


NASFAA Webinars: Final Rules Presented December 13, 2007

National Association of Student
Financial Aid Administrators

NASFAA's Webinar Series
Final Rules, Fall 2007:
The ACG/SMART Grant Programs
Revisited
December 13, 2007

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Introduction: NASFAA Staff

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Introduction: NASFAA Staff

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Introduction: Department of Education Staff

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Agenda

- Review questions received during and after 11/15 webinar on ACG/SMART final rules
 - All topics other than academic year progression
 - Academic year progression
- Academic year progression case studies
- Live Q&A


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Resources

- NPRM: *Federal Register*, 8/7/07
- Final Rules: *Federal Register*, 10/29/07
- NASFAA's ACG/SMART webinar, 11/15/07
 - Can be viewed from Webinar Center at www.NASFAA.org (on right side under Training heading)


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Effective Dates: Final Rules

- Effective July 1, 2008
- Early implementation
 - May be implemented early on or after November 1, 2007, in their entirety or by section (e.g., all of 691.6 or all of 691.15), but not by paragraph
 - Maintain documentation of any early implementation
 - Must continue early implementation once it's begun

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ACG: Grade Point Average

For the ACG 2, does the GPA need to be checked at the end of the fall semester, before disbursing for spring semester?

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ACG: Grade Point Average

I read that for ACG, if a school accepts at least 1 AY's worth of transfer credits, but less than 2, we calculate the GPA using grades from all accepted coursework. But my understanding was that the GPA used to determine year 2 eligibility is the GPA at the end of year 1.

My question after reading this is: for transfer students would we use all accepted credits or just the credits accepted up to the point the student completed his or her first year?


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SMART Grant: Grade Point Average

My school does not incorporate grades from transfer coursework into the student's GPA. I have a question about incorporating the grades from accepted transfer coursework into the GPA for the 1st payment period for SMART Grant. Does this apply only for the student's first payment period at my school (that is, new transfer students) or the student's first payment period receiving a SMART Grant?

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SMART Grant: Eligible Major

Can you define “appropriate pace”?


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SMART Grant: Eligible Major

What happens if a student double majors in math/math education? In the final semester, when student teaching at full-time status, is he or she still eligible for SMART?


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Successful Completion of Rigorous Secondary School Program of Study

Student is home schooled and has a GED. Is student ACG eligible?

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Documentation of Successful Completion of Rigorous Secondary School Program of Study

Does the transcript showing that the student has graduated take the place of the diploma?


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Identifying Potential ACG Recipients

A student failed to self-identify as an ACG-eligible student the 1st year and did not receive ACG. The student does self-identify the second year and is determined to be eligible. Can he receive ACG?

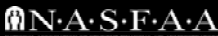
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Academic Year Progression

- Academic year classification determines grant level
- Eligibility for grant ends upon completion of corresponding academic year

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Academic Year Definition

Minimum for credit hour programs:

- 24 semester or trimester credit hours, or 36 quarter credit hours; and
- 30 weeks of instructional time


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Academic Year Progression

- Old rule: Track progression at all schools attended
- New rule: Track progression just at current school

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Academic Year Progression

Methods to track student's AY progression

- One method defined for transfer students
- One basic method for attendance at current institution: exact accounting
- Three alternatives for programs that use payment formula 1 or 2
- One alternative only per program of study

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Academic Year Progression

- Credit component: Count all credits applied to student's program of study, other than from courses below postsecondary level
- Weeks of instructional time: Count all weeks but do not assign weeks to credits from:
 - AP, IB, testing out, life experience, etc.
 - Courses taken while not a regular student in an ACG- or SMART-eligible program
 - Courses below postsecondary level


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Academic Year Progression

- For SMART Grant, **do** count weeks spent in an ACG-eligible program
- Program eligibility definitions differ: some ACG-eligible programs are not SMART-eligible


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Eligible Program Definitions

- ACG: associate's degree, bachelor's degree, 2-year acceptable towards bachelor's, graduate with 3+ years undergraduate
- SMART: bachelor's degree in eligible major, graduate with 3+ years undergraduate in eligible major

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Academic Year Progression

Methods to track AY progression in weeks

- Transfer method
- Exact accounting method
- Credits-earned alternative
- Terms-attended alternative
- Grade-level alternative


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Academic Year Progression

- Transfer method
$$\frac{\text{Allowable credits accepted for transfer} \times \text{Weeks in AY}}{\text{Credits in AY}}$$
- Example
AY = 24 credits + 30 weeks of instruction
New school accepts 16 transfer credits
$$(16 \times 30) \div 24 = 20 \text{ weeks}$$

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Academic Year Progression

Transfer Method

- Exclude credits if school knows about them
- Do not need to collect special information
- Not used if school uses grade-level alternative
- Use regardless of program type

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Academic Year Progression

Exact Accounting Method

- “Gold standard”
- Count actual number of weeks attended at *your* institution
- Example: 15-week fall term, 16-week spring term, 10 week summer term = 41weeks

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Academic Year Progression

Exact Accounting Method

- May be used for any program format
- Must be used by programs that use payment formula 3 or 4
- Student may demand use
- Once performed, must be used always

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Academic Year Progression


Credits Earned Alternative

$$\frac{\text{Allowable credits} \times \text{Weeks in AY}}{\text{Credits in AY}}$$

- Example: 9 credits in 15-week fall term, 9 credits in 15-week spring term, 6 credits in 10-week summer term

$$(24 \times 30) \div 24 = 30 \text{ weeks}$$

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Academic Year Progression

Credits Earned Alternative

- Example: 6 AP credits, 9 credits in fall term, 9 credits in spring term
 $(18 \times 30) \div 24 = 22.5$ weeks
- Do not round

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Academic Year Progression


Credits Earned Alternative

- If calculate each term separately, carry fraction forward
- Example: AY = 36 quarter credits, 30 weeks
9 AP credits + 11 credits earned each quarter

At end of first quarter:

9 AP + 11 earned = 20 credits
 $(11 \times 30) \div 36 = 9.17$ weeks

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Academic Year Progression


Credits Earned Alternative

- Example, cont'd: AY = 36 credits, 30 weeks

At end of three quarters:

9 + 11 + 11 + 11 = 42 credits
9.17 + 9.17 + 9.17 = 27.51 weeks- Cumulative approach: $(33 \times 30) \div 36 = 27.5$

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Academic Year Progression

Terms Attended Alternative: *Payment formula 1*

- All terms attended multiplied by either:
 - 1/2 weeks in AY (semester/trimester, 2 payments)
 - 1/3 weeks in AY (quarters, 3 payments)
 - 1/3 weeks in AY (semester/trimester, 3 payments)
 - 1/4 weeks in AY (quarters, 4 payments)

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Academic Year Progression


Terms Attended Alternative

- Example: AY = 24 credits, 30 weeks
Scheduled Award paid over 2 terms

9 credits in 15-week fall, 9 credits in 15-week spring, 6 credits in summer

3 terms attended x 15 weeks = 45 weeks

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Academic Year Progression

Grade Level Alternative

- Assume completion of Title IV academic year for each prior grade level
- Example: Junior is assumed to have completed two academic years

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Academic Year Progression

Grade Level Alternative

- Cannot use excludable credits in determining grade level
- Example: 15 AP credits + 15 earned credits
School considers student a sophomore
For ACG, student is still a freshman
For Stafford loan, second year limits

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Academic Year Progression

Grade Level Alternative

- Two conditions for use in program of study:
 - For each grade level, students must complete at least credits for prior academic years
 - Most full-time students typically attend at least weeks in AY while completing grade level

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Academic Year Progression

Grade Level Alternative

- Example: If AY = 30 credits, 30 weeks
 - At least 30 credits must be required to progress to next grade level (30 = sophomore, 60 = junior, 90 = senior)
 - Can vary as long as all are at least equal to AY definition

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Academic Year Progression

Grade Level Alternative

- At least 2/3 of full-time full-year students must complete at least the weeks in AY while completing each grade level
- Three most recently completed award years prior to the award year immediately preceding the award year for which the determination is made

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Academic Year Progression

Grade Level Alternative

- Determination for 2008-09
Immediately preceding award year: 2007-08
Three years prior: 2006-07, 2005-06, and 2004-05
- Can determine for individual program of study or on institutional basis (i.e., all ACG- and SMART-eligible programs)

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Academic Year Progression

Grade Level Alternative

- For transfer student coming into program using grade-level alternative:
 - Do not use Transfer Method
 - Include accepted transfer credits in grade level determination
 - Excluded credits cannot be used in grade level determination

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Academic Year Progression

Grade Level Alternative

- Example A: 33 accepted credits, student is a sophomore
- Example B: 6 credits from certificate program, 27 credits from ACG-eligible program, student is still a freshman for ACG

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Academic Year Progression

Tony

- First year at Far Away: 30 semester credits, 30 weeks
- Summer at Hometown: 6 quarter credits
- 6 quarter credits = 4 semester credits
(4 x 30) ÷ 30 = 4 weeks

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Academic Year Progression

No credits earned for an attempted term

- Credits-Earned Alternative: no credits = no weeks
- Grade-Level Alternative: no credits = no change in grade level
- Exact Accounting or Terms-Attended
 - all courses failed: weeks accrued
 - withdrawal from term: no weeks accrued

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Academic Year Progression

Incomplete: no weeks until converted to grade

- If passing grade, weeks earned
- If failing grade, weeks earned for Exact Accounting Method or Terms-Attended Alternative

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Academic Year Progression

Restrictions

- Currently, no paying backwards: student cannot be paid at an academic year grant level lower than highest level payment already received
- Example: Student received partial ACG-1 and partial ACG-2, then transfers and is considered first year: no more ACG-1

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Academic Year Progression

Restrictions

- New rules: Student transferring to a **new** school **can** receive any remaining eligibility at transfer academic year level
- Student reclassified at **same** school (e.g. changes program of study) **cannot** be paid at lower classification

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Academic Year Progression

Naomi

- \$500 (of \$750 Scheduled Award) ACG-1 and part of ACG-2 at Hometown
- Transfers to Far Away, classified first year
- She can receive \$250 ACG-1
- Upon progression to second year she can have balance of ACG-2

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Academic Year Progression

Lenny

- Part of ACG-1 and part of ACG-2 at Hometown in associate degree program
- Transfers to baccalaureate program at Hometown, reclassified as first year
- Cannot be paid any more ACG-1

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Academic Year Progression

Sarah

- Current assumption method: weeks are assigned to any credits applied to degree
- Received \$375 of ACG-1 and \$650 of ACG-2
- Under new credits-earned alternative, no weeks for AP or credit earned while not a regular student
- Reclassified as first-year, no more ACG-1 allowed

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Academic Year Progression

Simultaneous Attendance

- No written agreement
 - Jim takes 6 credits at School A and 6 credits at School B during same time period
 - School A accepts B's 6 credits and applies Transfer Method
 - Weeks from transfer credits are added to weeks attended at School A

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Academic Year Progression

Simultaneous Attendance

- Written agreement exists between home School A and host School B
- School A processes aid
- Ethel earns 6 credits at each school. Weeks are earned as if she earned all 12 credits from School A.

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Academic Year Progression

Simultaneous Attendance

- Written agreement exists between home School A and host School B
- School A processes aid
- Peter takes all 12 credits at School B
- Weeks are earned as if taken at School A

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Academic Year Progression


Simultaneous Attendance

- Written agreement exists between home School A and host School B
- School B processes aid
- School A treats any credits earned at School B under the Transfer Method

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Discussion and Q & A



Your Questions, Please!

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