

ACG and National SMART Grant Eligibility

The Higher Education Reconciliation Act (HERA) established two new federal student aid grants for undergraduate students: the Academic Competitiveness Grant (ACG) and the National Science and Mathematics Access to Retain Talent (National SMART) Grant. These are need- and merit-based grants for students who meet additional criteria to those explained in preceding chapters.

The ACG and National SMART Grant programs are intended to encourage, respectively, rigorous academic study in high school and enrollment in college majors in the physical, life, and computer sciences; engineering; technology; mathematics; and certain foreign languages. Accordingly, the eligibility criteria relate to those goals.

These grants differ from other Title IV aid. A student may receive only two ACG awards, one for the first and the second academic years,* and only two National SMART Grant awards, one for the third and the fourth academic years. Also, both grants have a set value: an ACG is \$750 for the first year and \$1300 for the second year; a National SMART grant is \$4000 for each of the third and fourth years.

These amounts may only be reduced in limited circumstances: if a school needs to avoid overawarding a student or if there is a nationwide ratable reduction because there are insufficient funds for all eligible students in a given award year. If there is a ratable reduction, the Department expects to announce it well in advance of the award year.

Do not confuse the eligibility criteria between the two grants: rigorous program of secondary school study only applies to the two years of ACG, and eligible postsecondary school major only applies to the two years of SMART.

ACG ELIGIBILITY

To receive an ACG, students must:

- be U.S. citizens (unlike with other FSA programs, they cannot be noncitizens);
- receive a Pell grant for the same award year;
- be enrolled full time in an associate's, bachelor's, or combined undergraduate/graduate (if it includes at least three years of undergraduate education) degree program or in a two-academic-year program acceptable for full credit toward a bachelor's degree;

ACG and National SMART Grant Programs

34 CFR 691

* In discussions of ACG and National SMART grants, the year of the student refers to the Title IV academic year as defined in credit or clock hours and weeks of instructional time. This term has a different meaning than the award year, the student's year in college (freshman, sophomore, etc.), or the school's usage of academic year as the fall and spring semesters. See Volume 3 for a complete discussion of the academic year and its role in administering ACG and National SMART grants.

High school student enrolled in college classes example

The summer before and during her senior year in high school, Hilda completed three classes at Kampfer University. Because she was not enrolled as a regular student in an ACG-eligible program of study, her prior enrollment does not make her ineligible for an ACG when she starts classes full time at Kampfer the fall after she graduates from high school.

*This is checked one time only, at the end of the first academic year. Subsequent changes to the student's GPA do not affect ACG eligibility for the second year. The grades for all the hours in the payment period in which a student completes the first academic year are included when computing this GPA, even if the student surpassed the number of hours that defines the school's academic year.

- be enrolled in the first or second academic year of a program of study at an eligible two-year or four-year degree-granting institution;
- have successfully completed a rigorous secondary school program of study and graduated after January 1, 2006, for first-year students and after January 1, 2005, for second-year students; and
- if first-year students, not have been enrolled while still in high school as regular students in an ACG-eligible college program, or if second-year students, have successfully completed their first year and have a cumulative GPA* of at least 3.0 on a 4.0 scale.

Rigorous secondary school program of study

For qualifying for an ACG, any one of the following programs meet the “rigorous secondary school program of study” requirement:

1. Rigorous secondary school programs designated by state education agencies (SEAs) and state-authorized local education agencies (LEAs) and recognized by the Secretary of Education.
2. Advanced or honors secondary school programs established by states and in existence for the 2004-05 or 2005-06 school year.
3. Secondary school programs identified by a state-level partnership recognized by the State Scholars Initiative of the Western Interstate Commission for Higher Education (WICHE) of Boulder, Colorado.
4. A program for a student who completes at least two courses in the International Baccalaureate (IB) Diploma Program with a score of four or higher on the course examinations or at least two Advanced Placement (AP) courses with a score of three or higher on the College Board's exams for those courses.
5. A secondary school program in which a student completes, at minimum:
 - four years of English;
 - three years of math, including algebra I and a higher level class such as algebra II, geometry, or data analysis and statistics;
 - three years of science, including one year each of at least two of the following courses: biology, chemistry, and physics;
 - three years of social studies; and
 - one year of a language other than English.

Other considerations

A student must have successfully completed and graduated from one of the above types of program. Successful completion means fulfilling the requirements of the program, such as passing all of the designated coursework. Neither a general education development (GED)

certificate nor a passing score on an ability-to-benefit test qualifies as completing a rigorous secondary school program.

English as a second language (ESL) counts toward the English requirement if the state or the high school allowed it to count towards its English graduation requirement.

If a student's high school or college admissions office categorizes a class as social studies, then it counts as social studies for ACG eligibility.

Computer languages do not count as a foreign language, but American Sign Language does.

For each calendar year the Secretary publishes a list of all rigorous secondary school programs of study. The webpage at <http://www.ed.gov/admins/finaid/about/ac-smart/state-programs.html> links to separate pages for each year of graduation.

Documenting completion of a rigorous program

The Central Processing System (CPS) will send comments on the SAR and ISIR identifying students who might be eligible for an ACG. Students who apply for aid via FAFSA on the Web or (with FAA help) FAA Access to CPS Online will be screened for potential eligibility and will have the option to provide ACG information. Paper FAFSA filers who are potentially eligible will receive a comment on their SAR directing them to provide information to the Federal Student Aid Information Center (FSAIC) over the phone.

Schools must then confirm that a student completed a rigorous program by either using documentation directly from the cognizant authority or from the authority via the student. If the school has reason to believe documentation from the student is inaccurate or incomplete, it shall get documentation directly from the authority.

The *cognizant authority* includes, but is not limited to, an LEA, SEA or other state agency, a public or private high school, a testing organization such as the College Board or a state agency, or, for home-schooled students, the parent or guardian. In the latter case, the parent or guardian shall provide as documentation a transcript or equivalent or a detailed course list of the secondary school courses that the student completed.

For a transfer student, a school may rely upon the determination by the student's former school that he completed a rigorous program. As evidence of such a determination, a school can use documentation that the former school provides or that shows the student received an ACG disbursement at the former school.

Some high schools comprise only grades 10 through 12. In those cases, a college should use its normal procedure for ensuring that classes taken in the ninth grade are included. Also, if a transcript shows that a student completed three years of English in grades 10 through 12, she may be assumed to have taken English in ninth grade.

A college can assume the following classes as well, which apply not only to ninth grade, but to grades 6 through 8: the first year of a foreign language if a transcript shows completion of a second year; algebra I if a transcript shows algebra II or geometry and the college knows that algebra I was a prerequisite for geometry at the student's high school.

NATIONAL SMART GRANT ELIGIBILITY

To be eligible for the National SMART Grant, students must:

- be U.S. citizens (unlike with other FSA programs, they cannot be noncitizens);
- receive a Pell grant for the same award year;
- be enrolled full time in a bachelor's or combined undergraduate/graduate (if it includes at least three academic years of undergraduate education) degree program;
- be enrolled in the third or fourth academic year of their program of study at an eligible four-year degree-granting institution;
- if third-year students, have successfully completed the second year, or if fourth-year students, have successfully completed the third year;
- have a cumulative GPA* of at least 3.0 on a 4.0 scale in the courses for their program (not only those in the major); and
- be majoring in physical, life or computer science, engineering, mathematics, technology, or a critical foreign language.

*This is the cumulative GPA from all coursework in the eligible program through the most recently completed payment period.

College programs of study are categorized according to their Classification of Instructional Programs (CIP) code. These codes accompany the list of majors eligible for National SMART grants at <http://www.ifap.ed.gov/dpletters/attachments/GEN0615Attach1.pdf>. This list will be reviewed each year, and any update will appear on Department websites.

A student must major in one of the codes on this list. A student in a teacher education program may receive a National SMART grant as long as his major is an eligible one; a teacher education major with a concentration in math or science, for example, is not eligible. In the same manner, a student with a double major is eligible for the grant if one of his majors is on the accepted CIP code list.

Declaring a major

34 CFR 691.15(c)(2)

Declaration, monitoring, and change of a major

A student must declare a major to receive a National SMART grant unless your school does not permit declaration of a major until after the start of the third academic year. In those cases the student must intend to declare an eligible major and demonstrate her intent, which you must document, and must enroll in classes that lead toward a degree in that field. She must later declare a major as soon as she can.

You must check a student’s major before each disbursement. If he has a double major, you must ensure that he is pursuing completion of the eligible major by enrolling in coursework leading to degree completion. Typically the registrar’s office tracks CIP codes and will have information about the student’s current major.

If a student changes *from* an eligible major to an ineligible one in the middle of a term or year, he does not have to return the grant he has received, but he may not receive another disbursement. If he changes *to* an eligible major and is otherwise eligible for a National SMART grant, he may then receive a grant—for the following payment period if the change occurred between payment periods or for the same payment period if the change came during the period.

GRADE POINT AVERAGE IN BOTH GRANTS

As written above, there are common eligibility criteria for both grants: eligible students must be U.S. citizens who are enrolled full time and who receive a Pell grant for the same award year. But there are significant differences in other criteria, among them the way GPA is monitored.

For an ACG, the student’s GPA is checked only at the end of the first academic year, and that average determines whether a student can receive a second-year grant at all. If a student has a GPA below 3.0 at the end of the first year, no improvement of his average to above 3.0 will make him eligible for any part of a second-year ACG. Conversely, if his cumulative GPA is 3.0 or better at the end of the first year, a decline in his GPA will not make him ineligible for the second-year ACG.

The cumulative grade average covers the most recently completed payment period prior to any disbursement of a National SMART grant. This allows for a change of eligibility status for SMART grant funds. A student who is ineligible for an initial grant at the beginning of his third academic year because his GPA isn’t high enough can become eligible later that year or in the next year if he raises his average to 3.0 or higher. If his average is already 3.0 and it drops below that value, he becomes ineligible for a SMART grant disbursement until his GPA is at least 3.0 again.

A school can make an interim disbursement for a coming term before the grades for the current term are available, such as for a spring semester before the final grades are available from the fall. If the grades once posted lower the student’s GPA below 3.0, then the school must cancel the disbursement and it is liable for that disbursement.

For transfer students, any classes from the previous school that your school accepts count in the calculation of the GPA.

There is no GPA appeal process for ACGs and SMART grants.

Incompletes

If a student has an incomplete but his GPA would be at least 3.0 even if the incomplete were an “F”, the school may make a disbursement without assuming liability for it.

School without traditional grades

At Chisos Basin University instructors submit at the end of the semester an evaluation that the work a student does in a class is “satisfactory” or “unsatisfactory.” The catalog indicates that the evaluation is never translated into a grade by the registrar’s office. Neither the catalog, the faculty handbook, nor any other CBU publication differentiates levels of satisfactory student performance. Even though the state scholarship program accepts a “satisfactory” as the equivalent of a “B”, the university may not make such an assumption for the ACG and National SMART Grant programs.

Schools without a traditional GPA

Schools that do not award standard grades for a program must have in writing an academically defensible equivalency policy and must make it available upon request. The policy must clearly differentiate student performance so that it can support a determination that a student has performed at a level commensurate with a 3.0 GPA on a 4.0 scale. Generally a grading scale that includes only “pass/fail,” “satisfactory/unsatisfactory,” or some other binary evaluation will not meet this requirement unless it can be shown that a “pass” or “satisfactory” standard is equivalent to a traditional 3.0 GPA.

All such policies must be consistent with any equivalent grading scales that the school has developed for academic and other (including Title IV) purposes—e.g., graduate school evaluations and transcripts, scholarship eligibility, insurance certifications—to the extent that such scales distinguish between levels of student academic performance.