



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

THE ASSISTANT SECRETARY

APR 27 2007

GEN-07-02

Subject: 2007-2008 Academic Competitiveness Grant (ACG) and National SMART Grant Award Amounts and Approved Majors

Summary: This letter announces the maximum award amounts for the Academic Competitiveness Grant and National SMART Grant programs for the 2007-2008 award year. It also informs institutions that the 2007-2008 list of National SMART Grant approved major CIP codes will be the same as the list used for the 2006-2007 award year.

Dear Colleague:

On behalf of the hundreds of thousands of needy students who will benefit from the ACG and National SMART Grant programs, I want to thank you for your efforts.

Maximum Award Amounts

Under the statutory provisions that established the Academic Competitiveness Grant (ACG) and the National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) programs, the Secretary is required to reduce the maximum award amounts for an award year if she determines that available funding will not support all students otherwise expected to qualify for the grants. Based upon an analysis of 2006-2007 expenditures, adjusted for expected changes for the 2007-2008 award year, the Secretary has determined that there is no need to reduce the maximum award amounts for the programs for 2007-2008. Therefore, the maximum award amounts for the 2007-2008 award year will be –

Year 1 ACG – \$ 750

Year 2 ACG – \$1,300

Year 3 National SMART Grant – \$4,000

Year 4 National SMART Grant – \$4,000

Institutions must ensure that a student is not awarded more than the appropriate maximum award (or Scheduled Award) during the student's academic year. For example, a student who attended a partial academic year of only two quarters during 2006-07 and received two-thirds of a Year 1 ACG award totaling \$500 would only be eligible for the remaining one-third (\$250) of the Year 1 ACG award for attendance during 2007-08 until the student completes his or her first academic year. However, if a similar student completed his or her first academic year at the end of 2006-07 after only receiving two-thirds of a Year 1 ACG Scheduled Award, that student would not be eligible for the remaining ACG Year 1 award but could receive up to the full \$1,300 Year 2 ACG Scheduled Award, for attendance during 2007-08, assuming the student met all relevant ACG 2 eligibility requirements, including having a cumulative grade point average of at least 3.0 on a 4.0 scale for the first academic year.

We also want to remind institutions that a student may not be eligible for the full maximum award if the total of the student's expected family contribution (EFC) and other financial assistance, including other Title IV aid (Federal Pell Grant, campus-based aid, and FFEL or Direct Loans), exceeds the student's cost of attendance.

#### National SMART Grant Majors

The Secretary has determined that the 2007-2008 list of CIP codes for academic majors approved for the National SMART Grant Program will be the same as the list that has been used for the 2006-2007 award year. That listing, posted as an attachment to Dear Colleague Letter GEN-06-15, is also included as an attachment to this letter.

#### ACG and National SMART Grant Negotiated Rulemaking

As a reminder, we are currently in the process of proposing regulatory changes for the ACG and National SMART Grant programs for the 2008-2009 award year and for subsequent award years. This is being conducted through a negotiated rulemaking process, as required by law. Areas being discussed by the negotiated rulemaking team include –

- Determination of a rigorous secondary school program of study for ACG
- Mandatory institutional participation in the programs
- Eligibility of certificate programs
- Disbursement requirements
- Calculation of grade point average
- Academic year progression
- Process for determining academic majors for National SMART Grants

Information about the ACG and National SMART Grant negotiated rulemaking process (as well as information about three other negotiated rulemaking processes) is available at <http://www.ed.gov/policy/highered/reg/hearulemaking/2007/nr.html> or through the IFAP website at <http://www.ifap.ed.gov>.

Thank you for your continued support in the 2007-2008 award year and beyond in implementing the ACG and National SMART Grant programs.

Sincerely,



James Manning  
Delegated the Authority of the Assistant Secretary  
Office of Postsecondary Education

Attachment