

Questions & Answers From the ACG/SMART Webinar Presented December 13, 2007

Thank you for participating in the ACG/SMART Webinar. Many of you submitted excellent questions during the event, which we have researched extensively to develop this list of 79 Q&As. We hope that the Webinar and these Q&As will help you to better understand how to administer these programs.

For the Q&As that follow, bear in mind that an institution must define a Title IV academic year for each Title IV-eligible program of study it offers. Under 668.3, that definition for an undergraduate program offered in credit hours must include two components, each of which must meet a regulatory minimum, as follows:

- *a credit hour component consisting of at least 24 semester credit hours, 24 trimester credit hours, or 36 quarter credit hours; and*
- *a weeks component consisting of at least 30 weeks of instruction.*

*There is a combined total of four grant levels in the ACG and SMART Grant programs. An eligible undergraduate student may receive one ACG award of up to \$750 for his or her first academic year of study (ACG-1), one ACG award of up to \$1,300 for his or her second academic year of study (ACG-2), and one SMART Grant award of up to \$4,000 for each of his or her third and fourth academic years of study (SMART-3 and SMART-4). The actual grant award is subject to the student's demonstrated need. In order to determine the grant level from which a student may be paid, the school must determine the student's Title IV academic year classification according to the number of credits the student's current institution has awarded (including transfer credits) **and** number of weeks of instruction that those credits represent. Once the student has accrued enough credits **and** enough weeks to satisfy a particular academic year classification, any remaining funds from the corresponding grant level are lost and the student moves into consideration for funds from the next grant level.*

These questions were received by NASFAA in response to a Webinar broadcast on December 13, 2007 and the answers represent NASFAA's understanding. They have not been reviewed by the Department of Education. The handouts, including PowerPoint slides, from that webinar may be accessed at: http://www.nasfaa.org/redesign/WebinarCenter/Webinar_12_13_07.asp.

Progression

- 1. If a student has completed 36 credit hours at the end of the Winter Quarter, do we switch over to the ACG 2nd year for the Spring Quarter if they are eligible based on the 3.0 GPA?**

If the student has also met the weeks component of the academic year (AY) definition, the student would no longer be eligible for ACG-1 but could begin to receive ACG-2 (assuming your AY definition uses 36 for the credit component). As you mentioned, the student must have earned a cumulative 3.0 GPA at the end of the first academic year (at the end of winter quarter in your example) in order to be eligible for ACG-2.

- 2. Regarding academic year, if a student was admitted in Fall 2006 and attended part time for the 06/07 academic year, then in the 2007/08 academic year is fulltime and otherwise eligible for ACG, did the student use/lose his or her “Year 1” eligibility, and now must be considered for Year 2?**

With regard to the student’s progression for the purpose of determining grant level, “academic year” refers only to the student’s accumulation of credits and weeks of instruction and how those totals compare to the Title IV academic year as defined by the institution in accordance with 668.3. The school’s academic calendar, or school year (e.g., fall + spring semesters, or fall + winter + spring quarters) does not control the student’s progression. A student has to accrue the number of credits and number of weeks in the Title IV academic year in order to progress from ACG-1 to ACG-2, regardless of how many terms that takes and regardless of what the student’s enrollment status was while earning the credits or accruing the weeks. The student remains eligible for ACG-1 until accruing the required number of both credits and weeks (or until exhausting the dollar amount of the maximum ACG-1, whichever comes first). Upon completing one academic year in both credits and weeks, the student moves into consideration for ACG-2, regardless of when in the award year that occurs because grant maximums are not restricted to a given award year.

In your example, the student is probably not eligible for ACG-2, since part-time attendance for one school year would not have resulted in the accrual of sufficient credits to fulfill the credit hour component of the Title IV academic year definition, unless he or she has credits from other sources, such as Advanced Placement exams or transferred coursework. If the student does in fact have credits from other sources and both the total credits counted toward the current degree program and the number of weeks attended each at least equal the corresponding credit and week components of the academic year definition, then the student is no longer eligible for ACG-1 regardless of whether he or she ever received any ACG-1 funds.

- 3. Can a student get a SMART Grant if he or she has earned over 130 credits, if that is what we require for graduation?**

If the school has determined that the student has completed all graduation requirements (e.g., all distribution and major requirements), the student would not be eligible for any additional Title IV aid. If that has not occurred, the student could still be eligible for SMART Grant funds only if (1) he or she has not received a full fourth-year SMART award (currently \$4,000), and (2) he or she has not also attended 4 times the number of weeks of instruction in the Title IV academic year as defined for the student’s program of study. Once the student has completed four Title IV academic years in both credits and weeks, he or she is no longer eligible for SMART Grant funds. For example, if the school defines the academic year

for the student's program of study as 30 credits and 30 weeks, the student loses SMART Grant eligibility upon accruing $4 \times 30 = 120$ credits *and* $4 \times 30 = 120$ weeks. A student who has accrued 120 credits but has only attended 105 weeks is still eligible. A student who has attended 120 weeks but accrued only 105 credits is also still eligible; the student moves out of a given academic year classification only when *both* components of the definition exceed four years' worth.

- 4. If a student has reached the minimum number of units required for graduation, but has not yet completed other requirements for graduation (e.g. major requirements, general ed requirements), and the student is still class 4 by the weeks measure, and the student meets all other SMART eligibility requirements, can we award SMART?**

Yes, if the student has not yet exhausted the \$4,000 fourth-year grant limit.

But remember that under the new regulations, a student is no longer eligible for a SMART Grant once he or she has completed both 4 years in credits and 4 years in weeks of instruction, regardless of whether he or she has completed graduation requirements or even the minimum number of credits in the program. See Q-3 above and Q-5 below.

- 5. Is it correct that for 2008-09 and forward, the 4th academic year ends once the student meets both the credit and weeks of instruction as defined by the school's academic year definition (e.g. 120 credits and 120 weeks), even if the student's program of study requires more than 120 credits and the student would be otherwise eligible for a 4th year SMART Grant?**

Yes, that is correct: a student who has accrued four years worth of both credits and weeks as the academic year is defined by the institution for his program of study is no longer eligible for any SMART Grant payments. Under the new regulations, this is true regardless of whether the student has completed graduation requirements. If the program requires more than 120 credits, a student following a traditional enrollment pattern of 30 credits per year would need part or all of a fifth year to complete the program, and there are no 5th-year SMART Grants under current law.

- 6. If a student takes 16 credits at one college while enrolled in high school, and is accepted into a different college after graduation from high school, do the 16 credits count toward their academic year classification? For example, if they received a first year ACG for fall, completed 16 credits that fall, do they move to an ACG2 level grant or because the first 16 credits were taken while in high school, are they not counted?**

If the college at which the student is now attending accepted those 16 credits towards the student's degree program, the credits would count in the credit component of the academic year definition; so, as the student enters the school for his first term, he has 16 credits towards the credit component. Whether there would be weeks to count in the weeks component depends on whether the student was a regular student in an eligible program at the school from which he earned the 16 credits. If he was not (as is most likely since he was still enrolled in high school at the time), there are no weeks associated with those credits; so, as he enters his first term at his current school, he has 16 credits but 0 weeks. At the end of his first term in your example, he now has 32 credits but only however many weeks are associated with that first term of attendance (the number of weeks begin dependent on what method you use to track weeks), so he has not completed both components of one academic year and cannot yet receive ACG-2. He could, however, receive the remaining portion of the ACG-1 for his next term of attendance.

7. Is it possible for a student to receive an ACG 1 grant in the fall and an ACG 2 grant in the spring?

Yes, if the student has attended enough weeks as well as earned enough credits, and has the requisite 3.0 GPA. For example, a student may have attended part-time for two or more terms before receiving the first ACG payment, and as a result the fall term at full-time attendance completes the student's first academic year in both credits and weeks of instruction. Upon completion of one academic year, the student moves into the next regardless of whether that occurs at the end of a school year, at mid-year, or at the end of a summer term.

Would this student be eligible for year 2 the following fall if his or her GPA is above 3.0?

Yes, the student would continue to be eligible for ACG-2 funds (up to the maximum amount of \$1,300) until he or she has accrued enough credits and weeks to be classified as year 3. The GPA is not recalculated for ACG-2 purposes (unless there has been a grade change or an incomplete has been changed to a grade); the GPA at the end of the student's first academic year (as measured in both credits and weeks) determines eligibility for the entire year 2 grant.

8. In determining second year ACG eligibility, let's say the student does not have the required units by the beginning of the Fall semester, but does have the required units accumulated by the end of the Fall semester, can the school, then, award the student a 2nd year ACG? Or, is this a one-shot deal determined in the beginning of the Fall term?

Progression (and therefore the student's grant level) is determined on a term-by-term basis. A student can progress to a new grant level after any term in the award year upon accumulating the necessary number of units (credit or clock hours) and weeks. A student could get ACG-1 in the fall and ACG-2 in the spring (see Q-6 above).

9. A student receives the ACG (1st year) but at the end of the year is still a freshman. If at the end of the first semester, second year, the student is now a sophomore, can he or she receive the ACG (2nd year) for the spring and the following fall?

Yes, assuming you are using the grade-level alternative and none of the credits that make the student a sophomore are excludable (for example, AP credits would be excludable). Remember, academic year for Title IV purposes does not necessarily equate to the student's class standing (freshman, sophomore, etc.)—see the italicized introduction to these Q&As.

Of course the student must also have the required 3.0 GPA at the end of his or her first Title IV academic year in order to receive any ACG-2 funds.

Note that if the student requests an exact accounting for that following fall, you must use the exact accounting results rather than apply the grade level alternative, and the student's grant level classification could change. For example, suppose that for Title IV purposes you define the academic year for a student's program of study as 24 credits and 30 weeks, but 30 credits are required by your registrar to advance to each new grade level (i.e., class standing). At the end of the 2008-09 year (fall + spring semesters), she has earned 21 credits over 30 weeks and is therefore still a freshman. She earns 16 credits in Fall 2009,

giving her a total of 37 credits earned over 45 weeks, and we will assume she has a 3.0 GPA at the end of Fall 2009 (which is the term in which she concluded her first Title IV academic year). She is now a sophomore, and receives her first ACG-2 payment for Spring 2010. During Spring she earns another 16 credits, so at the end of Spring 2010 she has earned 53 credits and attended 60 weeks. She is still a sophomore according to your registrar and under the grade level alternative she would get another payment from the ACG-2 grant. But if she now requests an exact accounting, she is past her second year (her second year consists of 48 credits and 60 weeks, two times the values in your Title IV academic year definition) and is therefore no longer eligible for ACG-2. If she is otherwise eligible, including being in pursuit of an eligible major and still having at least a 3.0 GPA, she could receive a SMART Grant.

10. A brand new freshman coming to the school in the Fall semester, with 32 AP units, would this student be considered ACG 1 or ACG 2? If considered ACG 1, then would the school weed out the 32 AP units when it is time to determine ACG 2?

Under the new rules, this student must still be considered ACG-1 because there are no weeks associated with AP credits under any method of tracking progression. The student will not be considered ACG-2 until he has attended for the number of weeks in your academic year definition (at least 30 for credit-hour programs). You continue to count the AP credits in the credit component of the student’s academic year classification, but you never associate weeks with them. If this student were to attend part-time for a couple of terms or take a few credits in the summers, his week count could eventually catch up with his credits, so you cannot simply discount the credits that carry no weeks. For example, let us assume your academic year definition is 30 credits and 30 weeks. The student in your question starts Fall 2008 with 32 credits and 0 weeks in his first term of attendance. Let’s say he attends full-time (15 credits each term) for his first year, but then goes to part-time attendance for the summer and the next several terms. If you use the terms-attended alternative (under which every term of attendance equates to half the academic year—i.e., 15 weeks), his progression might look like this:

Term	Credits Upon Entering Term	<i>Credits Earned During Term</i>	Weeks Upon Entering Term	Grant Level for Term
Fall 2008	32	15	0	ACG-1
Spring 2009	47	15	15	ACG-1
Summer 2009	62	6	30	ACG-2 *
Fall 2009	68	6	45	ACG-2 *
Spring 2010	74	6	60	SMART-3 *
Summer 2010	80	6	75	SMART-3 *
Fall 2010	86	15	90	SMART-3
Spring 2011	101	15	105	SMART-4
Summer 2011	116	6	120	SMART-4 *

* The student will not actually receive grant funds if he is not enrolled full-time. The part-time enrollment will nevertheless count towards completing academic year classifications.

At first, the student's total number of weeks is the determining factor for grant level classification. For example, for Spring 2009, the student has a total of 47 credits but only 15 weeks of attendance: even though the number of credits is sufficient to promote the student to level ACG-2, the number of weeks holds him back to level ACG-1. By Fall 2010, however, the credit total becomes the determining factor: he has sufficient weeks accrued to promote him to level SMART-4, but the number of credits he has accrued holds him back to level SMART-3. Of course, he must pursue an eligible major and maintain at least a 3.0 GPA to receive SMART Grant funds.

Note that if you use the grade-level alternative, you would exclude the AP credits to determine the student's class standing for ACG/SMART Grant progression purposes.

11. Can a student receive ACG-1 and ACG-2 in one academic year, progressing from freshmen level after fall semester to sophomore level spring?

Yes, progression can occur at any point during the award year if the student has accrued both the credits and weeks necessary to move to the next grant level. Remember, however, that certain credits do not carry weeks, so it is doubtful that a student who is a first-time freshman could qualify for a second-year grant after just one semester: even if he or she has sufficient credits, the week count would not suffice. See Q-5 and Q-6.

12. So if a student takes 30 credit hours as a high school student in the postsecondary program, we would give him first year ACG or would he go right into the ACG-2?

If the student was not a regular student at the postsecondary institution when he took the postsecondary coursework while in high school, you cannot assign weeks to those credits, so although the student has 30 credit hours upon entry to your program, he would not have any weeks. Therefore, the student would still be in his first Title IV academic year.

13. If a student completes remedial courses the first year and receives ACG-1, the next year they do not meet progression requirements for ACG-2. However, the third year, if the student now meets progression requirements for ACG-2, may we award it?

Yes. Progression does not necessarily follow enrollment patterns. Since credits and weeks from coursework that is below the postsecondary level may not be counted towards progression for ACG/SMART purposes, a student who has remedial courses may well have a delayed progression pattern.

14. For SMART - in the current rules it states that you don't have to exclude AP, IB, testing out, etc., credits for determining weeks but would it be a finding/error if a school did exclude those credits from determining weeks?

For 2006-07 and 2007-08, ED allowed schools to assign weeks to those credits under the assumption method described in Dear Colleague Letter GEN-06-18. That guidance provided relief to institutions with certain programs of study from the more stringent actual count method. Under the current actual count approach, also described in GEN-06-18, you must exclude those credits when determining weeks. So if you followed the actual count method, you would have been correct to exclude those types of credits from the determination of weeks. However, it would be *incorrect* under the DCL guidance to use the assumption method to assign weeks to the remaining credits after excluding the AP, IB, etc., credits; if you exclude the credits you must examine the student's enrollment records and count up all the weeks that the student actually attended.

For transfer students, you can use the assumption method for those credits that were transferred in, and then apply the actual count approach to determine how many weeks are associated with the credits earned at your school.

The fact that it's been confusing is acknowledged in the Secretary of Education's promise in GEN-06-18 to be understanding when reviewing an institution's good faith efforts to start up these programs!

15. Can we still assume weeks or do have to use track AY progression using one of these 5 methods on slide 28?

Upon implementation of the new regulations, you must use only the new methods described in the October 29, 2007, final rules (listed on slide 28). The Dear Colleague Letter (DCL) guidance that allowed assumption of weeks based on an accrual of credits regardless of the source of the credits will no longer be allowed. You must implement the new rules no later than July 1, 2008, but you may do so earlier. Upon implementing the new rules, the DCL guidance is superseded.

16. Is a student required to complete his or her first year in a minimum number of semesters (e.g. student attends less than full-time during the first year)?

No, a student who attends part-time is not eligible for ACG or SMART Grant payments but the credits earned and weeks attended count towards the student's academic year classification. Thus, if the student subsequently enrolls full-time, he may have moved past a given year's grant eligibility. For example, a student attends part-time for 4 semesters in a program for which the academic year is defined as 24 credits and 30 weeks. During those 4 terms he earns a total of 24 credits with a 3.0 GPA and attends 60 weeks. The student then enrolls full-time; because he has completed the first academic year, he is no longer eligible for ACG-1, but he can receive ACG-2.

A student in the same program of study who had attended part-time for only 2 semesters before enrolling full-time would still be in her first year and could receive ACG-1. For example, a student earns 12 credits over 2 semesters, having attended for 30 weeks, and then enrolls full-time for her third semester. She is still in her first Title IV academic year since she has not yet earned 24 credits, and receives half of the ACG-1 award. At the end of that semester, she has earned 24 credits and has attended 45 weeks. She is now finished with her first year and cannot receive any more ACG-1 funds. If she has at least a 3.0 GPA, however, she could receive an ACG-2 payment for her fourth semester.

Under the new rules, a student who transfers might regain eligibility for unused grant funds; the student's classification is based on attendance in ACG-eligible or SMART-eligible programs at the student's current institution. The student in the example above attended part-time for 2 semesters and then full-time for one semester, at the end of which she had completed her first Title IV academic year and was no longer eligible for ACG-1 funds. Suppose she transferred to another institution at the end of that third semester, and the new school either did not accept all of her credits or used a definition of academic year that requires more than 24 credits. At her new school, she is still in her first year and can therefore continue to receive ACG-1 funds.

17. For year progression of ACG, does the student have to complete the credits AND weeks to progress to the next year? What happens if they are over in weeks but not credits? If AY is defined as 24 credits and 30 weeks and student completes 25 credits but only 15 weeks, does he progress to ACG 2 or not?

Both components must be met. The student in your example is still first year since the weeks component has not yet been satisfied. See Q-9 and Q-15.

18. Can you clarify Slide 27 regarding the 2 year programs acceptable for ACG?

Under 691.2, an eligible program is defined as one that: “For purposes of the ACG Program, leads to an associate’s degree or a bachelor’s degree; is a two-academic-year program acceptable for full credit toward a bachelor’s degree; or is a graduate degree program that includes at least 3 academic years of undergraduate education.” You have long dealt with two-year programs in terms of the basic eligible program definitions under 668.8; for example, under 668.8(c), the general definition of an eligible program at an institution of higher education includes “at least a two-academic-year program that is acceptable for full credit toward a bachelor’s degree.” Whatever guidelines you have used in the past to identify those programs would also apply for ACG purposes.

It should be noted, however, that the regulations under 668.8(k) regarding clock/credit conversion rules are somewhat different and more specialized in purpose, and so do not necessarily apply to the more general eligible program definition.

19. How can the student who is a graduate and has completed 3 years of undergraduate program still be eligible for ACG? See slide 27.

Slide 27 lists the programs that are eligible for ACG/SMART Grant purposes, but remember the student must still be eligible and only undergraduates are eligible. This, a student in a graduate program is eligible for ACG/SMART only during the years in which he or is considered to be an undergraduate. The slide would have been clearer if it had said “2-year *program*” and “graduate *program* with 3+ years undergraduate *study*” —the slide is describing eligible programs not eligible students. Sorry for the confusion!

20. Slide 33...does this apply even if summer is not part of your academic year definition?

Yes. Remember, the Title IV academic year definition consists only of credits and weeks of instruction, and is independent of how you define your school year or academic calendar.

21. Is it allowable to use the transfer method to calculate weeks if the school is non-standard term? Or is the exact accounting method the only option?

All schools must use the transfer method for incoming transfer students to assess academic year classification for the first payment period, regardless of the type of program the student is entering. Thereafter, for a non-standard term program you must use exact accounting.

22. If we decide to use the exact accounting method do we have to use the transfer method for transfer students?

Yes, all schools must use the transfer method for incoming transfer students to assess academic year classification for the first payment period. Thereafter, for a standard term program you may choose to use exact accounting.

23. Starting in 2008-09, once an exact accounting of weeks of enrollment has been performed on a student for ACG/SMART grant purposes, the school must continue to perform an exact accounting for all subsequent terms; it cannot use any of the estimation methods. Is the regulation retroactive? For example, if a school performed an exact accounting of weeks in 2007-08 is it required to continue to perform an exact accounting for that student in 2008-09?

The regulations are not retroactive; and the requirements to always perform an exact accounting once it is initially used for a student, apply only for award years beginning on or after July 1, 2008. However, it may be, as is the case with the implementation of the other provisions on academic year progression, a change in accounting for the student's academic year may result in shifts in the student's eligibility.

24. On AY progression, for the exact accounting method, do we count transfer credits which we have accepted from other colleges?

Yes. Once you have used the transfer method to determine how many weeks the accepted credits represent, you carry both those credits and weeks forward to subsequent academic year classification determinations. For example, you accept 30 credits in transfer, and your academic year definition is 30 credits and 30 weeks. Applying the transfer formula, you find that the 30 transfer credits equate to 30 weeks. You will add 30 credits and 30 weeks to the totals that the student accrues at your school. So if the student earns 12 credits over a 16-week fall semester in his first term of attendance at your school, his total going into spring term will be 42 credits and 46 weeks.

25. If our institution defines 32 credit hours as a second year student, do we also have to count the number of weeks that they have completed at the institution to determine 2nd year status?

We assume you mean that a student has to earn 32 credits to be regarded as a sophomore. You did not indicate how you define your Title IV academic year; you must always measure a student's progression in both credits and weeks of instruction. However, the regulations allow different methods for determining weeks. Let's say you use 30 weeks of instruction for purposes of this question. If you have elected to use the grade-level alternative (and you meet the caveats for its use), you may assume that the student has completed 30 weeks of instruction for each increment of 32 credits he or she earns (provided you use no more than 32 credits as the credit component of your academic year definition). You must exclude credits from AP, IB, testing out, etc., from the student's credit count when determining his or her grade level for ACG and SMART purposes.

26. Can we use the terms-attended alternative if we have two 3-week mini sessions offering 3 credits each?

We assume you are describing your summer session, not your regular fall through spring terms. In order to use the terms-attended alternative, you must offer a single summer term that provides at least 12 semester, trimester, or quarter hours of coursework and you calculate payments under formula 1. You can combine mini sessions into a single term, but if you only offer 3 credits in each session that would total 6, not 12.

If you are describing your regular terms, you'd be non-standard term and not eligible to use any alternatives to exact accounting.

27. If a student withdraws at some point during a semester, how does that impact determination of the student's weeks of instruction under exact accounting and under each of the alternative methods?

Unless the student earns credits or clock hours for a payment period, no weeks of instructional time are considered to have been earned. For a term-based program, if a student earns credits for the term in a compressed course, the student is considered to have earned all of the weeks of instructional time in the term. For a nonterm program, if a student earns credits for the payment period in a compressed course but does not complete the weeks of instructional time of the payment period, the student only earns the weeks of instructional time actually attended for the completed courses.

28. Why do the examples you are using show 9 credits when 12 credits is full time and funding can only be received if student is full-time?

The examples illustrate progression based on the number of credits a student has earned and the number of weeks the student has attended, regardless of whether he or she actually received a grant during the period in which the credits were earned or the weeks were attended. The same is true if a student enrolls full-time but does not earn all of the credits undertaken. When you assess a student's progression at the beginning of a payment period, you are determining the grant level from which funds could be paid *if* the student is otherwise eligible. Some of the examples might show a student who did in fact attend part-time (for which no grant may actually be paid but the eligibility clock is nevertheless ticking) and others could show a student who enrolled full-time but did not earn all of those credits.

29. Can you please repeat the information on students who took coursework while still in high school?

There are two issues associated with students who take coursework while still in high school:

(1) eligibility for an ACG-1 award; and (2) determination of the student's academic year classification for any grant level.

(1) A student who earned postsecondary credit while in high school is ineligible for ACG-1 if he or she:

- was enrolled as a regular student in an ACG-eligible program **and**
- was not above the age of compulsory attendance at the time.

(2) For purposes of progression, postsecondary credit earned while a student was still in high school but *not* a regular student in an ACG-eligible program is counted in the credit component of the academic year definition if it is accepted by the institution as transfer credit and applied to the student's degree program, but there are no weeks associated with those credits when determining the weeks of instruction that the student has accrued for the weeks component of the academic year definition.

30. If a student attends as a non-degree seeking student, those credits would be excluded from the credit alternative, since they were not taken in an ACG-eligible program. But would the term be excluded under the terms-attended alternative approach?

If you mean the student is taking courses in an eligible program but is not admitted for the purpose of pursuing the degree, then the disqualifying factor for the student you describe is that he or she was not a regular student; the courses may have been part of an ACG-eligible program or not. If you mean the student was a regular student (i.e., seeking the credential awarded upon completion of the program) in a non-degree program (e.g., a certificate program), then the student is not in an ACG-eligible program. Section 691.6(d)(2) provides a general prohibition against assigning weeks to any credits that were not earned while a regular student in an ACG-eligible program regardless of the nature of the program the courses belonged to, including a prohibition on weeks being assigned to credits earned while a regular student but not in an ACG-eligible program. Whether the student was in a non-eligible program or was not a regular student seeking a degree (also termed “non-matriculated” at some schools), *all* of the credits earned would carry no weeks and so the term is not counted in the terms-attended alternative if the student were subsequently admitted as a regular student to that same program (in the case of an ACG-eligible program) or transferred into an ACG-eligible program at that same institution. The same determinations would apply to a National SMART Grant.

If this student had taken the credits as a non-degree seeking student at another school and has transferred to your school, the terms-attended alternative is not an option for calculating weeks associated with the credits accepted for transfer. Only the transfer method may be used to classify the student for his or first payment period. Thereafter, you could use the terms-attended alternative for the student’s enrollment periods spent at your institution; you would add the results of that determination to the weeks determined under the transfer method. The prohibition on weeks also applies to credits accepted on transfer. If the institution *is aware* that the credits were earned while not enrolled in an ACG-eligible program or are, for example, AP credits, there are no weeks. *However*, unless the institution has information that the credits were earned while not enrolled in an ACG-eligible program or are, for example, AP credits, the institution can assume the credits were earned in an ACG-eligible program and have weeks.

31. If a student is allowed to transfer in additional credits after ACG has been disbursed (through an appeal, additional documentation, or other reason), can the additional credits make the student retroactively ineligible and necessitate cancellation of the award? What if the additional credit is not transferred in and added to the record until after the award year the student received ACG?

ED has said that you award ACG and SMART based on what you (that is, the institution) know at the time. If the student’s academic year classification changes subsequently, you would use that determination going forward from that point.

For example, the student’s classification is revised to ACG-2 instead of ACG-1 and she does not have at least a 3.0 GPA. Or, a revision might cause a student’s classification to change from second year to third year and the student is not SMART-eligible. In either case, the student would not be eligible for any more payments after the reclassification, but you would not have to take away the funds you already paid.

32. Can the Grade Level Alternative be used for transfers?

Yes. For transfer students, you use the credits accepted for transfer to determine the student's grade level and that grade level then determines the student's grant level. Note that you must meet the additional caveats described in the regulation to be eligible to use the grade-level alternative.

33. When you refer to AP credits, do you mean only the credits for which the student passed the AP test? We have a number of students who take college-level courses while in high school. They are not admitted as a degree-seeking student, but they may enter with thirty credits and be considered a sophomore. Would these students be eligible with the grade level alternative formula?

Any credit awarded to a student for coursework taken while in high school and *not* as a regular student in an ACG-eligible program cannot be counted when determining the student's class standing under the grade level alternative. It is our understanding that you can still use the grade level alternative for students in that program of study, but the student's class standing (freshman, sophomore, etc.) for ACG purposes may not be the same as that used by your registrar for other academic purposes. So, your student who enters with 30 credits that you have granted on the basis of AP coursework or AP exams or any other type of advanced college-level work that does not involve the student being admitted as a regular (degree-seeking) student at a postsecondary institution must be considered a freshman for ACG purposes. Once that student has earned 30 credits (assuming that is what is needed to advance in grade level) from coursework taken in an ACG-eligible program at your institution, he or she would be a sophomore even though the registrar considers the student a junior with 60 credits.

34. We are using formula 3. Please repeat what do we do if the student was admitted to our community college as a high school student and he is beyond compulsory age, therefore, he could have been admitted as regular student

If the student took courses from your school while still in high school, you will know from your own records whether he had been admitted as a regular student at the time; you should not be making assumptions for that student because any records at the institution are considered knowledge that the aid office has access to and should in fact know about. For example, Bill decided to take courses at your community college while still enrolled as a senior in high school through an agreement that you have with his high school that allows that college coursework to count towards his high school diploma. Under the agreement, you did not admit him as a regular student even though he was beyond the age of compulsory attendance. He then graduates from high school and enrolls as a regular student with you. You know that even though he was beyond the age of compulsory attendance as a high school senior, he was not a regular student with you. Therefore any credits he earned do not carry weeks of instruction. You count the credits in the credit component of the academic year definition for Bill, but you start with 0 weeks of instruction as he enters his first payment period at your school as a regular student.

[Note that if you had admitted Bill as a regular student, he would not have been eligible for Title IV aid during any period of simultaneous enrollment in both high school and a postsecondary institution.]

Now suppose a different student, Jane, is from another city and earned credit from a college near her hometown. She enrolls with you upon completing high school. You know that she

was beyond the age of compulsory attendance while she earned the credit at her hometown college and so you may assume that she was a regular student at that other college, as long as you have no conflicting information to indicate otherwise. You would therefore use the transfer method to determine the weeks of instruction that are associated with the credits you accept for transfer toward the degree she is pursuing at your school.

For both Bill and Jane, you must use the exact accounting method to track their accumulations of credits and weeks at your school since you do not use formula 1 or 2.

35. Where are the NASFAA case studies located?

http://www.nasfaa.org/redesign/WebinarCenter/Webinar_12_13_07.asp

36. What presentation on IFAP can we find more case studies attached to?

<http://www.ifap.ed.gov/presentations/attachments/Session1007.ppt>

37. If you have a transfer student that you have calculated weeks on for Fall using the transfer method, and the institution is using the terms attended method, would you add 1/2 the AY to the weeks calculated on the transfer method to determine weeks for Spring term?

Yes, assuming that (1) you use formula 1 to calculate payments, (2) you divide the award into two payments (fall and spring terms), and (3) your program is in semesters or trimesters.

38. If Far Away uses the Grade Level alternative, do you still have to use the Transfer method for the credits earned in the summer at Hometown, sandwiched in between terms at Far Away?

For the grade level alternative, you use any transfer credits you accept towards the student's current degree to determine the student's class standing (i.e., grade level). For all other methods of tracking the student's progress at your school, you use the transfer method to determine the weeks associated with transfer credits regardless of when the credits were earned.

39. In the previous charts from past webinars used for AY progression, they show for the 24 semester credit example a 1st year is defined as 1 thru 24 credits. The current case study shows charts as 0 through 23. Which one is accurate?

If the credits component of the Title IV academic year is defined as 24, a student completing (i.e., enrolled for) credits 1 through 24 is in his first year. Once the student has completed 24 credits, he is no longer in his first year. So if the student is beginning a new term with 23 credits accrued, he is still in his first year because he is one credit shy of a full academic year's worth of credits. If he is beginning a new term with 24 credits accrued, he is in his second academic year (assuming the weeks component is also met). If you look at it from the point of view of what credits is he taking during the current term, if his course load includes his 24th credit, he is still in his first year during that term.

40. If reauthorization goes through with the proposed legislation of changing Academic Year definition, would that change all of these method options we currently have for 7/1/08? Would all of this become void?

Sure. Note that what has been proposed would affect only the ACG/SMART programs, not the academic year definition for any other Title IV purpose.

41. Under semesters where summer is a trailer, it appears that GPA is reviewed at the end of the spring semester. Yet, academic year progression looks like we need to review credits/weeks at the end of summer. Is this correct?

For academic year progression you need to review the student's accumulation of credits and weeks each time the student starts a new payment period, regardless of which term it is. For second year ACG, you calculate the GPA at the end of whatever payment period the student needed to complete the first academic year in both credits and weeks. For SMART Grant, you must review the student's GPA each time the student starts a new payment period, and that GPA must be calculated through the most recent payment period (term) that the student attended: summer is treated the same as any other term attended.

42. If a student changes his or her program from a certificate program to an associate program at the same school are credits not counted that were earned as part of that certificate program?

Any credits that you transfer into the associate program, even if they were earned in a certificate program, are counted in the credits component of the academic year definition. However, no weeks are assigned to credits that you know (i.e., your school knows) were earned in a non-ACG-eligible program (such as a certificate program).

43. Can you clarify slide 43 more with an example for a school that has 30 weeks in an award year and 24 hours as completion of an award year? How would we establish the 2/3 rule?

The regulation sets, as a condition for using the grade level alternative, a requirement that at least two-thirds of the full-time, full-year students complete at least the weeks of instructional time of an academic year while completing each grade level during the three most recently completed award years prior to the award year immediately preceding the award year for which the determination is made.

In the preamble to the Notice of Proposed Rulemaking (NPRM), ED explained that an institution would qualify to use the grade-level alternative "by establishing that at least two-thirds of the full-time students in the program are completing at least the weeks of instructional time in the academic year for each grade level completed. Thus, under this alternative method, a student who completes a grade level at the institution is considered to have completed the academic years through that grade level in weeks of instructional time as long as the student has also earned at least the minimum number of credit hours for the academic year. For example, consider an eligible program with two semesters with 15 weeks of instructional time in each term and a summer term of 12 weeks of instructional time that has an academic year of 24 semester hours and 30 weeks of instructional time. The institution considers a student in this eligible program to advance in grade level after earning 30 semester hours. Thus, under the 'grade-level' alternative method, a student who has earned 60 credit hours would be classified as a junior in a National SMART Grant eligible program. As a junior, the student would be considered to have completed the weeks

of instructional time of the first and second academic years because the student also would have met the credit hour requirement at the institution by earning 60 semester hours, which is more than the minimum number of credit hours required for two academic years (in this example, the minimum credit hours would be 48 semester hours).”

44. What happens to the students we have “assumed” weeks for credits transferred in for these first 2 years and now we are to use actual weeks for calculations going forward?

Under the new regulations, weeks associated with transfer credits are always assumed (except for the exclusions such as credits taken in a non-ACG-eligible program or while not a regular student); the new transfer method uses the same formula as the old assumption method did. What does change for transfer calculations is that you must exclude weeks associated with certain types of credits when you apply the transfer formula, *if* you know there are credits that fall under the exclusions. For example, suppose you accept 30 transfer credits from a student’s prior school into the student’s new program at your school, and your school has no indication what type of program the credits were earned in. You are allowed to assume that the student’s previous program was ACG-eligible, and so you would apply the transfer formula to determine how many weeks are to be associated with those 30 transfer credits. However, if your school does know that the program from which the student transferred was a certificate or other non-ACG-eligible program, you may not associate any weeks with those credits. Either way, the credits count in the credit component of the academic year classification for that student, but whether there are weeks depends on what you know or can assume about how the credits were earned.

45. You made a statement that schools defining full time for summer as less than 12 hours must be formula 3. At the ED seminar in San Diego a couple of weeks ago, they specifically said that you could still be formula 1 if your summer is defined as less than 12 hours but summer school is not required (students have the option to attend in the summer if they wish, but no majors require summer attendance). Is this correct?

No, there was apparently some misunderstanding. We have checked with ED: it does not matter whether summer is required or optional, you must use at least 12 credits as the definition of full-time for all terms in the award year, including summer, to use formula 1.

Award Amount/ Disbursement

- 46. 1. Example: the student received third year SMART Grant, then the GPA goes below 3.0 so she is ineligible for SMART Grant in the fall of the 4th year, then the GPA goes above 3.0 in spring so she is eligible for 4th year SMART Grant. Does she receive the entire amount for fourth year or must it be prorated?**

The student cannot receive the entire 4th year award in one payment period. If your school is a semester-based school, then the student can receive one-half of the 4th year award in the spring semester. After the spring semester, if the student is still in his or her 4th academic year (as measured in both credits and weeks) and is otherwise eligible (eligible major, full-time, etc.), then the student can receive the second half of the 4th year award in a subsequent payment period.

For the 2007-08 award year, a student's fourth academic year is considered to end when the student has completed all graduation requirements and the minimum number of credits required for completion of that academic program, as published in the institution's official academic publications.

For the 2008-09 award year and beyond, the student is no longer eligible for SMART after completing both credits and weeks that constitute the 4th academic year, regardless of whether the student has completed all degree requirements.

- 47. We have a freshman who may be eligible for ACG, but her high school has not yet submitted a final academic transcript to our institution in order to determine the student's eligibility. How long can we wait for it and still disburse ACG?**

ACG disbursement rules are closely aligned with the Federal Pell Grant disbursement rules. If the student is still enrolled, you can make a retroactive payment for a previous payment period in the award year, but must base it on the number of hours that the student completed in the payment period (i.e., the student must have completed a full-time course load). Once the student is no longer enrolled for the award year, then the late disbursement rules apply. The requirements for late disbursements can be found in 668.164(g).

The final academic transcript may serve as documentation that the student has earned a high school diploma, but it is not the only acceptable documentation. You may also collect a copy of the student's high school diploma or other documentation that verifies the student's successful completion of a rigorous secondary school program of study. For example, a letter from the guidance counselor detailing the student's completed coursework and confirming receipt of the diploma would be acceptable.

- 48. Can we award SMART Grant for spring semester prior to grades for fall being posted? Or must we wait to confirm the 3.0 cum GPA at the end of fall? In addition, the same question with regard to confirming enrollment in one SMART eligible-major course?**

A SMART Grant can be awarded prior to confirming all eligibility requirements are met. Eligibility must be confirmed before a disbursement can be made. The grant can be disbursed even if one or more grades are missing if the school is willing to accept liability should the student's GPA be less than 3.0 once all grades are reported.

GPA

49. If my student was not eligible for an ACG 2 payment in the fall due to GPA, but spring semester he now has the required GPA, can I disburse a spring payment?

For ACG purposes, you evaluate GPA at the end of the first academic year and that GPA determines the student's eligibility for his or entire second academic year. In your example, if the student completed the first academic year before the fall and did not have a 3.0 GPA, then the student is ineligible for an ACG-2 award, regardless of the student's GPA at a later point.

50. For incoming transfer students, sometimes schools will simply accept the transfer credits upon entry and later in the student's program, the school will conduct a degree audit and decide which of the transfer credits will actually apply to the degree. In that case, we assume that the school would calculate the GPA based on all of the accepted coursework. Other schools, however, conduct the degree audit immediately upon entry, so it is known upfront if there are credits that are accepted but do not apply toward the student's degree. In that case, would the school calculate the GPA using the grades only for the courses that actually apply to the degree?

The institution would include only the courses that apply to the ACG-eligible or National SMART Grant-eligible program in calculating the GPA.

51. For the ACG 2, does the GPA need to be looked at the end of the Fall semester, before disbursing for Spring semester?

For ACG purposes, you evaluate GPA at the end of the first academic year and that GPA determines the student's eligibility for his or entire second academic year. Under ACG regulations, you are not required to check that the student has maintained a 3.0 GPA throughout the second academic year.

However, some schools review satisfactory academic progress (SAP) at the end of every term. If a school has such a policy, then the student must be meeting SAP requirements in order to receive the second ACG-2 payment.

52. For ACG-2, if the student only transfers in 10 credits and we don't include the transfer grades into the GPA, do I only use my school's GPA for determining eligibility at the end of the first academic year?

No. If the school accepts less than one academic year's worth of credits, then the GPA for ACG-2 purposes is calculated using the grades from all accepted course work plus the grades earned at the current school through the payment period in which the student completes the hours in the first academic year.

For example, say a school defines its academic year as 24 credits and 30 weeks. A transfer student begins the fall semester with 10 accepted transfer credits. The student completes 12 credits in the fall semester, bringing the total hours to 22. This student is still in the first academic year. In the spring semester, the student completes 12 hours, bringing the total hours to 34. The student has now completed the hours in the first academic year as well as the weeks. For ACG-2 purposes, the GPA is calculated using the grades from the 10 transfer credits, plus the grades earned at the current school through the spring semester.

Note that this new rule (applicable to 2008-09 or earlier if the institution chooses) differs from current regulation.

53. A student transfers to our school for fall quarter and is determined to be in his second academic year. The student completes his second academic year after fall quarter. The student earns a 4.0 GPA in the fall quarter and will begin his third academic year in the winter quarter. How is the GPA calculated for his SMART Grant eligibility?

The new rules on calculating the GPA of transfer students for SMART Grant purposes apply only to the student's first payment period at your institution. If the student previously transferred to your school but has since earned a GPA at your school, then you would use your school's GPA to determine the student's SMART Grant eligibility.

Regarding SMART Grant GPA calculations for transfer students, do we include grades for accepted transfer course work for the first semester, but then use only our school's GPA (without the grades from transfer course work) for later semesters?

For the first payment period only, all schools include grades for all accepted transfer course work in the GPA calculation. For subsequent payment periods, schools follow their academic policies. Schools that have an academic policy that excludes grades for accepted transfer course work in the GPA will follow that policy for SMART Grant purposes. Schools that have an academic policy that includes grades for accepted transfer course work in the GPA will follow that policy for SMART Grant purposes.

54. Would we have to review GPA if a student is transferring after her first semester of her second academic year. She received one ACG-2 payment. May we automatically pay the second half of the ACG-2 award based on the other school's GPA evaluation?

No. The Department of Education has stated that you cannot rely on another school's GPA calculation. You must calculate the GPA to determine the student's eligibility, and you must base that calculation only on coursework accepted for transfer.

55. A student becomes Pell-eligible for the second academic year and is now being reviewed for ACG eligibility. Can we simply use the GPA from first year or do we need to view the high school transcript to confirm "rigorous program of study"?

All ACG recipients must successfully complete a rigorous secondary school program of study. In addition, second year ACG recipients must also have a 3.0 GPA at the end of the first academic year.

56. Under semesters where summer is a trailer, it appears that GPA is reviewed at the end of the spring semester. Yet, academic year progression looks like we need to review credits/weeks at the end of summer. Is this correct?

Whether you treat summer as a header or trailer is irrelevant. For ACG-2, the GPA is calculated at the end of whatever term the student is at upon completion of both the credits and weeks that constitute the student's first academic year; that could be summer. For example, the student completed 30 weeks but only 21 credits by the end of his first fall-spring school year. If he earns enough credits during summer term to complete the number of credits the school uses in its definition of academic year for his program of study, you would calculate the GPA at the end of summer and that GPA would determine his eligibility for all ACG-2 payments. For SMART, you must calculate the student's GPA at the end of

every term of attendance, including summer, to see if she is eligible for the next term she attends.

- 57. Student completes 28 credits with a 3.0 in the first academic year at my school and then transfers in 3 credits from a summer course taken at another school. Now the student is considered a sophomore with 31 credits. Can the student be considered to have a first year ACG-2 eligible GPA based on the 28 credits with the three transfer credits or does the student have to earn a cumulative GPA of 3.0 or higher in the fall term to be eligible?**

For ACG purposes, you evaluate GPA at the end of the first academic year and that GPA determines the student's eligibility for his or entire second academic year. If the student in your example completed the first academic at the end of the spring term, then the student's GPA at that point determines the student's eligibility for the entire second academic year.

- 58. Are grades earned in remedial courses included in the GPA calculation?**

No.

- 59. We accept a maximum of 60 transfer credit hours to count toward all of our programs' total credits (for simplicity, let's say that is 120). However we will also accept courses in addition to those 60 credit hours as satisfying a specific degree requirement.**

For example, the student has completed 93 credit hours prior to coming here. Thirty hours are not accepted. Sixty-three hours are accepted as satisfying various requirements - general education, major-required course, etc. However, the final three credits are not counted toward his 120 required to graduate.

[As we understand it, the degree requirement equivalent to that 3-credit course is waived, but the student must still take some other 3-credit course to complete the 120 required for graduation.]

Question - in calculating a transfer GPA, do we include the grade for the extra 3 hours because they apply to the degree requirements? Or are they excluded because they don't count toward 120 hours? I realize 3 credit hours may not make a big difference, but we have students with far more than that.

In this example, the institution only allows transfer students to bring a maximum of 60 credits into the 120-credit program. While some other credits not transferred into the program may be considered to fulfill prerequisites or other academic requirements of the degree, those credits are not credits that count towards the degree, and the student still must complete 60 credits in the program at the institution. Based on this understanding, the 3 credits are not part of the 120 hours of coursework making up the eligible program and would not be included when calculating the GPA.

Major—Documentation

60. Is a student still eligible for the SMART Grant if they are studying abroad or doing an internship, which prevents them from enrolling in a Math or Science course? Also, what about students who complete their major courses in their sophomore and junior years, and are left with general education courses in their senior year?

An otherwise eligible student can receive a SMART Grant for a payment period only if the student is enrolled in at least one course that meets the specific requirements of the student's SMART Grant-eligible major. There are no exceptions for study abroad or internships.

A student who is taking general education courses or electives that satisfy general degree requirements for the student's SMART Grant-eligible program, but who is not taking at least one course specific to and required for the SMART Grant-eligible major, is not eligible for a SMART Grant payment for that payment period. For further details, see GEN-07-07.

The Department of Education (ED) has recently stated that they are looking at the issues that have been raised such as study abroad and student teaching but will not be immediately reconsidering its position.

61. An eligible major requires a minimum 35 credits. Upon completing the minimum required credits, a student enrolls in additional elective courses within the major. Will the student remain eligible for SMART during the term they enroll in an elective course with their major?

Per the Department of Education, even though a student may have completed all the necessary courses in the major, if the student continues to include a course in the major in subsequent payment periods while completing the requirements of the student's National SMART Grant-eligible program, the student may be eligible for a National SMART Grant, assuming the course still counts for fulfilling necessary overall degree requirements or the student would otherwise be at least full-time.

62. To follow up on your example of the SMART Grant course requirement, would a Biology major required to take English and other general subjects in order to graduate still be eligible during a semester when taking those courses, even if not enrolled in a Biology class?

No. An otherwise eligible student can receive a SMART Grant for a payment period only if the student is enrolled in at least one course that meets the specific requirements of the student's National SMART Grant-eligible major. See GEN-07-07.

63. In a BA/MA program, if the student is taking ALL graduate level courses for a semester, is he or she eligible for the SMART Grant?

In combined undergraduate/graduate programs, the school determines at what point the student is considered to move from undergraduate to graduate level status. If a student is classified as an undergraduate student, regardless of the level of courses in which he or she is enrolled, the student can be considered for a SMART Grant if the student is otherwise eligible.

64. Do general education, humanities, social and behavioral science courses, religion, PE courses, etc. that a student must complete for his or her major count in a similar way to taking a physics course to satisfy a major requirement?

In order to receive a SMART Grant payment for a payment period, the student must be enrolled in at least one course that is specifically required by the SMART-eligible major. A student who is taking general education courses or electives that satisfy general degree requirements for the student's SMART Grant-eligible program, but who is not taking at least one course specific to and required for the SMART Grant-eligible major, is not eligible for a SMART Grant payment for that payment period. For further details, see GEN-07-07.

65. Student is a math education major. Did I understand that the math portion of the major is SMART eligible but education portion is not? Or, is the student just not eligible as a declared math education major?

The example that was given was a student with a double major in math and math education. Math is a SMART-eligible major; math education is not. In order to receive a SMART Grant payment for a payment period, the student must be a declared math major (or must have indicated his intention to become a math major if the school hasn't allowed declaration of a major yet) and must be enrolled in at least one course specifically required by the math major.

66. Several weeks after fall classes began, I received the following email from a student who is a current SMART Grant recipient. "I have recently decided to not major in Math and instead to major in Sociology. I will continue this semester and next semester as a declared math major and sociology minor. I will be taking the sociology classes that I need, and math classes." Since she will still have a Math major and be enrolled in one upper level Math class, may she have her spring SMART, even though she intends to change her major?

In this example, the student has indicated that he or she intend to change his or her major. Given this expression of intent, the institution may not make any additional SMART Grant awards.

Remedial Coursework

67. Are remedial courses taken for the first time as a college regular student considered part of enrollment status?

Remedial coursework is treated the same way in the ACG/SMART Grant programs as it is in the other Title IV aid programs for purposes of enrollment status. Remedial coursework is discussed in the 07-08 *FSA Handbook* beginning at the bottom of page 1-3.

For purposes of progression under ACG/SMART to a new grant level, however, remedial courses won't count if they are below the postsecondary level.

Rigorous Program/ HS Graduation—Documentation

68. A student has self-identified as being potentially eligible for ACG by completing the coursework listed in regulation. We have requested that the student submit a high school transcript for evaluation of the rigorous program requirement. We have not received a high school transcript. Is our request for a high school transcript sufficient to comply with the regulations?

Yes, your request for a high school transcript is sufficient, provided that your school does not already have other documentation on file (e.g., documentation from a state regarding completion of a recognized state program) that would serve as adequate documentation that the student has successfully completed a rigorous secondary school program of study.

69. Is a graduation date the same as a high school diploma? You indicated that the a high school transcript showing receipt of diploma is fine, but what if it doesn't stipulate the receipt of diploma, just that they did graduate?

The document must show that the student has graduated, assuming the graduation date has occurred and is clearly not an expected date.

70. Is a student who was home schooled and has a GED eligible for ACG?

A GED by itself does not constitute completion of a rigorous secondary school program of study, nor is it a high school diploma. A student must complete a rigorous program and either obtain a high school diploma or, for a home schooled student, obtain a high school diploma or certification of completion of a secondary school education in a home school setting. For the home schooled student, the certification of completion is provided by the parent/guardian, who must also provide details of the coursework completed so you can evaluate whether the student met the rigorous program requirement. If your home schooled student has a certification of completion and meets all other eligibility requirements, he or she would be eligible, because the GED is not an automatic disqualifier.

71. We have a transfer student coming in for the spring term. In the fall the student received ACG 1 and NSLDS indicates that the student self-identified that she completed the rigorous coursework specified in regulation. The official high school transcript was reviewed by our admissions office and the student was lacking the science requirement. Therefore, she did not meet the rigorous program requirement. Are we obligated to award her ACG 1 because the previous school did?

It would constitute conflicting information as the other institution may have had additional information on which to base its decision. The institution should seek to determine if there was additional information that the student has not yet provided.

72. Are ESL English classes taken in HS accepted for the 4 years of English to determine ACG?

Page 1-65 of the 2007-08 *FSA Handbook* states: 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.

Written Agreements

73. Is it correct that a student on an approved consortium for Pell could also have his or her fulltime status established for the purpose of ACG or SMART Grant?

Yes.

Other Eligibility Criteria

74. Can I award ACG to the student who is attending the second semester and the student is not full-time but completed fulltime hours in the fall?

Yes, if you are asking if you pay retroactively for the fall term. Similar to the Federal Pell Grant program, if you are paying an ACG or SMART Grant for a completed term in which no disbursement has been made, the grant must be based on the hours completed by the student for that term.

If the student in your example were no longer enrolled, then the late disbursement rules under 668.164(g) would apply.

75. Please verify if it is true that a student that transfers to your institution and your institution accepts less than the equivalency for the second year, your school would not award an ACG-1 award since the student has attended a prior institution and that precludes him or her from first year ACG.

Attendance at a prior institution does not automatically disqualify a student from ACG-1 eligibility.

Effective July 1, 2007, in order to receive an ACG-1, the student must not have previously been enrolled as a regular student in an eligible program while enrolled in high school.

Effective July 1, 2008, in order to receive an ACG-1, the student must not have previously been enrolled as a regular student in an eligible program while enrolled in high school and while at or below the age of compulsory school attendance.

76. If a student doesn't meet SAP standards but files an appeal for an exception and the appeal is approved, can the student receive the ACG as well?

Yes. Satisfactory academic progress requirements apply to the ACG and SMART Grant programs just as they do for the other Title IV programs.

Remember, however, that in addition to SAP requirements, a student must have a 3.0 GPA at the end of the first academic year in order to receive an ACG-2.

77. ACG: If the school has a probation period in regards to SAP how do you handle 2nd semester ACG 1 & 2?

ACG is a Title IV program and so the same rules regarding SAP apply to ACG as apply to Pell Grant or any other Title IV program. If the student is eligible under your SAP policy for Pell, then he also meets the SAP requirement for ACG. However, the student must also meet the minimum 3.0 GPA requirement for ACG-2.

78. If a student had the GED when they entered and didn't qualify for the ACG, would he or she qualify for the SMART Grant once he or she is in the third academic year if he or she has an eligible major and a 3.0 GPA?

The requirement to successfully complete a rigorous secondary school program of study applies only to the ACG program. Therefore, a student who was ineligible for ACG because he or she did not successfully complete a rigorous secondary school program of study could be eligible for a SMART Grant once he or she reaches the third academic year, provided that he or she is otherwise eligible.

79. Fall Semester First time student Enrolled FT (initially) Drops below FT after Census date (Official Day of enrollment). Therefore, upon review student is not enrolled full-time. Is student eligible? If not, will they be eligible for spring award if enrolled FT during the spring?

If the school had made an initial determination of eligibility before the census date, then the student is eligible. However, if the student's eligibility had not been determined before the census date, then the school must use the enrollment status at the time of determination. Remember, if a school chooses to have a recalculation policy, it must be the same policy that it uses for the Federal Pell Grant program.