Calculating Annual Awards using Pell Grant Formulas

Fractions and rounding

Use the following rules on fractions and rounding along with Pell Formulas 1-5 (discussed later) to properly calculate and award Pell Grants.

Fractions

When using fractions, be careful to multiply first, and then divide to avoid an incorrect result. For example, the correct way to prorate a $2,150 Scheduled Award for a payment period that is a nonstandard term of 10 weeks of instructional time, for a program that has 30 weeks of instructional time is to multiply the Scheduled Award by the number of weeks of instructional time in the term, then divide by the number of weeks of instructional time in the academic year or ($2,150 x 10) ÷ 30 = $716.67.

In this case, if you were to first divide the fraction consisting of the weeks in the payment period over the weeks in the academic year to get a decimal (10 ÷ 30 = 0.333333...) and then round the decimal either down (0.33) or up (0.34), multiplying that decimal by the Scheduled Award amount would result in a number that's too low (0.33 x $2,150 = $709.50) or too high (0.34 x $2,150 = $731.00).

Rounding

The Common Origination and Disbursement System (COD) accepts cents and whole dollar amounts in payment amounts for Pell. If your school disburses in whole dollar amounts, you may round up if the decimal is 0.50 or higher, or round down if it's less than 0.50. When rounding for a student expected to be enrolled for more than one payment period in the award year, alternate rounding up and down, unless a different Pell award amount is calculated for the following term (for example, when a student's enrollment status changes). In this case, the alternate rounding restarts and you may round up for two consecutive terms. Your policy on rounding must be applied equally to all students.

As an example, consider a student who is enrolled full time in a program offered in a traditional academic calendar consisting of fall and spring semesters. The student's full-time annual award for 2023-2024 is $7,395 (based on an EFC of 0 and a COA of $30,000). Under Pell Formula 1 (as described later in this chapter), the student's full-time payment for each of the two terms (fall and spring) is $3,697.50. Using the rounding rule stated above, you would round the student's fall payment up to $3,698, and round the spring payment down to $3,697.

Important: These rounding rules do not apply if the amount disbursed would exceed the student's Scheduled Award or place the student's Lifetime Eligibility Used over 600%.

Pell Formula 1: Credit-Hour Programs Using Standard Terms With At Least 30 Weeks of Instructional Time

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 that meets either of the following sets of requirements:
    1. The academic calendar consists of two semesters or trimesters (fall and spring) or three quarters (fall, winter, and spring), none of which overlap any other term in the program (including a summer term, which need not meet the definition of a standard term); **or**
    2. The academic calendar consists of any two semesters or trimesters or any three quarters where—

- The school starts the terms for different cohorts of students on a periodic basis (e.g., monthly);
- The program is offered exclusively in semesters, trimesters, or quarters; and
- Students are not allowed to be enrolled simultaneously in overlapping terms and must stay with the cohort in which they start unless they withdraw from a term (or skip a term) and re-enroll in a subsequent term.

For Formula 1, the term is the payment period, and you divide the student's annual award by the number of terms in the program's academic year. You can combine modules into a standard term that meets the requirements for Formula 1. (See the discussion under "Combining modules into a standard term" in *Volume 3, Chapter 1* for examples.) You must use the same formula for a program for all payment periods in an award year.

Pell Formula 1

[34 CFR 690.63(a)(1)](#)

[34 CFR 690.63(b)](#)

Formula 1 Example 1: Traditional Academic Calendar

In Formula 1, the annual award is simply divided by the number of terms in the fall through spring at a school with a traditional academic calendar.

- Full-time definition: 30 weeks of instruction; 12 credits per term
- Scheduled Pell Grant award: $7,395

Semester Disbursement Schedule

	Fall	Spring
Credit Hours	12	15
Annual Pell Award	$3,698	$3,697

Quarter Disbursement Schedule

	Fall	Winter	Spring
Credit Hours	12	15	12
Annual Pell Award	$2,465	$2,465	$2,465

Since the student is enrolled full time in either two semesters or three quarters, they will have received a full Scheduled Award at the end of the spring term. If the student enrolls in a summer term, they may be eligible to receive further Pell funds from the Year-Round Pell provision. See the Year-Round Pell and Iraq and Afghanistan Service Grant section in *Chapter 5* of this volume.

Formula 1 Example 2: Nontraditional Academic Calendar

A school offers a program that has an academic year of 36 weeks of instructional time and 36 quarter hours and is offered exclusively in quarters. A new cohort of students starts a quarter on the first workday of each month, and a student is not allowed to take courses in overlapping terms outside that student's cohort.

Any three quarters of the program provide at least 30 weeks of instructional time since each quarter is 12 weeks of instructional time in length. To be full time, a student must be enrolled in at least 12 quarter hours each term. A student enrolled full time in any three quarters would have their Scheduled Award divided by 3 to determine their disbursement for each payment period.

- Full-time definition: 30 weeks of instruction; 12 credits per term
- Scheduled Pell Grant award: $7,395

Disbursement Schedule

	Term 1	Term 2	Term 3
Credit Hours	12	15	12
Annual Pell Award	$2,465	$2,465	$2,465

If the student enrolls in a fourth term, they may be eligible to receive further Pell funds from the Year-Round Pell provision. See the Year-Round Pell and Iraq and Afghanistan Service Grant section in Chapter 5 of this volume.

Formula 1 Example 3: Enrollment status change

- Full-time definition: 30 weeks of instruction; 12 semester credits per term
- Scheduled Pell Grant award: $7,395

Disbursement Schedule

	Fall	Spring
Credit Hours	12	15
Annual Pell Award	$3,698	$3,697

If this student enrolls full time in the fall and three-quarter time in the spring, their spring payment will be based on the three-quarter-time Annual Award, rather than the full-time Scheduled Award.

- Full-time Scheduled Pell Grant award: $7,395
- Three-quarter-time Annual Pell Grant award: $5,546

Disbursement Schedule

	Fall	Spring
Credit Hours	12	9
Annual Pell Award	$3,698	$2,773

Formula 1 Alternate calculation

If a standard-term program meets the requirements to use Formula 1 or Formula 2, you have the option of dividing the annual award by the number of all the terms (including the summer term) in the award year.

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

The regulations provide an option for standard-term programs whose fall through spring terms provide less than 30 weeks of instructional time. Formula 2 may be advantageous for your summer term calculations as it allows you to pay the same Pell amount for the summer term as you would for a traditional fall through spring term. 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.

Pell Formula 2

34 CFR 690.63(a)(2)

34 CFR 690.63(c)

Formula 2 Example 1: Calculation for standard terms with fall through spring terms less than 30 weeks

A school offers a program with a 14-week fall term, 15-week spring term, and 10-week summer term. The school defines its academic year as 24 semester hours and 30 weeks. Because the fall and spring terms provide less than the minimum 30 weeks of instructional time for an academic year, a student's full-time Scheduled Award must be 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.

- Scheduled Award: $7,395
- Weeks in the academic year (fall thru spring): 29
- Annual Award: ($7,395 * 29) ÷ 30 = $7,149

Disbursement Schedule

	Fall (14 weeks)	Spring (15 weeks)
Credit Hours	12	15
Annual Pell Award	$3,575	$3,574

The total disbursed for this student ($7,149) is less than the student's Scheduled Award ($7,395). This student may be able to receive the remainder of their Scheduled Award, plus up to an additional 50% of their Scheduled Award, during the summer. See the Year-Round Pell and Iraq and Afghanistan Service Grant section in Chapter 5 of this volume.

Formula 2 Alternate calculation

Under Formula 2, you can perform the same alternate calculation as performed under Formula 1 if the weeks of instructional time in the defined academic year are the same as the total number of weeks of instructional time in all the terms in the award year.

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). To calculate the payment for the term, you must prorate the annual award that you looked up on the appropriate Pell Grant payment schedule.

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. Unlike Formula 1, the annual award isn't simply divided evenly by the number of terms. And, unlike Formula 2 where you prorate the Scheduled Award based on the combined total number of weeks in the fall through spring terms, Formula 3 requires you to prorate the Scheduled Award by the number of weeks in each specific term, using the following formula:

*(Scheduled Award * Weeks in the Term) ÷ Total Weeks in the Academic Year*

Formula 3 Example 1: Payments for standard terms of equal length and less than 30 weeks

For example, a college 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.

- Scheduled Award: $7,395

Disbursement Schedule

	Fall (14 weeks)	Spring (14 weeks)
Credit Hours	12	15
Calculation	($7,395 * 14) ÷ 30	($7,395 * 14) ÷ 30
Annual Pell Award	$3,451	$3,451

Pell Formula 3

34 CFR 690.63(a)(3)

34 CFR 690.63(d)

Disbursing more than half the annual award and the 50% requirement

A single disbursement for a payment period can generally not be for more than 50% of the annual award. If the resulting disbursement amount for one term is more than 50% of the annual award, you must generally make the payment in at least two disbursements in that payment period regardless of whether the term is a standard term or a nonstandard term. You may disburse more than 50% of the annual award once the student has completed half of the weeks of instructional time in the program's academic year definition.

However, if the disbursement for the payment period results in more than half of the annual award **and** occurs after half of the weeks of instructional time of the academic year have passed during the payment period, you can make a disbursement of the full payment for the payment period.

Formula 3 Example 2: Disbursing more than half of the annual award

For example, consider a program that must use Formula 3, and that has three terms with 17, 14, and 6 weeks of

instructional time. The program's academic year is defined as 30 weeks of instructional time and 24 semester hours.

A student is attending half time in all three terms.

- Half-time Annual Pell award: $3,698
- Formula: (Scheduled Award * Weeks in the Term) ÷ Total Weeks in the Academic Year

Disbursement Schedule

	Term 1 (17 weeks)	Term 2 (14 weeks)	Term 3 (6 weeks)
Calculation	($3,698 * 17) ÷ 30	($3,698 * 14) ÷ 30	($3,698 * 6) ÷ 30
Disbursement	1st Disb.: $1,849 2nd Disb.: $247	$1,726	$740

For the first term, you may disburse 15/30 of the student's award at the beginning of the term and the final 2/30 only after the 15th week of instructional time in the term. However, if the student establishes eligibility in the 16th week of the term, you can make a disbursement of 17/30 of the annual award at that time. The student's award for the second and third terms may each be disbursed in a single disbursement.

Single disbursement may not exceed 50% of award

[34 CFR 690.63(f)](#)

Enrollment status standards for nonstandard terms

If you are using Formula 3 for a program that contains standard terms, the minimum enrollment standards previously discussed would still apply for the standard terms. However, if a program has nonstandard terms, the enrollment standard must be calculated for the nonstandard terms. Full-time enrollment status is determined for a nonstandard term as follows, based on the length of the term in relation to the academic year:

*(Weeks in nonstandard term ÷ weeks in academic year (at least 30)) * Credit-hours in academic year*

After you determine the number of credit hours required for full-time enrollment, you can then determine the less-than-full-time status for the nonstandard term using the following formula:

Credit hours student takes in the nonstandard term ÷ Credit hours required for full-time enrollment in the nonstandard term

Notes:

- These fractions use weeks of instructional time as defined in *Volume 3, Chapter 1*, which are not necessarily the same number as the calendar weeks in an academic year.
- If the program's coursework is offered in whole credits, the resulting number is rounded up to the next whole number (e.g., 3.3 is rounded up to 4).
- If the program's coursework is offered in fractions, the full-time enrollment status need not be rounded. For example, 3.3 would remain 3.3 as full time, and a student taking 3.4 credits in the term would be full time.

Determining enrollment status for nonstandard terms

Formula 3 Example 3: Payments for nonstandard terms of equal length

A school has a program that consists of four 8-week terms. The school defines its academic year as 40 quarter hours and 32 weeks of instructional time. Because this program does not use standard terms (semesters, trimesters, or quarters), the school must use Formula 3 to calculate Pell disbursements for students in the program.

- Scheduled award: $7,395
- Full-time calculation: (8 weeks in term x 40 quarter hours) ÷ 32 weeks in academic year
- Full time: 10 quarter hours

To determine the student's payment for each payment period, multiply the annual award by the length of the nonstandard term compared to the length of the academic year.

- Payment calculation: (8 weeks in term * $7,395) ÷ 32 weeks in academic year = $1,848.75

Disbursement Schedule

	Term 1 (8 weeks)	Term 2 (8 weeks)	Term 3 (8 weeks)	Term 4 (8 weeks)
Credit Hours	10	12	10	10
Disbursement	$1,849	$1,849	$1,849	$1,848

Because the student in this example will be enrolled on a full-time basis (10 hours each term), the student's annual award is the same as the Scheduled Award. A student enrolled for seven hours could be paid as a half-time student (7/10 = 0.7, which is less than 3/4 [0.75] but greater than 1/2 [0.5]). This is a term-based, credit-hour program, so the payment period is the term.

Formula 3 Example 4: Payments for nonstandard terms of unequal length

A school 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. The school must use Formula 3 to calculate Pell Grant payments for students in this program.

A student enrolls in six credit hours in each of the three terms. Because the program has nonstandard terms, the school must determine the number of credit-hours required for full-time enrollment in each term, as follows.

For the first and third terms:

- (12 weeks in term x 24 semester hours) ÷ 34 weeks in academic year = 8.47 (round up to 9)

For the second term:

- (10 weeks in term x 24 semester hours) ÷ 34 weeks in academic year = 7.06 (round up to 8)

To be full time a student must enroll in nine semester hours (rounded up from 8.47) in the first and third terms, and eight semester hours (rounded up from 7.06) in the second term.

Below is a sample disbursement schedule for a student who enrolls in 6 credits in each of the three terms. The student is considered half time in the first and third terms (6 credit hours/9 credit hours = 0.67) and three-quarter time in the second term (6 credit hours/8 credit hours = 0.75).

- Three-quarter Annual Pell award: $5,546 (used for the first and third terms)

- Half-time Annual Pell award: $3,698 (used for the second term)

Disbursement Schedule

	Term 1 (12 weeks)	Term 2 (10 weeks)	Term 3 (12 weeks)
Credits	6 (Half-time)	6 (Three-quarter time)	6 (Half-time)
Calculation	($3,698 * 12) ÷ 34	($5,546 * 10) ÷ 34	($3,698 * 12) ÷ 34
Disbursement	$1,305.18	$1,631.18	$1,305.18

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

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

Pell Formula 4

34 CFR 690.63(a)(4)

34 CFR 690.63(e)

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. If that's the case, only certain components of the COA are used (see the discussion in *Volume 3, Chapter 2* of the FSA Handbook).

The annual award for a student in a clock-hour or non-term credit-hour program is taken from the full-time payment schedule, 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 costs in each payment period. The payment period determines when Pell funds are disbursed and the exact amount to be disbursed. You must use the rules discussed in *Chapter 1 of Volume 3* to determine the payment periods for clock-hour and non-term credit-hour programs.

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 must be adjusted. 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 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 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

Notes:

- These fractions use weeks of instructional time as defined in *Volume 3, Chapter 1*, which are not necessarily the same number as the calendar weeks in an academic year.
- The program's academic year must be at least 30 weeks for credit-hour programs or 26 weeks 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 Example 1: Payments for credit-hour non-term program

A school offers 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. The school has established two payment periods of 12 quarter hours and 10 weeks each for this program. To determine the disbursement for the payment period, the school must multiply the Scheduled Award by the lesser of:

1. the fraction comparing the hours in the payment period to the hours in the academic year (12/36), or

2. the fraction comparing the weeks in the payment period to the weeks in the academic year (10/30).

If a student's scheduled award is $7,395, the two possible calculations would be as follows:

1. (12 quarter hours * $7,395) ÷ 36 quarter hours in academic year = $2,465; or

2. (10 weeks * $7,395) ÷ 30 weeks in program's academic year = $2,465

Since the two resulting fractions (12/36 and 10/30) are the same, either calculation produces the same result: $2,465. Thus, the student's payment for the first payment period will be $2,465. The student can receive this payment when they begin the program. The school can make a second payment period of $2,465 after the school has determined that the student has successfully completed 12 quarter hours and 10 weeks of instructional time of the program.

Formula 4 Example 2: Payments for clock-hour program

A school offers a program that is 900 clock-hours and 22 weeks of instructional time in length. The school defines the academic year for the program based on the regulatory minimums: 900 clock-hours and 26 weeks of instructional time. The school has established two payment periods of 450 clock hours and 11 weeks each for this program.

To determine the disbursement for the payment period, the school must multiply the Scheduled Award by the lesser of:

1. the fraction comparing the hours in the payment period to the hours in the academic year (450/900), or

2. the fraction comparing the weeks in the payment period to the weeks in the academic year (11/26).

If the student's scheduled award is $7,395, the two possible calculations would be as follows:

1. (450 clock hours in the payment period * $7,395) ÷ 900 clock hours in the academic year = $3,697.50; or

2. (11 weeks in the payment period * $7,395) ÷ 26 weeks in the program's academic year = $3,128.65

In this example, the lesser fraction is the one based on weeks. Therefore, the student's payment for the first payment period will be $3,128.65. The student can get this payment when they begin the program. They can receive a second payment of $3,128.65 after they successfully complete the 450 clock hours and 11 weeks in the first payment period.

Coursework completion requirement and withdrawal/re-entry in non-term programs

Students in non-term programs must successfully complete a payment period to receive subsequent payments. We discuss the effect of withdrawal and re-entry into a program in *Volume 5*.

Pell Formula 5: Calculations for Correspondence Study Programs

Formulas 5A and 5B must be used for correspondence study programs. Students enrolled in correspondence courses are eligible for aid under FSA programs only if the courses are part of a program leading to an associate's, bachelor's, or graduate degree. In addition, the correspondence program must meet the criteria for an eligible program (see *Volume 2 of the FSA Handbook*.).

Pell Grants for correspondence study

[34 CFR 690.66](#)

Pell COA for correspondence study programs

The cost of attendance (COA) for students engaged in a program of study by correspondence must include tuition and fees and, if required, books, course materials, supplies, and equipment. A school may also include an allowance for travel, housing, and food costs incurred specifically for a period of residential training. The COA must be based on the costs for a full-time student for a full academic year for the relevant component. If the student's program or period of enrollment, as measured in credit hours, is longer or shorter than an academic year as measured in credit hours, the tuition and fees for the program or enrollment period must be prorated.

Because the correspondence study COA for the nonresidential component only includes costs associated with credit hours, your school always uses the credit-hour-related fraction to prorate the COA as follows (because there are no costs associated with weeks of instructional time in the correspondence cost of attendance, your school must prorate the cost only if the number of hours in the program is shorter or longer than in an academic year):

Credit hours in program's definition of an academic year ÷ Credit hours to which the costs apply

The resulting amount is the full-time, full-academic-year cost used for calculating Pell Grant eligibility.

Pell enrollment status for correspondence study programs

Students enrolled in programs of correspondence study are no more than half-time students, even if they are enrolled in enough coursework to be full time. However, if the correspondence study is combined with regular coursework, the student's enrollment status might be more than half time. See the "Students taking a combination of regular and correspondence courses" section earlier in this chapter for additional guidance.

A student enrolled only in a non-term correspondence program always has their award calculated based on the half-time payment schedule. For a student enrolled in a term-based correspondence program, your school must determine whether the student is enrolled half time (six or more credit hours in a term) or less than half time (fewer than six credit hours in a term).

Pell correspondence payment periods and timing of payments

For a *non-term* correspondence program, there must be two equal payment periods in each academic year. Each payment period is the lesser of half the academic year or half the program (measured in credit-hours). In addition, you can't disburse a Pell payment for the first payment period until the student has completed 25% of the work in the academic year or the program, whichever is shorter. You can't make the second payment until the student has completed 75% of the work in the academic year or program.

For a *term-based* correspondence program, as for other term-based programs, the payment period is the term. However, you can't disburse Pell for a payment period until the student has completed 50% of the lessons or completes 50% of the work for the term, whichever is later.

Pell Grant correspondence program disbursements

[34 CFR 690.66](#)

If the correspondence program has a required period of *residential training*, you must treat the residential training as an additional payment period and determine the payment for that payment period using either Formula 3 or Formula 4. Note that the correspondence portion of the program is still treated as a separate portion of the program that's divided into equal payment periods.

Pell calculations in correspondence programs

Formula 5 is used for students enrolled only in correspondence courses (not including residential components of correspondence programs). There are two versions of Formula 5:

1. Formula 5A (which is like Formula 4) is used for **non-term** programs, and

2. Formula 5B (which is like Formula 3) is used for **term-based** programs.

For a residential component of a correspondence program, you must use either Formula 3 or Formula 4. If the residential component is a term, you must Formula 3; otherwise, you use Formula 4.

For non-term correspondence programs, this step of the calculation is like the step under Formula 4. For term-based correspondence programs, this step is the same as under Formula 3.

For the Pell calculation, you are required to determine the number of weeks of instructional time in the program by preparing a written schedule for the lessons that the student will submit. A non-term correspondence program must require at least 12 hours of preparation per week. A term-based correspondence program must require at least 30 hours of preparation per semester hour or at least 20 hours of preparation per quarter hour during the term.

Correspondence payment periods

[34 CFR 690.66(b)](#) — non-term

[34 CFR 690.66(c)(3)](#) and [(c)(4)](#) — term-based

Formula 5A: Non-term correspondence program

You first multiply the annual award (taken from the half-time payment schedule) by the lesser of:

Number of credit-hours in the payment period ÷ Credit-hours in program's academic year definition

OR

Weeks in the payment period ÷ Weeks1 in program's academic year definition

These fractions use weeks of instructional time as defined in *Volume 3, Chapter 1*, which are not necessarily the same number as the calendar weeks in an academic year.

Formula 5B: Term correspondence program

You multiply the annual award (taken from the half-time or less-than half-time payment schedule) by the weeks of instructional time in the term divided by the weeks in the academic year:

Weeks in term ÷ Weeks in program's academic year definition

These fractions use weeks of instructional time as defined in *Volume 3, Chapter 1*, which are not necessarily the same number as the calendar weeks in an academic year.

A single disbursement for a payment period can never be more than 50% of the annual award. If the resulting amount is more than 50% of the annual award, your school must make the payment in at least two disbursements in that payment period. You may not disburse an amount that exceeds 50% of the annual award until the student has completed the time in the payment period that equals 50% of the weeks of instructional time in the program's academic year definition.

Correspondence multiple formulas exception

If a correspondence student has one or more payment periods in an award year that contain only correspondence study and one or more payment periods in the same award year that contain a residential portion, your school will use two different formulas for determining a student's payment for each payment period. This is the only circumstance in which a school would use two different Pell formulas within the same award year for students in the same program.

Academic coursework

The phrase "academic coursework" does not necessarily refer to credits. If a student does not earn any credits until the end of the term or program, "academic coursework" may refer to the lessons or other measures of learning within a course or a program. For instance, if a course or program is made up of 40 equal lessons, the student reaches the halfway point as follows:

- If the student successfully completes the first 20 lessons before the calendar midpoint of the academic year, the second payment period does not begin until the calendar midpoint.
- If the student completes the first half of the academic year before successfully completing the first 20 lessons, the second payment period does not begin until the student successfully completes the first 20 lessons.