**Section 1039.40 Determination of Fall 2008 FTE**

a) The fall 2008 FTE shall be determined pursuant to this Section.

b) The last day that a student may add or withdraw classes during the fall term without imposition of a financial penalty shall be the date as of which the number of students enrolled and attending shall be determined.

c) Students reported are those enrolled in a course or courses creditable toward a degree or other formal postsecondary award, but the report shall not include students enrolled in any academic program that results in an award less than an associate's degree or degree programs that prepare individuals for the professional practice of religious vocations.

d) The FTE is calculated based on the total number of credit or contact hours for the undergraduate and graduate students. Total hours are converted into full-time equivalents based on hours and education level. Any fraction of the total FTE at the education level will be dropped.

1) Undergraduate FTE enrollment shall be determined by dividing the total credit hours (or equivalent) by 15. For graduate programs, FTE enrollment shall be determined by dividing the total credit hours by 12. An alternative calculation for determining the FTE that is substantially equivalent to the above shall be used by the Board in consultation with the institution when the institution uses a non-traditional academic calendar, awards credit hours in a unique method, or the auditor reports an exception in how the FTE is calculated in the report required by subsection (f).

2) For institutions that do not grant credit hours, the credit hour value of each unit is obtained by dividing the number of units required for a typical baccalaureate degree into 120 for semester hour equivalency or 180 for quarter hour equivalency.

e) The fall instructional hours by education level will be recorded and certified by the institution on a form provided by the Board.

f) An applicant shall contract with an external auditor who is a certified public accountant licensed by DFPR to verify the calculation of credit hours as specified below:

1) Receive a copy of the institution's certified hours calculations, application materials, and a copy of this Part;

2) Review the applicant's internal reports and calculations against the requirements of this Section to determine whether credit hours were calculated using the agreed-upon procedures;

3) Inspect the academic calendar to determine the fall 2008 term and days for determining credit hours, calculate credit hours, and compare to applicant's internal reports. Document whether any exceptions were found as a result of applying the procedure; and

4) Provide an independent report to the Board regarding compliance with the agreed-upon procedures.