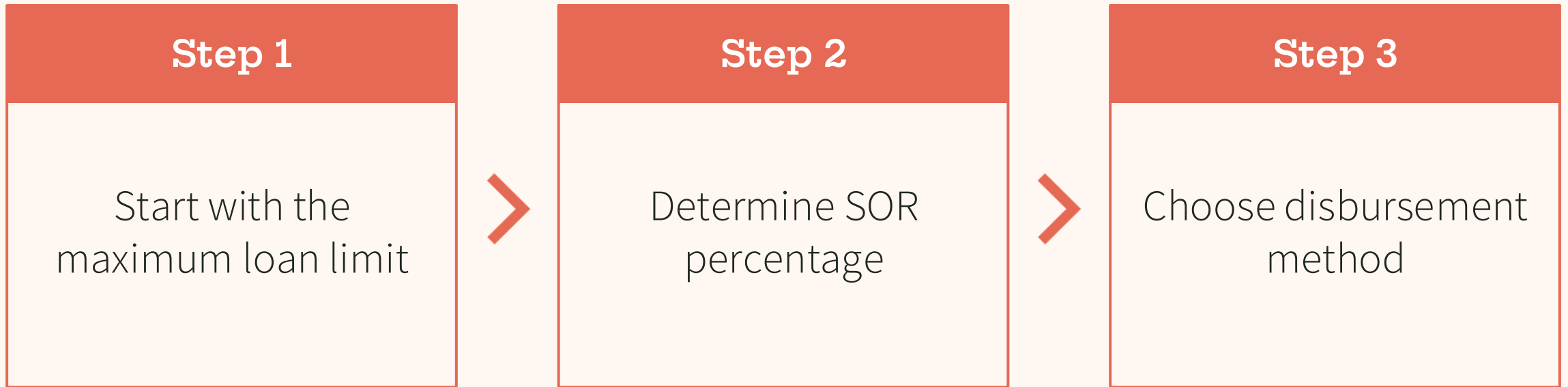




portico

Calculating institutional loan limits for OBBBA

Steps for SOR process



Steps are subject to borrower's loan period and any enrollment changes. Consider loan periods within SAY, BBAY, Subscription-Based, etc., (semester, trimesters, summer header, or trailer)



Schedule of reductions formula for less than full time in an academic year

*Requires the amount of any Direct Loan a student may borrow for AY to be reduced in direct proportion to the degree to which the student is not so enrolled on a full-time basis, as of the date the institution determined the student's eligibility for the disbursement in accordance with 34 CFR 668.164(b)(3), rounded to the nearest whole percentage point, as follows:

$$\left(\frac{\text{Number of credit hours enrolled for academic year}}{\text{Number of credit hours considered full time for that academic year for the program of study}} \right)$$

* 100

= reduced annual loan limit percentage (rounded to the nearest whole percentage point)



Formula for less than a full time academic year: 1 period of enrollment or student transfer

Periods of Enrollment that are Less than a Full Academic Year as defined under § 668.3:

Institution must calculate the Direct Loan eligibility that student may borrow for the term in which the borrower is enrolled, or its equivalent, in direct proportion to the degree to which that student is not so enrolled on a full-time basis for that term.

The institution shall then reduce the borrower's Direct Loan amount based on less than full-time enrollment for that term at that institution as follows:

$$\left(\frac{\text{number of credit hours enrolled for term}}{\text{number of credit hours considered full time for that term for the program of study}} \right) * 100$$

*= reduced annual loan limit percentage
(rounded to the nearest whole percentage point)*

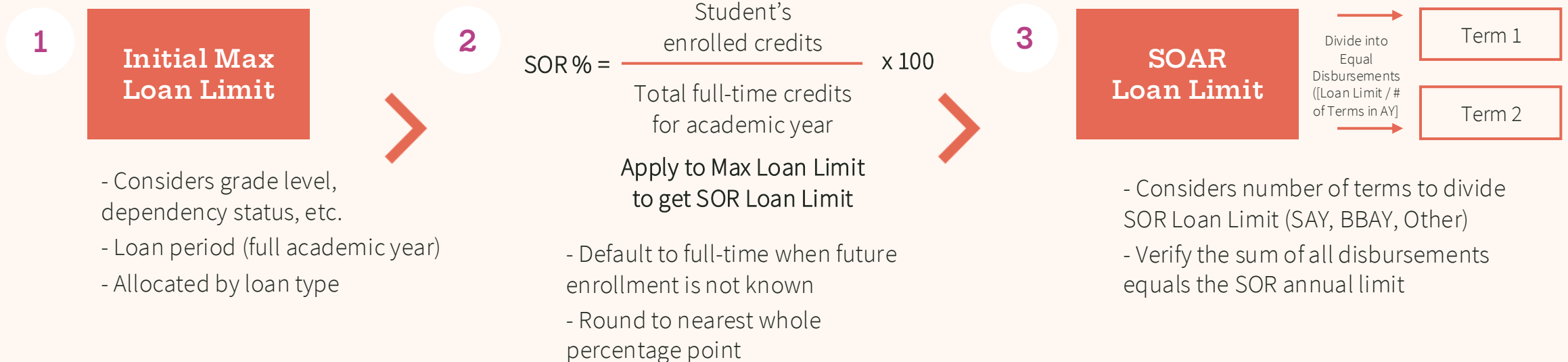


Full academic year – equal disbursements

1. Maximum Loan Limit: Determine borrower's initial maximum for each loan type for their loan period

2. SOR Percentage: Divide total enrolled credits by total full-time credits

3. Disbursement Method: Apply equal disbursements

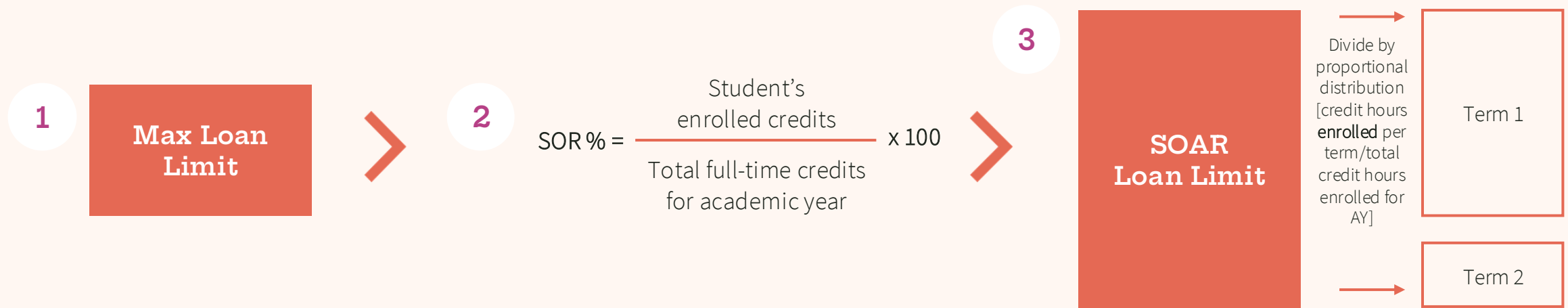


Full academic year – proportional disbursements

1. Maximum Loan Limit: Determine borrower's initial maximum for each loan type for their loan period

2. SOR Percentage: Divide total enrolled credits by total full-time credits

3. Disbursement Method: Apply proportional distribution method



Enrollment changes with equal or proportional distribution

1. Maximum Loan Limit: Determine borrower's initial maximum for each loan type for their loan period

2. SOR Percentage: Divide **revised** enrolled credits by total full-time credits

3. Disbursement Method: Apply either equal disbursements or proportional distribution method

