

ACG and National SMART Grant Eligibility

The Higher Education Reconciliation Act (HERA) established two 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 years of undergraduate education, and only three National SMART Grant awards, one for the third, fourth, and fifth (for programs that have five full years of coursework) years of undergraduate education. Also, both grants have a set value: an ACG is \$750 for the first year and \$1,300 for the second year; a National SMART grant is \$4,000 for each year.

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 three years of National SMART grants.

ACG ELIGIBILITY

To receive an ACG, students must:

- receive a Pell grant in the same award year;
- be enrolled at least half time in an associate's, bachelor's, or combined undergraduate/graduate (if it includes at least three years of undergraduate education) degree program, in a two-year program acceptable for full credit toward a bachelor's degree, or in a one- or two-year certificate program;

ACG and National SMART Grant Programs

34 CFR 691

High school student enrolled in college classes examples

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.

Hilda's twin sister Gilda enrolled during her senior year of high school in an associate's degree program at Frisson Community College. Although this is an ACG-eligible program, the English 101 and trigonometry classes she took at Frisson counted as her senior-year English and math classes at her high school, so she will be eligible for a first-year ACG when she starts full time at Frisson.

*This is checked one time only, at the end of the first 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 year are included when computing this GPA, even if the student surpassed the number of hours that defines the school's year.

- be enrolled in the first or second 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;
- if first-year students, not have been enrolled previously as regular students in an ACG-eligible college program when they were still in high school, or if they were in such a program, the courses must have been part of their high school program as well; and
- 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. For students who graduate on or after July 1, 2009, a program that prepares a student for college, is recognized by a designated official in accord with state law, and is reported to the Secretary as he or she requires.
2. Advanced or honors secondary school programs established by states.
3. A secondary school program in which a student completes, at a 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.
4. 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.
5. 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.

6. Rigorous secondary school programs designated by state education agencies (SEAs) and state-authorized local education agencies (LEAs) and recognized by the Secretary of Education after January 1, 2005, but before July 1, 2009.

Other considerations

Some high schools comprise only grades 10–12. 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 10–12, 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 6–8: 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.

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.

Identifying potentially eligible ACG students

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.

If a student self-certifies through the application process or directly to the school that he completed a rigorous program of study, the school must attempt to collect documentation of that, either from the cognizant authority or from the authority via the student. 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 homeschooled students, the parent or guardian. If the school has reason to believe documentation from the student is inaccurate or incomplete, it must get documentation directly from the authority.

Diplomas and transcripts for homeschooled students

The parents or guardians of a homeschooled student can provide a diploma or certification of completion of a secondary school education. Likewise, they can also provide a transcript or equivalent, such as a detailed course list of the secondary school courses the student completed.

If students do not self-certify through the application process or to the school that they completed a rigorous program of study, the school is not required to determine their ACG eligibility. It is, however, a good practice for a school to make an effort to find out if any students in this group would be eligible for ACG funds.

Documenting completion of a rigorous program

A student must have successfully completed one of the above types of programs. Successful completion entails: (1) receiving a high school diploma and (2) meeting the academic qualifications for a rigorous program, including receiving credit for all the coursework that makes up the program. A single document like a high school transcript can show that both these requirements were fulfilled, but if it does not show that a student received a high school diploma, then the college needs to document that the student met that requirement, for example, by obtaining a copy of the diploma. A student's self-certification on the FAFSA of receipt of the diploma is not sufficient.

For the rigorous program no qualitative standard other than passing grades is required, though an SEA or LEA may include such a standard (for example, a minimum GPA) in the requisites for completion of its rigorous program. 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.

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.

NATIONAL SMART GRANT ELIGIBILITY

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

- receive a Pell grant in the same award year;
- be enrolled at least half time in a bachelor's or combined undergraduate/graduate (if it includes at least three years of undergraduate education) degree program;
- be enrolled in the third, fourth, or fifth (for programs that require a fifth year)* year of their program of study at an eligible four-year degree-granting institution;
- have successfully completed the previous year;
- have a cumulative GPA of at least 3.0 on a 4.0 scale for all the courses in their program (not only those in the major) through the most recently completed payment period; and
- be majoring in physical, life or computer science, engineering, mathematics, technology, or a critical foreign language. Third- and

* The fifth-year SMART grant is for the final year of eligible programs that comprise five full years of coursework; it is not for students who take five years to complete a four-year program.

fourth-year grants—but not fifth-year grants—are available to students attending a college that only offers a single liberal arts curriculum leading to a bachelor’s degree and that does not permit students to declare a major in a subject area. The curriculum must have been offered prior to February 8, 2006, and the Secretary must determine either (1) that it is at least equal in its requirements to a bachelor’s degree program in a SMART-eligible major as offered by another college or (2) that the curriculum requires a rigorous course of study in mathematics, biology, chemistry, and physics, including at least 3 years of study in the sciences, with a lab in each of those years, and 4 years of study in mathematics. Schools must request and receive designation of the liberal arts curriculum as an eligible major from the Department when it invites such requests.

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/dpcletters/GEN0706.html>. This list will be reviewed each year, and any updates will appear on Department websites.

A student must be in a major with a code 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.

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 year. In those cases the student must intend to declare an eligible major and provide a signed certification of that intent that you keep on file. She must also enroll in classes that lead toward a degree in that field and later declare a major as soon as possible under your school’s academic requirements.

You must document each payment period a student’s progress toward completing the declared or intended major. This may include written confirmation from a counselor, advisor, or academic department (signed by a departmental representative) that the student is progressing in the coursework leading to a degree in the eligible major, or it may include other written documentation of coursework that affirms the student’s progress and demonstrates periodic monitoring of that.

You must check a student’s major before each disbursement. If he has a double major, you must document 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

Declaring and intending to declare a major

34 CFR 691.15(c)(2) and 691.15(d)

Adding eligible majors

Each year the Secretary of Education will publish the list of SMART grant-eligible majors and establish the deadline for schools to request that a program be added to the list. A request must include the CIP code and program title of the major, the reasons the school believes it should be on the list, and documentation that the school has awarded or intends to award a bachelor’s degree in the major. There are additional criteria for schools requesting designation of a liberal arts curriculum as an eligible major. See GEN-09-03 and the text in the body of the page.

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.

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 enrolled at least half time and must receive a Pell grant in 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 year. That average, which includes all the grades in the payment period in which the student completes the first year, 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 GPA 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 year because his GPA isn’t high enough can become eligible later that year or next year if he raises his cumulative GPA to 3.0 or higher. If his average is already 3.0 and it drops below that, he becomes ineligible for a SMART grant disbursement until his GPA is at least 3.0 again.

For the first payment period of a student’s ACG for the second year and for any payment period for which a student will receive a National SMART grant, a school can make an interim disbursement if final grades from the previous period are not yet available. 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.

To determine ACG eligibility for a student who transfers between one and two years’ worth of hours, the current school must calculate GPA using grades for courses accepted from any prior institution toward the student’s ACG-eligible program. For a student who transfers hours that constitute less than one year, the GPA is calculated using grades for all courses accepted into the eligible program and for courses earned at the current school.

When a school determines National SMART grant eligibility for transfer students and calculates the students’ GPA, it must, for at least the first payment period, include grades for courses accepted for transfer into the National SMART grant-eligible program. For subsequent payment periods, the school must follow its academic policy regarding the calculation of the GPA, whether that is to include grades for courses that transfer or to exclude them.

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

Schools without a traditional GPA

Schools that do not use a standard 4.0 GPA scale for a program must have a written equivalency policy with a numeric scale 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 at least a 3.0 GPA on a 4.0 scale. Generally a grading scale that includes **only** “pass/fail,” “satisfactory/unsatisfactory,” or some other non-numeric evaluation will not meet this requirement unless it can be shown that a “pass” or “satisfactory” grade has a numeric equivalent to a traditional 3.0 GPA (or higher) or that a student’s performance on tests and assignments yielded such a numeric equivalent.

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

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.

