

Clock Hour, Credit Hour, Clock-to-Credit

What Are We?



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- **GENERAL OVERVIEW:**

- Schools are not clock hour or credit hour, their programs of study are. Therefore, schools may offer both credit hour programs and clock hour programs.
- Educational credits are provided by Accreditors and approved and/or accepted by States.
- SFA financial aid hours (both clock and credit) are granted by the U.S. Department of Education (USDE) and will be acknowledged on the ECAR.
- For credit hour programs, the USDE ECAR will likely reflect both the credit hours as well as the clock hours for each approved program. This does not indicate that the program must be considered clock hour.
- THE SFA FINANCIAL AID CREDITS REFLECTED ON THE USDE ECAR ARE NOT NECESSARILY CORRECT (will be discussed later).
- Schools may offer semester credit hour programs and taught in quarters, and may offer quarter credit hour programs taught in semesters. This creates non-standard terms.

- What is a clock hour? A period of time consisting of:
 - 1. A 50- to 60-minute class, lecture, or recitation in a 60-minute period;
 - 2. A 50- to 60-minute faculty-supervised laboratory, shop training, or internship in a 60-minute period; or
 - 3. Sixty minutes of preparation in a correspondence course.

(See USDE Federal Student Aid Handbook, 2018-19, Volume 2 School Eligibility, page 2-38)

- How are clock hours counted?
 - “A school is not permitted to count more than one clock hour per 60-minute period; in other words, a school may not schedule several hours of instruction without breaks and then count clock hours in 50-minute increments. For instance, a school could not consider seven consecutive hours of instruction to be 8.4 hours by dividing 50 minutes into 420 minutes. Seven 60-minute periods of instruction may not count for more than seven clock hours.”

(See USDE Federal Student Aid Handbook, 2018-19, Volume 2 School Eligibility, page 2-38)

- Does a clock hour also include student’s studies and test preparation at home? NO, although it may be required by the school. (An exception applies to credit hour programs).
- Can a clock hour include externship at a site not on school’s campus? Yes.

- What is a credit hour? An amount of work that reasonably approximates not less than:
 - 1. One hour of classroom or direct faculty instruction and a minimum of two hours of out-of-class work each week for approximately 15 weeks for one semester hour of credit, or 10 to 12 weeks for one quarter hour of credit; or
 - 2. At least an equivalent amount of work as required in paragraph (1) of this definition for other academic activities as established by the institution including laboratory work, internships, practica, studio work, and other academic work leading to the award of credit hours.

(See USDE Federal Student Aid Handbook, 2018-19, Volume 2 School Eligibility, page 2-38)

- Title IV credit hours are not always = accreditor or state credit hours
 - The credits approved by states and accrediting agencies are not necessarily the credits that will be approved if the program becomes eligible for Title IV aid. For Title IV purposes, the number of credits in the program will be those determined by the clock-hour to credit-hour conversion formula (if required), but they will never be more than those approved by a state or accrediting agency. This is determined for each course within a program.

- **Clock-to-Credit Hour Conversion:**
 - **Does not** apply to a clock hour program
 - **Does not** apply a credit hour program if the program is at least two academic years in length and provides an associate degree, a bachelor's degree, a professional degree, or an equivalent degree as determined by the Department
 - **Does not** apply to credit hour program that is non-degree as long as each course within the program is acceptable for full credit toward a single associate degree, bachelor's degree, professional degree provided by **that** institution, or equivalent degree as determined by the Department, provided that 1) the school's degree requires at least two academic years of study; and 2) the school demonstrates that students enroll in, and graduate from, the degree program.
 - A school offering a degree program with no graduates does not meet the standard.
 - Each course of the non-degreed program must be accepted in the degreed program. Therefore, as an example, if the non-degreed program offers a single course of study such as "basic English refresher" and the degreed program has no such course of study, the standard has not been met for the exemption of clock-to-credit. Further, although all courses need to qualify for the transfer, your Institute may limit it to a majority of the courses for each student which potentially requires a student to repeat a course(s).
 - I recommend that if you have an exempt non-degreed program that is transferable to your degreed program, your consumer information clearly provides for that.
 - Although transfers to and from other schools does not exempt the non-degreed program, individual students transferring from another school who are given credit for courses at the other school will not cause the exemption of the program to be at risk.

- Clock-to-credit, a brief history:

- In 1989 DE regulations were amended to provide that an Institute was required to use clock hours to measure a program if the State requires the program to be measured in clock hours.
- In 1993, regulations were adopted requiring certain institutions that offer an undergraduate vocational program in credit hours to use a specific clock-to-credit hour formula to determine if that program meets the SFA program eligibility criteria and to determine the total number of credit hours in that program, for SFA program purposes. This change was made in response to past program abuses, and was intended to prevent a school from artificially inflating a program's length by converting from clock hours to credit hours. Undergraduate associate, bachelor's, or professional programs of at least two years are exempt from these requirements. A program is also exempt if each course within the program is fully acceptable for credit toward one of those degree programs at the school. The Department was sued for this change in the regulations.
- In 1995, the court case was ruled favorably for the Department that provided for a conversion formula for clock-to-credit program measurement for SFA funds. The formula provided that in order to determine a semester credit hour, the number of clock hours would need to be divided by 30 (30 clock hours = 1 semester credit hour). In order to determine quarter credit hours, the number of clock hours would be divided by 20 (20 clock hours = 1 quarter credit hour).

- Clock-to-credit, a brief history (continued):
 - As a result of the last Reauthorization of Title IV, the formula in calculating equivalent credit hours for the 2011-12 award year changed so that the factors became 37.5 for semester credit hours (37.5 clock hours = 1 semester credit hour) and 25 for quarter credit hours (25 clock hours = 1 quarter credit hour).
 - The number of clock hours that can be considered in the above calculation was also changed in 2011-12 to include, within limits, “out of class student work” which will be discussed later. This **does not** apply to a strictly clock hour program.
 - Another change occurring in 2011-12 provided that although a program at an Institute may be considered credit hour by an accreditor, for SFA purposes it must be considered clock hour if completing certain number of clock hours is a requirement for graduates to apply for licensure or the authorization to practice the occupation that the student is intending to pursue within the State(s) that the program is offered and approved.
 - Hidden (not intentional) in the cash management regulations that became effective July 1, 2016, the above requirement that a program must be measured by clock hours due to State licensing of graduates was eliminated.

- Clock to Credit Hour current principles:
 - If the State in which your program is located requires a specific number of clock hours be completed in order for your graduates to be eligible to apply for and pass a certification test for a profession, your school is **no longer** required to measure that program in clock hours if accreditor has approved it for credit hour.
 - However, If a State requires that a program that prepares students for a recognized occupation be composed of a minimum number of clock hours of training and a school offers a GE program that prepares a student for that occupation, the number of hours in the program cannot exceed the State minimum by more than 50%. For example, if Alaska requires students preparing for a career in air conditioning repair complete 1,000 hours of training, the Department will not approve Title IV participation for any GE program (clock hour or credit hour) in air conditioning and refrigeration repair that is composed of more than 1,500 hours. Further, if the school's credit hour program includes "out of class hours," those additional hours are counted in the 150% limit.
 - **ADDED LATER BY PRESENTER:** Clock-to-credit rules apply to proprietary (for profit) schools as well as non-profit schools.

- Clock to Credit Hour current principles (continued):

- The effect of the clock-to-credit conversion is to limit the SFA credit hours in awarding Title IV aid. The converted credit hours cannot exceed the hours granted by the Accreditor or State.
- The clock-to-credit conversion is not only performed for each and every course offered in a program but it is also applied to each Title IV payment period. This can be illustrated in the following example:

Your school offers a two-semester, one academic year program which provides for the clock hours for each of the 6 courses of

PP1 Course 101	150 clock hours=	4 semester credit hours (150/37.5)
PP1 Course 102	150 clock hours=	4 semester credit hours (150/37.5)
PP1 Course 103	100 clock hours =	2.5 semester credit hours (100/37.5)
PP2 Course 201	200 clock hours =	5 semester credit hours (200/37.5)
PP2 Course 202	150 clock hours =	4 semester credit hours (150/37.5)
PP2 Course 203	150 clock hours =	4 semester credit hours (150/37.5)
Total	900 clock hours	

It would initially be expected that the total credit hours would be 24 which would provide for a maximum full time Pell Grant. That is **NOT** the case. Due to required rounding, the total credits are 23.5 with the result that payment period 1 (PP1) would provide for a $\frac{3}{4}$ time Pell and payment period 2 (PP2) would provide for a full time Pell.

- Rounding - your school must have a written policy in determining how rounding will be determined, as in the above example. As a general rule, your rounding must follow the policy of your accreditor or State. We have found that most accreditors require that rounding be done downward to the closed whole or half number. As with the above, 100 clock hours yields 2.67 which when rounded down is 2.5.

- Clock to Credit Hour current principles (continued):
 - In the above example, the Department will likely reflect 24 semester credit hours on the ECAR because they will not perform a per-course calculation for each of your payment periods; this is due in part to the flexibility of students at many schools to schedule their classes. Therefore, the credit hours on the ECAR are **not** always correct and the Department acknowledges this.
 - If the credit hours granted by your accreditor for individual courses is less than SFA credits, the accreditor credit hours must be used for SFA awarding.
 - The clock hours that may be counted in computing the clock-to-credit **MIGHT INCLUDE** “out of class student work.” This outside work includes homework, test prep, projects, etc. Other principles relating to outside work include:
 - The school’s designated accrediting agency or recognized state agency for the approval of public postsecondary vocational programs has not identified any deficiencies with the school’s policies and procedures for determining the credit hours that the school awards for programs and courses. In other words, they have not taken exception to the hours reported to them including the outside hours. Accrediting agencies will **not** approve outside hours, they will only notify the school if they disagree with the hours. A good example of when this might occur is when a significant number of hours are associated with externship.

- **Clock to Credit Hour current principles (continued):**
 - The number of outside hours for purposes of the SFA clock-to-credit calculation is limited to no more than 25% of the in-school hours. As an example, if a single course has 80 clock hours in school, and 30 hours outside classroom hours, only 20 of the outside hours can be counted ($80 \times 25\%$) for a total of 100 hours.
 - Excess outside work in a single course cannot be carried over and counted in another course.
 - Outside work is reported on the school's accreditor's reporting form which includes the in-school hours.
 - I recommend that annually you document outside work by surveying a sample of your students in related programs of study; have the students sign and date the surveys and list the number of hours. The outside classroom work is not an "automatic" allowance.
- ***ADDED LATER BY PRESENTER:*** For schools offering programs that include courses taught in modules, the determination of equivalent credits within a payment period is critical. What is a modular form of offering courses? Discuss. Note that this does not apply to a strictly clock hour program.
- Examples of clock hour and credit hour ECARS follow.



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FEDERAL STUDENT AID

UNITED STATES DEPARTMENT OF EDUCATION

SCHOOL PARTICIPATION MANAGEMENT DIVISION

ELIGIBILITY AND CERTIFICATION APPROVAL REPORT

DATE PRINTED: 04/23/2018

EDUCATIONAL PROGRAMS SECTION

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ECAR - CLOCK HOURS

EDUCATIONAL PROGRAMS

CIP	INSTITUTION'S PROGRAM NAME	APPROVED FOR <u>CERTIFICATION</u>	FULL CREDIT TO DEGREE	INITIAL APPROVAL	CREDIT HOURS	CLOCK TYPE HOURS	DURATION IN <u>WEEKS</u>
12.0401	Cosmetologist	Y	N	01/06/1988		Clock 1250	40
12.0413	Teacher Training	Y	N	01/06/1988		Clock 625	26

**** End of Educational Programs Section****

UNITED STATES DEPARTMENT OF EDUCATION**SCHOOL PARTICIPATION MANAGEMENT DIVISION****ELIGIBILITY AND CERTIFICATION APPROVAL REPORT**

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ECAR – CREDIT HOURS

EDUCATIONAL PROGRAMS

<u>CIP</u>	INSTITUTION'S PROGRAM NAME	APPROVED FOR <u>CERTIFICATION TO</u>	FULL CREDIT TO QEGREE	INITIAL APPROVAL	CREDIT HOURS	TYPE	CLOCK HOURS	DURATION IN WEEKS
51.0601	Dental Assistant	N	N	08/05/1996	28	Semester	1050	40
51.0601	Dental Assistant	Y	N	11/26/2014	32	Semester	1210	40
51.0713	Medical Billing and Coding	N	N	10/30/2008	25	Semester	940	40
51.0713	Medical Billing and Coding	Y	N	11/26/2014	25	Semester	940	40
51.0713	Medical Billing and Coding- Evening	Y	Y	06/02/2017	25	Semester	940	60
51.0801	Associates - Medical Assistant Specialist	Y	Y	09/10/2014	67	Semester	1500	60
51.0801	Medical Assistant	Y	Y	08/05/1996	52	Semester	1100	50
51.0801	Medical Assistant	Y	Y	09/10/2014	39	Semester	900	60