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**ACADEMIC COMPETITIVENESS GRANT AND NATIONAL SCIENCE AND MATHEMATICS ACCESS TO RETAIN TALENT (SMART) GRANT PROGRAMS**

The Higher Education Reconciliation Act of 2005 (HERA) created two new grant programs for full-time students at degree-granting institutions who are eligible for Federal Pell Grants and are U.S. citizens. The Congress provided funding to make grants available for these programs for the 2006-07 award year.

***Academic Competitiveness Grant Program***

***§401A (new)***

An eligible student may receive an Academic Competitiveness Grant (ACG) of \$750 for the first academic year of study and \$1,300 for the second academic year of study. To be eligible for each academic year, a student must:

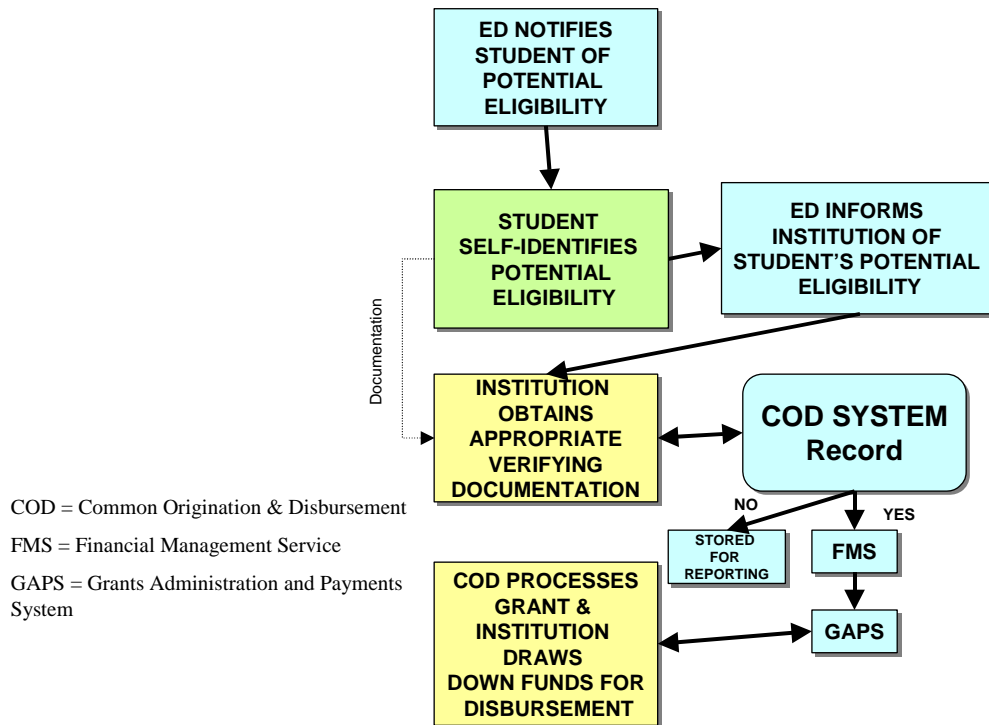
- Be a U.S. citizen;
- Be a Federal Pell Grant recipient;
- Be enrolled full-time in a degree program;
- Be enrolled in the first or second academic year of his or her program of study at a two-year or four-year degree-granting institution;
- Have completed a rigorous secondary school program of study (after January 1, 2006, if a first-year student, and after January 1, 2005, if a second-year student);
- If a first-year student, not have been previously enrolled in an undergraduate program; and
- If a second-year student, have at least a cumulative 3.0 grade point average on a 4.0 scale (as set forth in regulations to be promulgated soon) for the first academic year.

To ensure that grants can be made for the 2006-07 award year, the U.S. Department of Education (the Department) will notify each federal student aid applicant who is potentially eligible for an ACG based on information the applicant provides on his or her 2006-07 Free Application for Federal Student Aid (FAFSA). Applicants who are U.S. citizens in the first or second year of postsecondary education, and who have an expected family contribution (EFC) that would make them eligible for a Federal Pell Grant, will be notified of their potential eligibility by July 1, 2006. Notifications will be sent to all applicants with processed FAFSAs at that time. A student whose FAFSA is received after this initial notification will be contacted as soon as possible after that time.

The Department will notify each applicant of his or her potential eligibility via regular or electronic mail, depending on whether the applicant provided an email address on the FAFSA. The notification will provide information about a web site that will help the applicant determine whether he or she completed “a qualifying rigorous secondary school program of study identified by a State or local educational agency and recognized by the Secretary.” The Department expects the web site to be functional by July 1, 2006. The applicant will self-identify his or her eligibility for an ACG by identifying the rigorous secondary school program completed. The Department is developing an alternative process for students who do not have web access.

After the student has identified the rigorous secondary school program completed, the Department will notify each eligible applicant’s institution(s), as listed on the FAFSA, that the applicant may qualify for an ACG award. Once the institution determines that the student meets all of the ACG eligibility requirements, it may submit payment information records.

## Academic Competitiveness Grant Process Flow



### ***National SMART Grant Program***

***§401A (new)***

An eligible student may receive a National SMART Grant of \$4,000 for each of the third and fourth academic years of study. To be eligible for each academic year, a student must:

- Be a U.S. citizen;
- Be a Federal Pell Grant recipient;
- Be enrolled full-time in a degree program;
- Be enrolled in a four-year degree-granting institution;
- Major in physical, life or computer science, engineering, mathematics, technology, or a critical foreign language; and
- Have at least a cumulative 3.0 grade point average on a 4.0 scale (as set forth in regulations to be promulgated soon) in the coursework required for the student's major.

Under the National SMART Grant Program, unlike the ACG Program, institutions should already possess all of the information needed to determine an applicant's eligibility. In implementing the National SMART Grant program, the Department expects that institutions will identify Pell-eligible federal student aid applicants who are majoring in physical, life or computer science, engineering, mathematics, technology, or a critical foreign language. The Department will publish a list of eligible majors, including critical foreign languages, using the Classification of Instruction Program (CIP) codes. These codes were developed by the National Center for Education Statistics to provide a systematic description of majors for postsecondary education programs of study.

As with the ACG Program, once the institution determines that the student meets all of the National SMART Grant eligibility requirements, it may submit payment information records.

***Additional Common Provisions***

For both the ACG and National SMART Grant programs, the amount of the student's grant, in combination with the student's Federal Pell Grant assistance and other resources and estimated financial assistance, may not exceed the student's financial need (*cost of attendance* minus *EFC* equals *financial need*). A student may not receive more than one ACG or National SMART Grant award in each academic year for which the student is eligible.

All annual award amounts for an academic year may be ratably reduced if sufficient funds are not available for all eligible students nationally in an award year.