

Defining the Credit Hour for Title IV Federal Financial Aid Purposes

The Higher Education Act of 1965 created the federal financial aid system used in higher education today. The Act, which is reauthorized by Congress approximately every five years, defines the different aid programs and establishes eligibility criteria both for students and institutions. Congress and the Department of Education have gradually tightened eligibility definitions to ensure that federal revenues are being used responsibly and legally.

One area affected by evolving definitions is the type and amount of instruction covered by Title IV aid. Education abroad was strengthened when the 1992 reauthorization specifically mentioned study abroad coursework approved for credit by the home institution in the *eligible program* category.¹ In the 2002 reauthorization, the parameters of an *academic term*, including the minimum number of credit hours needed to be enrolled full-time, were defined.² The 2008 reauthorization included a new definition of *credit hour* that went into effect July 1, 2011.³

Many have felt this new definition of *credit hour* is an intrusion into the long-standing tradition of institutional academic autonomy. The Department of Education's response, recorded in the Federal Register, is that, "...the proposed definition of a *credit hour* is necessary to establish a basis for measuring eligibility for Federal funding... This standard measure will provide increased assurance that a credit hour has the necessary educational content to support the amounts of Federal funds that are awarded to participants in the Federal funding programs and that students at different institutions are treated equitably in the awarding of those funds."⁴

The 2012-13 *Federal Student Aid Handbook* defines credit hour in this manner:

"A credit hour is now formally defined, for Title IV aid purposes, as 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 student work each week for approximately fifteen weeks for a semester or trimester hour, or ten to twelve weeks for one

¹ "Student Assistance General Provisions." *Code of Federal Regulations*. Title 34, Part 668, Subpart C, Sec. 668.39: Study Abroad Programs. (2013). <http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=822a4deb0d0a7f0428014d21ff14b4e4&rgn=div8&view=text&node=34:3.1.3.1.34.3.39.9&idno=34> (Accessed 24 Jan. 2013).

² "Institutional Eligibility Under the Higher Education Act of 1965, As Amended." *Code of Federal Regulations*. Title 34, Part 600, Subpart A, Sec. 600.2: Definitions. (2013). <http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=a4cb4322eec9410af6f85bb6ebb09fa5&rgn=div8&view=text&node=34:3.1.3.1.1.23.2&idno=34> (Accessed 24 Jan. 2013).

³ "Program Integrity Issues, Final Rule." Federal Register v. 75 No. 209 Friday, Oct. 29, 2010/Rules & Regulations. p.66832. <http://www.gpo.gov/fdsys/pkg/FR-2010-10-29/pdf/2010-26531.pdf>

⁴ Ibid. p.66844.

- quarter hour of credit (or the equivalent amount of work over a different amount of time); or
- 2) at least an equivalent amount of work as required in #1 for other academic activities such as laboratory work, internships, practica, studio work, or other academic work leading to the award of credit hours.”⁵

The Handbook clarifies that institutions may continue to define a credit hour, but within certain limits:

“Note that the classroom/direct faculty instruction time and out of class student work requirement in #1 does not mean you must have a certain number of hours of those specific types of instruction every week; it is an average required over the length of the course and may be institutionally established equivalencies that *reasonably approximate* the minimum standard using different measures of student work.”⁶

The Department of Education’s definition is nearly identical to the Carnegie Unit credit hour developed by the Carnegie Foundation for the Enhancement of Teaching. A December 5, 2012 article in the *Chronicle of Higher Education* states: “...the unit is traditionally defined as one hour of faculty-student contact per week and two hours of outside work over a 15-week semester. Though it was initially invented chiefly to determine faculty members' eligibility to receive a pension, the credit hour has assumed an importance it was never meant to have. It has come to undergird much of the academic enterprise, including student and faculty workloads, schedules, financial aid, and degree requirements.”⁷

How Does the New Definition Affect the Awarding of Federal Aid to Students Participating in Approved Education Abroad Programs?

In December 2012 the Forum on Education Abroad asked members with concerns about the credit hour issue to take a short survey.⁸ Only a handful of institutions responded. Of those, all but two indicated that a review of the study abroad credit system was being conducted at their institution. Several institutions said that all credit awarded toward a degree was being reviewed. When asked to elaborate, only two institutions replied that questions about study abroad credit had been directed to the education abroad office.

One Forum member institution is reviewing its policy for using ECTS (European Credit Transfer and Accumulation System) credits to satisfy specific degree requirements. Since the accepted rate of conversion of ECTS to U.S. semester hour credits is 2:1, questions have arisen about whether a study abroad course worth 5 ECTS credits can be used to satisfy a 3-semester-hour degree requirement. While this is an issue that must be settled, it is not a result of the new Title IV rule.

⁵ 2012-2013 Federal Student Aid Handbook. “Chapter 1: Academic Calendar, Pay Periods & Disbursements.” U.S. Department of Education. p.3-4. <http://ifap.ed.gov/fsahandbook/attachments/Vol3Ch11213Jun14.pdf> (Accessed 24 Jan. 2013).

⁶ Ibid.

⁷ Berritt, Dan. “Carnegie, the Founder of the Credit Hour, Seeks Its Makeover.” *Chronicle of Higher Education*. December 5, 2012. <http://chronicle.com/article/Carnegie-the-Founder-of-the/136137/> (Accessed 24 Jan 2013).

⁸ Forum on Education Abroad. *Forum News – December 6, 2012*. <http://us2.campaign-archive1.com/?u=79fdcff78b4174ad1c90e6406&id=3971b25de5&e=233efb46c9> (Accessed 28 Jan 2013).

Another Forum member institution discovered a problem related to the new regulation. There was no definition of which specific activities could be used to generate credit for short-term faculty-led programs. Since all institutional credit schemes were being reviewed, faculty proposing new short-term programs had questions about whether they would be required to adhere to the new campus credit policy. The education abroad office subsequently defined which activities qualify as direct faculty instruction and which could be counted for the required two hours of out-of-class work per credit. For instance, faculty leader or guest speaker lectures and guided museum tours count as direct faculty instruction, while service learning work or the production of a final paper after returning to the U.S. count as out-of-class work.

The institution explained that the new policy was created by adopting guidelines used at comparable institutions. Gradually, all existing programs will be asked to meet the new standard by specifying activities that will be counted for credit. This is not only a reasonable solution to the immediate problem, but also could help convince those skeptical of the value of education abroad that it is a viable part of a degree plan at the college.

In short, it does not appear that many Forum member institutions are worried about whether the definition of *credit hour* for purposes of awarding federal aid might cause problems for study abroad. If it does become an issue, there are several steps that can be taken to address concerns.

- Be prepared to explain how credit is translated from international systems to the credit system used on your campus. This should already be written down, either for specific programs or by program type (direct enrollment, faculty-led, third-party provider, etc.).
- Have a standard process for deciding how credit is defined and who is authorized to do it. Ideally that authority is housed outside the education abroad office; for instance, in each academic unit, in the international admissions transfer unit, in the registrar's office, in a faculty committee with the authority to define credit for departments, etc.
- Be able to demonstrate that study abroad credit policies are reviewed and updated on a regular basis to ensure that changes in institutional or accrediting association rules have been incorporated.
- Be able to provide evidence that credit hours are determined in an equitable way from program to program.
- Consider comparing your policies to those at one or more similar institutions, particularly ones considered peers by your campus administration.

The Department of Education definition has been revised at a time when higher education is engaging in a debate about how to demonstrate learning outcomes and better show the acquisition of subject knowledge. Education abroad professionals have had this discussion for many years, making it easier, at least in theory, to address any institutional qualms about how study abroad fits into the new requirement.