

### Formula 3: Payments for nonstandard terms of equal length with full-time enrollment

College B has a program that consists of four 8-week terms. College B defines the academic year as 40 quarter hours and 32 weeks of instructional time. Because this program does not use standard terms, College B must use Formula 3 to calculate Pell disbursements for students in the program.

Because the program has nonstandard terms, College B must determine the number of credit hours required for full-time enrollment in each term by multiplying the number of weeks in each term by the number of quarter hours in an academic year, then dividing by the number of weeks in an academic year.

- COA: \$15,000
- SAI: \$6,001
- Scheduled Award: \$7,000 - \$6,001 = \$999 → \$1,000 (rounded to the nearest \$5)
- Full-time:  $(8 \text{ weeks} * 40 \text{ credit hours})/32 \text{ weeks} = 10 \text{ credit hours}$

### Non-Standard Term Disbursement Schedule

	Term 1 (8 weeks)	Term 2 (8 weeks)	Term 3 (8 weeks)	Term 4 (8 weeks)
<b>Credit Hours</b>	10	12	10	10
<b>Calculation</b>	$(\$1,000 * 8)/32$	$(\$1,000 * 8)/32$	$(\$1,000 * 8)/32$	$(\$1,000 * 8)/32$
<b>Annual Pell Award</b>	\$250	\$250	\$250	\$250

### Formula 3: Payments for nonstandard terms of equal length with part-time enrollment

For part-time enrollment, the full-time Annual Pell Award must be further prorated proportionally based on the student's Enrollment Intensity.

In the example of College B described above, the student enrolls part-time, rather than full-time.

- COA: \$15,000
- SAI: \$6,001
- Scheduled Award: \$7,000 - \$6,001 = \$999 → \$1,000 (rounded to the nearest \$5)
- Full-time: (8 weeks \* 40 credit hours)/32 weeks = 10 credit hours

### Non-Standard Term Disbursement Schedule

	Term 1 (8 weeks)	Term 2 (8 weeks)	Term 3 (8 weeks)	Term 4 (8 weeks)
<b>Credit Hours</b>	8	6	4	6
<b>Enrollment Intensity</b>	8/10 = 80%	6/10 = 60%	4/10 = 40%	6/10 = 60%
<b>Calculation</b>	$((\$1,000 * 8)/32) * 80\%$	$((\$1,000 * 8)/32) * 60\%$	$((\$1,000 * 8)/32) * 40\%$	$((\$1,000 * 8)/32) * 60\%$
<b>Annual Pell Award</b>	\$200	\$150	\$100	\$150

### Formula 3: Payments for nonstandard terms of unequal length with full-time enrollment

College C has a 10-week nonstandard term between two 12-week nonstandard terms. The terms do not overlap. The academic year for the program is defined as 34 weeks of instructional time and 24 semester hours. Courses are offered in whole credits. College C must use Formula 3 to calculate Pell Grant payments for students in this program.

Because the program has nonstandard terms, College C must determine the number of credit hours required for full-time enrollment in each term, as follows.

#### Full-Time Enrollment Calculation

	Term 1 (12 weeks)	Term 2 (10 weeks)	Term 3 (12 weeks)
<b>Full-Time Calculation</b>	$(12 \text{ weeks} * 24 \text{ credit hours}) / 34 \text{ weeks}$	$(10 \text{ weeks} * 24 \text{ credit hours}) / 34 \text{ weeks}$	$(12 \text{ weeks} * 24 \text{ credit hours}) / 34 \text{ weeks}$
<b>Full-Time Credit Hours</b>	8.47 → round up to 9	7.06 → round up to 8	8.47 → round up to 9

#### Nonstandard Terms of Unequal Length Disbursement Schedule

- COA: \$15,000
- SAI: \$6,001
- Scheduled Award:  $\$7,000 - \$6,001 = \$999 \rightarrow \$1,000$  (rounded to the nearest \$5)
- Full-time: Terms 1 and 3 = 9 credit hours; Term 2 = 8 credit hours

	Term 1 (12 weeks)	Term 2 (10 weeks)	Term 3 (12 weeks)
<b>Credit Hours</b>	9	9	9
<b>Calculation</b>	$(\$1,000 * 12) / 34$	$(\$1,000 * 10) / 34$	$(\$1,000 * 12) / 34$
<b>Annual Pell Award</b>	\$353	\$294	\$353

### Formula 3: Payments for nonstandard terms of unequal length with part-time enrollment

For part-time enrollment, the full-time Annual Pell Award must be further prorated proportionally based on the student's Enrollment Intensity.

In the example of College B described above, the student enrolls part-time, rather than full-time.

- COA: \$15,000
- SAI: \$6,001
- Scheduled Award: \$7,000 - \$6,001 = \$999 → \$1,000 (rounded to the nearest \$5)
- Full-time: Terms 1 and 3 = 9 credit hours; Term 2 = 8 credit hours

### Nonstandard Terms of Unequal Length Disbursement Schedule

	Term 1 (12 weeks)	Term 2 (10 weeks)	Term 3 (12 weeks)
<b>Credit Hours</b>	6	6	6
<b>Enrollment Intensity</b>	$6/9 = 67\%$	$6/8 = 75\%$	$6/9 = 67\%$
<b>Calculation</b>	$((\$1,000 * 12)/34)$ *67%	$((\$1,000 * 10)/34)$ *75%	$((\$1,000 * 12)/34)$ *67%
<b>Annual Pell Award</b>	\$237	\$221	\$237

## Pell Formula 4: Clock-Hour and Non-Term Credit-Hour Programs

All clock-hour and non-term credit-hour programs must use Formula 4.

### *Enrollment status in clock-hour and non-term credit-hour programs*

For clock-hour programs and for non-term credit-hour programs, enrollment status only makes a difference if the student is attending less than half time. In those cases, only certain components of the COA are used, which may limit the amount of the scheduled award the student may receive.

The annual award for a student in a clock-hour or non-term credit-hour program is the full-time scheduled award, even if the student is attending less than full-time.

### *Calculating payment amounts in clock-hour and non-term credit-hour programs*

Pell Grants must be paid in installments over the course of the academic year or program of study to help meet the student's cost in each payment period. The payment period determines when Pell Grant funds are disbursed and the exact amount to be disbursed.

In non-term programs, the student's Pell award is not reduced for part-time enrollment unless the student is enrolled less than half-time, in which case the student's COA may limit the scheduled award. However, if a program is less than an academic year in length (in either clock/credit hours or weeks of instructional time), students enrolled in the program won't receive a full Scheduled Award.

As in the case of the other formulas, you must perform comparable prorations of the award for each payment period in the student's program. The calculation for the payment period prorates a student's Scheduled Pell Award based on the number of credit or clock hours in the payment period as they compare to the credit or clock hours in the defined academic year or the number of weeks of instructional time in the payment period as they compare to the weeks of instructional time in the academic year. To determine the payment for a payment period, multiply the student's Scheduled Pell Award by the lesser of

- Number of credit/clock hours in the payment period ÷ Number of credit/clock hours in the program's academic year

**OR**

- Weeks in the payment period ÷ Weeks in the program's academic year (at least 30 for credit-hour programs, at least 26 for clock-hour programs)

### *Enrollment status standards for clock-hour and other non-term programs*

For non-term programs, the enrollment minimums are:

- Full-time in credit hours: 24 semester hours, 24 trimester hours, or 36 quarter hours per academic year.
- Less than half-time status is defined as less than half of the workload of the minimum full-time requirement.
- Full-time in clock hours: at least 24 clock-hours per calendar week.

#### Formula 4: Payments for credit-hour non-term program

College C has a program that is 24 quarter hours and 20 weeks of instructional time in length. The academic year for the program is defined as 36 quarter hours and 30 weeks of instructional time. College C has established two payment periods of 12 quarter hours and 10 weeks each for this program. A student enrolled in this program has an SAI of 0 and a Scheduled Pell award of \$7,000.

To determine the disbursement for the payment period, College C must multiply a student's Scheduled Pell Award by the lesser of:

- the fraction comparing the hours in the payment period to the hours in the academic year (12/36), or
- the fraction comparing the weeks in the payment period to the weeks in the academic year (10/30).

The two possible calculations would be as follows:

- (12 quarter hours in payment period x \$7,000) ÷ 36 quarter hours in academic year = \$2,333.33; or
- (10 weeks in payment period x \$7,000) ÷ 30 weeks in program's academic year = \$2,333.33.

Since the two resulting fractions (12/36 and 10/30) are the same, either calculation produces the same result: \$2,333.33. Thus, the student's payment for the first payment period will be \$2,333.33 (or \$2,333 if College C disburses in whole dollars). The student can receive this payment when they begin the program. College C can make a second disbursement of \$2,333.33 after College C has determined that the student has successfully completed 12 quarter hours and 10 weeks of instructional time of the program.

#### Formula 4: Payments for clock-hour program

College D has a program consisting of 900 clock-hours and 22 weeks of instructional time in length. College D defines the academic year for the program based on the regulatory minimums: 900 clock-hours and 26 weeks of instructional time. College D has established two payment periods of 450 clock-hours and 11 weeks of instructional time. A student enrolled in this program has an SAI of 0 and a Scheduled Pell Award of \$7,000.

To determine the disbursement for the payment period, College D must multiply a student's Scheduled Pell Award by the lesser of:

- the fraction comparing the hours in the payment period to the hours in the academic year (450/900), or
- the fraction comparing the weeks in the payment period to the weeks in the academic year (11/26).

The two possible calculations would be as follows:

- (450 clock hours in the payment period x \$7,000) ÷ 900 clock hours in the academic year = \$3,500; or
- (11 weeks in the payment period x \$7,000) ÷ 26 weeks in the academic year = \$ 2,961.54

In this example, the lesser fraction is the one based on weeks. Therefore, the student's payment for the first payment period will be \$2,961.54. The student can get this payment when they begin the program. They can receive the second payment of \$2,961.54 after they successfully complete the 450 clock hours and 11 weeks in the first payment period.

## Pell Formula 5: Correspondence Study

Formulas 5A and 5B must be used for correspondence study programs. Because only a small number of Pell Grants are made to correspondence students, we will provide further guidance on these formulas in future publications. See Volume 3 Chapter 3 of the [Federal Student Aid Handbook](#) for a description of these formulas.