



**From:** Roger J. Williams, Executive Director   
**To:** Title IV Institutions  
**Date:** April 21, 2011  
**RE:** Important Update -- Federal Program Integrity Regulations and ACCET's Review and Evaluation of Clock Hours/Credit Hours

## FEDERAL PROGRAM INTEGRITY REGULATIONS AND ACCET'S REVIEW AND EVALUATION OF CLOCK HOURS/CREDIT HOURS

ACCET has a long-standing policy, first articulated in Document 25 – Policy for Approval of a New and Revised Program or Course in 1993, requiring institutions approved for credit-hour measurements to: (1) utilize the Carnegie clock-to-credit hour conversion for academic purposes, and (2) document work outside of class (e.g. homework) in curriculum materials. Starting with this well-established foundation, the Commission undertook an extensive review of the regulatory requirements for Title IV eligible institutions and their respective accrediting agencies to effectively respond to and comply with the complex and far-reaching Program Integrity Regulations that become effective July 1, 2011.

This notice will describe **new and revised policies, documents, applications, and forms** approved by the ACCET Commission in April 2011 to address the regulations pertaining to the definition of credit hours and clock-to-credit hour conversions **for federal financial aid purposes**. With that backdrop in mind, the Commission's review, revision/development, and approval of policies, procedures, and documents to address the requirements of the new federal regulations are presented for guidance.

### I. BACKGROUND:

**Federal Credit Hour Definition and Clock Hour-to-Credit Hour Conversion:** The new USDE regulations are complicated and will have significant impact on Title IV institutions, particularly those offering non-degree programs preparing students for gainful employment in recognized occupations. Therefore, institutions are advised to carefully review the regulations, seek expert advice from financial aid professionals, and participate in the webinars/workshops sponsored by USDE, ACCET, and others. Selected provisions of the regulations are identified below and footnoted at the end of this document:

- The federal regulations now define a credit hour for purposes of federal financial aid. [See CFR 600.2.]<sup>1</sup>
- Effective July 1, 2011, non-degree programs are required to utilize the following new clock hour-to-credit hour conversion formula for financial aid purposes, except as otherwise specified in regulation:
  - 37.5 clock hours to 1 semester hour or 25 clock hours to 1 quarter hour.
- An institution may only continue to utilize the clock hour-to-credit hour conversion formula of 30:1 for a semester credit and 20:1 for a quarter credit for financial aid purposes, if the institution's designated accrediting agency or recognized State agency determines that the

institution's student work outside of class combined with the clock-hours of instruction meets or exceeds the conversion ratio identified above. (Note: These requirements are not relevant to degree programs of at least two academic years and certain non-degree programs that transfer in full to degree programs.) [See CFR 34, Section 668.8(l).]<sup>2</sup>

- In some cases programs are required to be measured in clock hours, for federal financial aid purposes, including: (1) when the program is required to measure student progress in clock hours when receiving federal or state approval or licensure to offer the program; and/or (2) completing 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. (e.g. massage therapy programs in some states) [See CFR 34, Section 668.8(k)(2).]<sup>3</sup>

**Considered Options for Institutions:** Institutions are strongly advised to have management from financial aid, education, and career services carefully review the regulations and respond, based on the specific nature and length of each program. Some of the factors to consider in determining a sound and defensible course of action are the program objectives, completion rates, costs, labor market demand, and needs of students enrolling in the program. The various options include:

1. Convert programs from credit hours to clock hours, for purposes of federal financial aid. (Note: These programs will be required to measure student progress in clock hours.)
2. Utilize the new conversion rate of 37.5 clock hours to 1 semester credit or 25 clock hours to 1 quarter hour, for financial aid purposes. (This may result in an award of less financial aid for programs, particularly for programs less than 900 clock hours in length.)
3. Revise programs to increase the length to at least 900 clock hours. (Note: Institutions will be required by ACCET to provide compelling evidence of labor market demand for such program modifications.)
4. Justify the continued utilization of the clock hour-to-credit hour conversion of 30:1 for a semester credit and 20:1 for a quarter credit, subject to a program review by the institution's accrediting agency of the program's credit hours and documented evidence work outside of class. See CFR 34, Section 668.8(1)(2).

**ACCET's Role:** As required by the new regulations, an accrediting agency must review and evaluate an institution's policies and procedures for determining credit hours that the institution awards for courses/programs and the implementation of these policies and procedures. In its review and evaluation, ACCET must: (1) make a reasonable determination of whether the institution's assignment of credit hours conforms to "commonly accepted practice in higher education"; (2) make use of sampling or other methods of evaluation, as warranted; (3) take such actions that it deems appropriate to address any deficiencies; and (4) promptly notify the U.S. Secretary of Education, if systemic noncompliance with ACCET policies or significant noncompliance is found regarding one or more programs at the institution. [See CFR 34, Section 602.24.]<sup>4</sup>

## **II. NEW/REVISED ACCET POLICIES, DOCUMENTS, APPLICATIONS AND FORMS:**

Identified below are relevant new and revised documents, applications, and forms approved by the Commission in April 2011, in response to the requirement that ACCET review and evaluate the reliability and accuracy of credit hours assigned to courses and programs for financial aid purposes by vocational Title IV institutions. (A detailed description of these new and revised documents is provided below in Section III.)

**A. ACCET Policies (New/Revised):**

- **Document 25 – Policy for Approval of a New or Revised Program/Course** to articulate ACCET's long-standing policies regarding clock hours, credit hours, clock hour-to-credit hour conversions and work outside of class.
- **Document 15 – Credit Hour and Clock Hour Policy** to identify ACCET's role in the review/evaluation of institutions' assigned credits and to define ACCET's policy for all programs relative to credit hour, clock hour-to-credit hour conversion, and work outside of class.

**B. ACCET Program Applications (New/Revised):**

- **Document 25.9 – Application for Review of Clock Hour-to-Credit Hour Conversion Based on Work Outside of Class** to be completed and submitted to ACCET by an institution seeking to utilize the current federal clock hour-to-credit hour conversion (30:1 semester credit or 20:1 quarter credit) after July 1, 2011, based on documented evidence of work outside of class.
- **Document 25.8 – Application for Clock Hour-to-Credit Hour Conversion** to be completed and submitted to ACCET by an institution seeking approval to measure a program in credit hours.
- **Program Applications** to be completed and submitted to ACCET by institutions seeking approval for new or revised programs:
  - **Document 25.2 – Checklist for Application for New or Revised Program/Course**
  - **Document 25.IDL – Application for Interactive Distance Learning Program**
  - **Document 25.OAD – Application for Associate of Occupational Degree Program**
- **Document 25.6a – Clock Hour Breakdown – By Program and Course** to be completed for a program measured in clock hours; and
- **Document 25.6b – Clock Hour and Credit Hour Breakdown – By Program and Course:** To be completed for a program measured in credit hours.

**C. Additional ACCET Documents (Revised):**

- **Document 3.1 – Analytic Self-Evaluation Report** to include additional items to be provided by Title IV institutions under Standard III C – Financial Assistance/Scholarships.
- **Preparation Checklist for ACCET On-Site Examination Visit** to include additional items to be provided by Title IV institutions to the on-site visit team.
- **Document 29 – Catalog Guidelines and Checklist** to include more detailed clock hour and credit hour information in the catalog.

### **III. DETAILED DESCRIPTION OF NEW AND REVISED DOCUMENTS;**

#### **Document 25 – Policy for Approval of a New or Revised Program/Course:**

Modifications were made to this policy to clarify that, for institutions utilizing a credit-hour measurement, ACCET requires outside preparation such as homework to be documented in the curricular materials and syllabi, including an approximation of the time required for the student to complete the assignments. Further, the evaluation of homework and/or out of class student work must be identified as a grading criterion and appropriately weighted in determining the final grade for a course or module. Additionally, changes were made to reorder items under the section entitled “*What requires a partial application?*” and create a new section “*What requires a different program application?*” to include new program applications (Document 25.9 – Application for Review of Clock Hour-to-Credit Hour Conversion Based on Work Outside of Class (e.g. Homework) and Document 25.8 – Application for Clock Hour-to-Credit Hour Conversion). Other modifications were made to reference the new Documents 25.6a and 25.6b in place of Document 25.6 – Subject Hour Breakdown and to require institutions to notify ACCET of short courses to allow them to be included on Document 12b – Annual Report and Enrollment Statistics.

#### **Document 15 – Credit Hour and Clock Hour Policy:**

Based on the long-established policies contained in Document 25 – Policy for a New or Revised Program/Course, this new document was developed to establish a policy relevant to all program (not just new or revised programs). The policy states that ACCET requires the Carnegie unit to be utilized by institutions measuring their programs in credit hours for academic purposes. Additionally, for institutions utilizing a credit-hour measurement, ACCET requires outside preparation such as homework to be documented in the curricular materials and syllabi, including an approximation of the time required for the student to complete the assignments. Further, the evaluation of homework and/or out of class student work must be identified as a grading criterion and appropriately weighted in determining the final grade for a course or module.

The policy defines ACCET’s role in the review and evaluation of assigned credit hours by institutions consistent with new federal regulations. In its review and evaluation, ACCET will: (a) make a reasonable determination of whether the institution’s assignment of credit hours conforms to “commonly accepted practice in higher education”; (b) make use of sampling or other methods of evaluation, as warranted; (c) take such actions that it deems appropriate to address any deficiencies; and (d) promptly notify the U.S. Secretary of Education, if systemic noncompliance with ACCET policies or significant noncompliance is found regarding one or more programs at the institution

#### **Document 25.9 – Application for Review of Clock Hour-to-Credit Hour Conversion Based on Work Outside of Class (e.g. Homework):**

This new program application was developed for an institution to seek a review by ACCET of its credit hour policies and assignment of credit in order for the institution to utilize the existing federal clock hour-to-credit hour conversion (30:1 semester credit or 20:1 quarter credit), based on documented evidence of work outside of class. The application requests the institution’s: Eligibility Certification Approval Report (ECAR), credit hour policy, and catalog program descriptions. The institution also must provide information pertaining to work outside of class for a minimum of four courses in the program to include: (a) hours of work outside of class, (b) syllabi and curricular material documenting work outside of class, and (c) documented evidence that work outside of class is evaluated and appropriately weighted in determining final course/module grades. Upon review, ACCET may request documentation of work outside of class for additional courses.

### **Document 25.8 – Application for Clock Hour-to-Credit Hour Conversion:**

This new program application was developed for an institution to seek ACCET approval to measure its program in credit hours. The application requests the institution's: ECAR, credit hour policy, and catalog program descriptions. The institution also must provide information pertaining to work outside of class for all courses in the program to include: (a) hours of work outside of class, (b) syllabi and curricular material documenting work outside of class, and (c) documented evidence that work outside of class is evaluated and appropriately weighted in determining final course/module grades.

### **Document 25.2 – Checklist for Application for New or Revised Program/Course:**

Modifications were made to items # 10 and # 11 to substitute Document 25.6a or Document 25.6b for Document 25.6 – Subject Hour Breakdown. For a credit-hour program, the institution also must provide information pertaining to work outside of class for all courses to include: (a) hours of work outside of class, (b) syllabi and curricular material documenting work outside of class, and (c) documented evidence that work outside of class is evaluated and appropriately weighted in determining final course/module grades.

### **Document 25.IDL – Application for Interactive Distance Learning Program**

Modifications were made to items # 10 and # 11 to substitute Document 25.6a or Document 25.6b for Document 25.6 – Subject Hour Breakdown. For a credit-hour program, the institution also must provide information pertaining to work outside of class for all courses to include: (a) hours of work outside of class, (b) syllabi and curricular material documenting work outside of class, and (c) documented evidence that work outside of class is evaluated and appropriately weighted in determining final course/module grades.

### **Document 25.OAD – Application for Occupational Associate Degree Program**

Modifications were made to items # 10 and # 11 to substitute Document 25.6a or Document 25.6b for Document 25.6 – Subject Hour Breakdown. For a credit-hour program, the institution also must provide information pertaining to work outside of class for all courses to include: (a) hours of work outside of class, (b) syllabi and curricular material documenting work outside of class, and (c) documented evidence that work outside of class is evaluated and appropriately weighted in determining final course/module grades.

### **Document 3.1 – Analytic Self-Evaluation Report (ASER):**

Modifications were made to require Title IV institutions to provide additional items under Standard III-C – Financial Assistance/Scholarships including the institution's ECAR, and if applicable, their policies and procedures for determining credit hours awarded for its courses and programs and the definition(s) of the clock hour-to-credit hour conversion utilized for academic purposes and financial aid purposes. For each program measured in credit hours for federal financial aid purposes, the institution also must provide information pertaining to work outside of class for one course in the program to include: (a) hours of work outside of class, (b) syllabi and curricular material documenting work outside of class, and (c) documented evidence that work outside of class is evaluated and appropriately weighted in determining final course/module grades. At the time of the on-site examination visit, the team may review the syllabi and curricular materials for additional courses within each program.

### **Preparation Checklist for ACCET On-Site Examination Visit:**

Modifications were made to the Checklist to require Title IV institutions to provide additional items to the on-site team, including their ECAR and, if applicable, their policies and procedures for determining credit hours awarded for its courses and programs and the definition(s) of the clock hour-to-credit hour conversion utilized for academic purposes and financial aid purposes. For each program measured in credit hours for federal financial aid purposes, the institution also must provide information pertaining to work outside of class for a minimum of four courses in each program to include: (a) hours of work outside of class, (b) syllabi and curricular material documenting work outside of class, and (c) documented evidence that work outside of class is evaluated and appropriately weighted in determining final course/module grades. Beginning in 2012, institutions will be required to provide the documented evidence of work outside of class identified in items b and c above for all courses in each program.

### **Document 29 – Catalog Checklist/Guidelines:**

Modifications were made to require more detailed clock hour and credit hour information in the catalog to include: (a) a breakdown of the clock hours and, if applicable, the credit hours for lecture, lab, and externship/internship in each program; (b) course descriptions identifying the breakdown of clock hours and, if applicable, the credit hours for lecture, lab, and externship/internship; and (c) if applicable, the institution's policies and procedures for determining credit hours awarded for its courses and programs and the definition(s) of the clock hour-to-credit hour conversion utilized for academic purposes and financial aid purposes.

### **Document 25.6 – Subject Hour Breakdown:**

Modifications were made to replace this document with two new documents: Document 25.6a – Clock Hour Breakdown – By Program and Course to be completed for a program measured in clock hours and Document 25.6b – Clock Hour and Credit Hour Breakdown – By Program and Course to be completed for a program measured in credit hours.

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<sup>1</sup> The following are selected sections from CFR 34; institutions are advised to refer to the entire regulations available on the USDE or ACCET websites.

#### ***CFR 34, Section 600.2 Definitions***

***Credit hour:*** Except as provided in 34 CFR 668.8(k) and (l), a credit hour is an amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutionally established equivalency 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 student work each week for approximately fifteen weeks for one semester or trimester hour of credit, or ten to twelve weeks for one quarter hour of credit, or the equivalent amount of work over a different amount of time.
- (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.

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<sup>2</sup> **CFR 34, Section 668.8 (l) Formula:**

(1) Except as provided in paragraph (l)(2) of this section, for purposes of determining whether a program described in paragraph (k) of this section satisfies the requirements contained in paragraph (c)(3) or (d) of this section, and of determining the number of credit hours in that educational program with regard to title IV, HEA programs:

- (i) A semester hour must include at least 37.5 clock hours of instruction;
- (ii) A trimester must include at least 37.5 clock hours of instruction; and
- (iii) A quarter hour must include at least 25 clock hours of instruction.

(2) The institution's conversions to establish a minimum number of clock hours of instruction per credit may be less than those specified in paragraph (l)(1) of this section, if the institution's designated accrediting agency, or recognized State agency for the approval of public postsecondary vocational institution for participation in the title IV, HEA programs, has not identified any deficiencies with the institution's policies and procedures, or their implementation, for determining the credit hours, as defined in 34 CFR 600.2, that the institution awards for programs and courses, in accordance with 34 CFR 602.24(f), or if applicable, 34 CFR 603.24(c), so long as:

- (i) The institution's student work outside of class combined with the clock-hours of instruction meet or exceed the numeric requirements in paragraph (l)(1) of this section; and
- (ii) A. A semester hour must include at least 30 clock hours of instruction;  
B. A trimester must include at least 30 clock hours of instruction;  
C. A quarter hour must include at least 20 hours of instruction.

<sup>3</sup> **CFR 34, Section 668.8(k)(2) Clock Hours:**

(2) A program is considered to be a clock-hour program for purposes of the title IV, HEA programs if:

- (i) Except as provided in paragraph (k)(3) of this section, a program is required to measure student progress in clock hours when:
  - A. Receiving Federal or State approval or licensure to offer the program;
  - B. Completing clock hours is a requirement for graduates to apply for licensure or the authorization to practice the occupation that the student is intended to pursue;
- (ii) The credit hours awarded for the program are not in compliance with the definition of a credit hour in 34 CFR 600.2; or
- (iii) The institution does not provide the clock hours that are the basis for the credit hours awarded for the program or each course in the program and, except as provided in §668.4(e), requires attendance in the clock hours that are the basis for the credit hours awarded.

(3) The requirements of paragraph (k)(2)(i) of this section do not apply to a program if there is a State or Federal approval or licensure requirement that a limited component of the program must include a practicum, internship, or clinical experience component of the program that must include a minimum number of clock hours.

<sup>4</sup> **CFR 34, Section 602.24 Accrediting Agency:** The mandated responsibilities of the accrediting agency are defined, as follows:

(f) Credit-hour policies. The accrediting agency, as part of its review of an institution for initial accreditation or renewal of accreditation, must conduct an effective review and evaluation of the reliability and accuracy of the institution's assignment of credit hours.

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- (1) *The accrediting agency meets this requirement, if:*
- (i) *It reviews the institution's:*
- A. *Policies and procedures for determining the credit hours, as defined in 34 CFR 600.2, that the institution awards for courses and programs; and*
- B. *The application of the institution's policies and procedures to its programs and coursework; and*
- (ii) *Makes a reasonable determination of whether the institution's assignment of credit hours conforms to commonly accepted practice in higher education.*
- (2) *In reviewing and evaluating an institution's policies and procedures for determining credit hour assignments, an accrediting agency may use sampling or other methods in the evaluation, sufficient to comply with paragraph (f)(1)(i)(B).*
- (3) *The accrediting agency must take such action that it deems appropriate to address any deficiencies that it identifies at an institution as part of its reviews and evaluations under paragraph (f)(1)(i) and (ii) of this section, as it does in relation to other deficiencies it may identify, subject to the requirements of this part.*
- (4) *If, following the institutional review process under this paragraph(f), the agency finds systemic noncompliance with the agency's policies or significant noncompliance regarding one or more programs at the institution, the agency must promptly notify the Secretary.*