months old by the December 1 disclosure date.

With regard to completion or graduation rate, or transfer-out rate calculations based on "extended catalog time" (more than 150% of normal time), the statute does not require that such rates be calculated or disclosed. Institutions may always disclose such rates as supplemental information.

Changes: A definition of "normal time," based on the JCAR definition of normal time, has been inserted in § 668.41(c), which defines normal time as the time necessary for a student to complete all requirements for a degree or certificate according to an institution's catalog. This is typically 4 years (8 semesters or trimesters, or 12 quarters, excluding summer terms) for a bachelor's degree, 2 years (4 semesters or trimesters, or 6 quarters, excluding summer terms) for an associate's degree, and the scheduled times for certificate programs.

Comments: A majority of commenters believed that the degree of flexibility permitted institutions to define full-time would lead to non-comparable data. Most of these commenters supported the mandatory use of the IPEDS definition

of full-time.

Several commenters supported the proposed regulatory definition. One commenter asked that an institution be required to disclose any differences between its definition of full-time for academic purposes and its definition of full-time for tuition purposes. Several commenters asked that the Secretary require institutions to publish their definitions with their graduation rate data.

Discussion: Upon further consideration, the Secretary agrees with the commenters who asked that a definition of "full-time" be included in the regulations. Because the definition of "full-time" in § 668.2 is familiar to all institutions, was the definition provided in Dear Colleague Letter GEN-91-27, and is functionally the same as the IPEDS definition of "full-time," the Secretary applies that definition to this section of the regulations. The Secretary believes that for these reasons referring to this definition in the regulations will increase comparability and decrease potential confusion.

Changes: The definition of "full-time student" has been removed from § 668.41(c). Institutions are required to use the definition of "full-time student" found in § 668.2.

Comments: Most commenters recommended the use of the first-time freshman student definition under IPEDS. This definition provides for a student attending any institution for the

first time at the undergraduate level; this includes students enrolled in the fall term who attended college for the first time in the prior summer term, and also includes students who entered with advanced standing.

Discussion: The Secretary agrees with the commenters that for reasons of comparability, consistency, and burden reduction, the regulations should mandate the use of a particular definition of "first-time freshman student," and that the definition should be the IPEDS' definition or its functional equivalent. Promulgating such a definition will ensure consistency of data among institutions, and is less burdensome to institutions because institutions are already familiar with the IPEDS definitions.

Changes: Section 668.41(c) has been changed to require institutions to use a definition of "first-time freshman student" that is based on the IPEDS definition found in the IPEDS Glossary, NCES 95–22.

Comments: Many commenters asked that the IPEDS definition of "undergraduate student" be included in the final regulations.

Discussion: For reasons of consistency and familiarity, the Secretary agrees to include the IPEDS definition of "undergraduate student" in the final regulations.

Changes: The definition of "undergraduate student" as found in the IPEDS Glossary, NCES95–822, has been added to § 668.41(c).

Section 668.46 Information on Completion or Graduation Rates and Transfer-Out Rates

Comments: Many commenters objected to the October 1 disclosure date for this information. In general these commenters maintained that the amount of time between June 30 and October 1 was insufficient for institutions to calculate these graduation rates. Several of these commenters maintained that the statute provided institutions with one year between the point in time when a group's 150% of normal time elapsed and the required disclosure date. Several other commenters suggested disclosure dates in the November or December immediately following the elapse of 150% of normal

Discussion: The Secretary agrees to allow a disclosure date in the next calendar year following the expiration of 150% of normal time. However, in the interest of consumers, the Secretary believes that this date should be the earliest possible. Therefore, the Secretary changes the disclosure date to the first January 1 following the

expiration of 150% of normal time for the entire group of students on which the institution bases its completion or graduation rate calculation.

Changes: Section 668.46(a)(5) has been changed to require that an institution, beginning with the group of students who enter the institution on or after July 1, 1996, disclose this information no later than the January 1 immediately following the point in time that 150% of normal time has elapsed for the entire group of students on which the institution bases its completion or graduation rate, and every January 1 thereafter.

Comments: Most commenters recommended that the Secretary require the use of a snapshot approach for tracking students, that is, taking a snapshot of a cohort that does not change for the entire length of the analysis. Electronically, this methodology means comparing only two files. For institutions that will make calculations from paper records, the "snapshot" methodology requires looking at records from only two academic years. The commenters explained that a snapshot methodology will limit the requirement to comparison of a cohort's file for only two years—at the time of entry and at the time of disclosure. The commenters' concern is that continuous tracking would be an added and unnecessary burden on institutions. The commenters also indicated that the snapshot methodology is sufficient to produce the required information under the statute. Very few commenters supported the concept of tracking individual students.

Discussion: The Secretary agrees that a snapshot methodology is appropriate for purposes of these regulations. To help institutions implement this methodology, the Secretary is adjusting other elements of the methodology, such as the characterization of an entering student.

Changes: None.

Comments: The commenters almost unanimously recommended that the Secretary require the use of a fall cohort to calculate an institution's graduation rate. Most institutions' believe that students entering in this term will be a representative sample of students entering during the entire year. Institutions argue that using the same methodology will produce more consistent and comparable data. The commenters stated that using a full-year cohort would dramatically increase data tracking and reporting burden on institutions. Moreover, use of the fall cohort methodology is consistent with both the IPEDS GRS under development and the JCAR methodology, and many