U.S. DEPARTMENT OF EDUCATION

Academic Competitiveness and National SMART Grant Programs: 2006–07 and 2007–08

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Executive Summary

Purpose and History of the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent (SMART) Grant Programs

The *Higher Education Reconciliation Act of 2005,* signed into law in February 2006, created two new grant programs for low-income students—the Academic Competitiveness Grant (ACG) for first- and second-year students and the National Science and Mathematics Access to Retain Talent (National SMART) Grant for third- and fourth-year students. The ACG program is intended to encourage students to take challenging courses in high school and attend college full-time, thus increasing their likelihood of succeeding in college. The National SMART Grant program is intended to encourage students to pursue college majors considered to be in high demand in the global economy (science, technology, engineering, and mathematics) and languages deemed critical to the national interest.[1] Congress provided $4.5 billion over five years for these programs, and the first grants were awarded in 2006–07. Unless reauthorized, both programs will end after the 2010–11 academic year.

Initially, to be eligible for either grant program, students had to qualify for a Federal Pell Grant,[2] enroll full-time, and be a U.S. citizen. First-year students meeting these conditions were eligible for an ACG up to $750 (depending on their financial need) if they graduated from high school after Jan. 1, 2006, completed a rigorous high school program (as defined by the U.S. Department of Education), and enrolled in a degree program at a two- or four-year institution of higher education. Second-year students could receive up to $1,300 if they graduated from high school after Jan. 1, 2005, met all the other conditions for an ACG, and had a cumulative grade point average (GPA) of at least 3.0[3] at the end of their first year of college. Third- and fourth-year students with eligible majors at four-year institutions could receive a National SMART Grant worth up to $4,000 if they started with and maintained a cumulative GPA of at least 3.0.

The *Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715), signed into law in May 2008, expanded eligibility for the ACG and National SMART Grant programs to include part-time students and noncitizen permanent residents starting in January 2009. It also opened up the ACG program to students enrolled in certificate programs lasting a year or longer at a degree-

[1] Appendix A includes a complete list of eligible majors.
[2] The Federal Pell Grant Program provides need-based grants to low-income undergraduates and can be used at any one of approximately 5,400 participating postsecondary institutions. The program is described in detail at: http://www.ed.gov/programs/fpg/index.html.
[3] On a 4.0 scale or the numeric equivalent.

granting institution. The *Higher Education Opportunity Act of 2008* (H.R. 4137), enacted in August 2008, further modified the programs. It gave states increased control to define rigorous secondary school programs of study (rather than leaving the definition up to the secretary of education) and delayed implementation of the eligibility changes until July 2009. Consequently, the expanded eligibility will first affect students enrolling in the 2009–10 academic year. Students enrolled during the first three years of the program (2006–07 through 2008–09) were subject to the original requirements.

Study Questions and Data Sources

The Department of Education is vitally interested in whether the financial incentives provided by the grants affect student behavior. That is, will the ACGs induce more economically disadvantaged high school students to complete a rigorous high school program and enroll and succeed in postsecondary education? Will the National SMART Grants motivate more students to major and receive degrees in science, technology, engineering, mathematics, and critical languages? It is still too early to answer these questions definitively. Students currently in their final years of high school may not have had enough time to take all the required courses and prerequisites, and students already in college may be well-established in other majors and not have the foundation needed to select one of the qualifying majors even if they wanted to.

However, using data for the first two years of the programs, academic years 2006–07 and 2007–08, this report addresses a number of questions about indicators of intermediate progress toward achieving the long-term goals of the ACG and National SMART Grant programs. The following are key study questions:

- How have the legislation, regulations, and implementation of the programs changed?

- What percentage of students who met the Pell Grant requirement for ACG and National SMART Grant eligibility also received an ACG or a National SMART Grant, and is this percentage increasing over time?

- What percentages of students who obtained 2006–07 ACGs and National SMART Grants were eligible for and received renewed awards the following year?

- What evidence is there that students were aware of the ACGs and National SMART Grants and knew what the requirements were?

- Is there any evidence to suggest that students who received ACGs or National SMART Grants were more likely to persist in college than students who received Pell Grants only?

The first report of this study, *Academic Competitiveness and National SMART Grant Programs: First-Year Lessons Learned* (U.S. Department of Education 2009), addressed questions about the numbers and characteristics of students participating in the Pell Grant, ACG, and National SMART Grant programs in 2006–07 (using the COD-CPS Interface Grant Recipient File maintained by the office of Federal Student Aid). It also analyzed historical data and used information gathered from stakeholders in focus groups and through published sources (public comments on proposed regulations, publications, and websites) to describe implementation concerns and legislative and regulatory actions taken to address the concerns.

This report updates the first report. It compares student participation in the Pell Grant, ACG, and National SMART Grant programs in 2007–08 with 2006–07. The report also presents information on renewal rates—that is, how many students who received an ACG or National SMART Grant in 2006–07 received another one in 2007–08. Finally, it includes an analysis of data on program awareness collected through the student interview administered as part of the 2007–08 National Postsecondary Student Aid Study (NPSAS:08).

Note that the numbers of Pell Grants, ACGs, and National SMART Grants reported here may not exactly match numbers reported elsewhere. The FSA files used to generate the participation data are updated continuously with data from institutions on disbursements and cancellations so the exact number of awards varies slightly from day to day. By September, however, most financial aid data for the previous academic year have been finalized so differences between the numbers reported here and in other publications using data generated in September or later should be minor. Note that, unless otherwise indicated, the Pell Grant totals reported here are limited to recipients at institutions participating in the ACG or National SMART Grant programs and therefore are lower than Pell Grant totals reported elsewhere. Additional Pell Grant recipients can be found at less-than-two-year institutions and at two- and four-year institutions that made no ACG or National SMART Grant awards and therefore are not included in this report.

Addressing Initial Year Implementation Issues: Legislative Changes and Implementation of the ACG and National SMART Grant Programs

Examining whether and how the legislation, regulations, and the implementation of the programs have changed over time helps to provide a context for subsequent questions concerning program eligibility and participation. As awareness of the program spread, as greater clarity on program requirements helped institutions identify eligible students, and as the initial eligibility requirements were broadened, more students would be expected to participate.

The ACG and National SMART Grant programs were signed into law in February 2006, while the first grants were awarded for the 2006–07 academic year. This timing posed significant challenges for the U.S. Department of Education, colleges and universities, students and their

families, and other stakeholders. In a short time period, the Department had to publicize the programs, develop interim regulations, and set up processes to disburse funds, and institutions had to identify and verify eligible students and incorporate the new awards into students' aid packages.

Although stakeholders generally supported the intent of the programs, many were initially frustrated by the lack of awareness about the programs, the administrative burdens put on institutions and staff, and confusion over how the programs should be implemented. Some of the difficulties were eased during the first year of the program as the Department made it easier to identify eligible students by clarifying language in the regulations related to issues such as how to compute GPAs, define the academic year, and establish a student's academic major. Nevertheless, some concerns remained, including the need to base ACG awards on students' four-year high school transcripts (which colleges do not always have) and difficulties associated with verifying the completion of a rigorous high school program.

Many of the concerns expressed by stakeholders in the first year of administering the grants were addressed with clarifications in the final regulations and in the *Higher Education Opportunity Act of 2008* (H.R. 4137). The new legislation expanded eligibility for the programs to include a wider range of Pell Grant students.

However, some stakeholders still have concerns about the administrative burden associated with correctly identifying students eligible for the financial awards who also met the rigorous secondary school curriculum and postsecondary GPA requirements. Especially when many colleges are facing cutbacks in staffing, many stakeholders view the processes for verifying certain aspects of student eligibility (the rigorous curriculum requirement for the ACG and the required minimum GPA for the ACGs and National SMART Grants) as unduly burdensome.

Information on both grant programs is now more widely available. Many colleges and universities have posted information about these programs on their websites, and some stakeholder organizations continue to publish information for students and administrators on eligibility requirements and how to implement the grants at the institutional level.

The U.S. Department of Education set a goal of doubling participation in both programs by 2010–11. To achieve this goal, the Department asked states to promote the participation of low-income students in rigorous high school courses, especially those that prepare them for majors that would make them eligible for National SMART Grants, and to support efforts to increase program awareness. In addition, the Department and others suggested strategies to improve the identification of eligible students and reduce the administrative burden associated with this task.

ACG Eligibility, Participation, and Awareness

In fall 2006, a total of 15.2 million undergraduates enrolled in degree-granting institutions, and 5.2 million of them received a Pell Grant (Table A). Of these, 3.0 million were in their first or second year of college and therefore potentially eligible for an ACG. The Department of Education estimated that some 425,000 of these first- and second-year Pell Grant recipients would be eligible for an ACG,[4] but actual participation has been lower.

- In the first year of the program, 301,700 students received an ACG. A combination of factors may account for the discrepancy between the actual and expected numbers, including a lack of awareness about the new programs, start-up difficulties common to all new programs, the difficulties that institutions had in identifying and verifying student eligibility, and the problem of accurately estimating the number of students meeting complex eligibility requirements with available data.

- In the second year of the program, the number of students receiving an ACG rose by 97,000 (or 32 percent) to 398,700. Some of this increase reflects the 12 percent increase in Pell Grant awards to first- and second-year students at ACG-participating institutions (from 3.0 to 3.4 million), which expanded the pool of potentially eligible students. However, if the number of ACGs awarded had increased in proportion to the number of Pell Grants awarded (i.e., by 12 percent), only 339,000 (rather than 398,700) students would have received an ACG in 2007–08. This suggests that an additional 60,000 students received ACGs in the second program for other reasons. More students may have met the qualifications or institutions may have identified more eligible students. In addition, the pool of potential recipients was expanded because, in 2007–08, students who delayed entering college for one year became eligible for the grant, while in 2006–07, only immediate college entrants were eligible due to the requirement of high school graduation after Jan. 1, 2006.

- The increase in ACG awards was particularly notable at two-year institutions, where the number of students receiving ACG awards increased by 71 percent between 2006–07 and 2007–08, from 38,300 to 65,600. Again, had the number increased in proportion to the number of Pell Grants awarded at two-year institutions (10 percent), only 42,000 students would have received ACG awards, suggesting that an additional 24,000 students received ACGs in 2007–08.

- The number of students with awards at four-year institutions increased from 263,400 in 2006–07 to 333,100 in 2007–08. Again, had the number of ACGs increased at the same rate as the number of Pell Grants awarded (15.4 percent), only 303,900 students would

[4] *Federal Register*, Vol. 71, No. 127, p. 37998.

have received ACG awards, suggesting that an additional 29,200 students received ACGs in 2007–08 because more students met the qualifications or institutions identified more students meeting them.

- Despite the growth in the number of ACGs awarded, many Pell Grant recipients simply do not meet all the criteria for an ACG. The proportion of Pell Grant recipients who received an ACG remained low, increasing only slightly overall, from 10 percent (U.S. Department of Education 2009, Appendix Table E-2) to 12 percent (Appendix Table D-2).

ACG participation rates also varied by type of institution, reflecting the characteristics of the student populations at these institutions. Many Pell Grant recipients at public two-year institutions would have been ineligible because they were not recent high school graduates, they attended part-time, or they were enrolled in certificate or nondegree programs.

- About 25 percent of first- and second-year Pell Grant recipients received an ACG at public and private nonprofit four-year institutions, compared with only 4 percent at public two-year institutions (Figure A). The pattern in 2007–08 was similar to that of 2006–07.

- Almost half (46 percent) of all participating institutions awarded 50 or fewer ACGs (Figure 4). Some public four-year institutions handled relatively high volumes—52 percent awarded between 201 and 1,000 ACGs in 2007–08, and another 7 percent awarded more than 1,000 (Appendix Table D-4). The average number of ACGs awarded across all participating institutions was 134 (Appendix Table D-3).

ACG recipients tended to come from the higher end of the income distribution of Pell Grant recipients (although all were from lower-income families).

- In 2007–08, 8 percent of the dependent ACG recipients were from families with incomes of $50,000 or more, compared to 5 percent of dependent students in that income range who received Pell Grants only (Figure 7). Twelve percent of the dependent ACG recipients were from families with incomes of $40,000–49,999, compared to 9 percent of dependent students in that range who received Pell Grants only. In contrast, only 19 percent of ACG recipients were in the lowest income group (under $10,000), compared to the 25 percent in that range who received Pell Grants only.

Table A. Number of undergraduates, numbers of Pell Grant, ACG, and SMART Grant recipients, and number and percent change: 2006–07 and 2007–08

Undergraduates and grant recipients	2006–07	2007–08	Change	
			Number	Percent
Undergraduates				
Fall enrollment in degree-granting institutions	15,184,000	15,604,000	419,000	2.8
Two-year institutions	6,518,000	6,618,000	99,000	1.5
Four-year institutions	8,666,000	8,986,000	320,000	3.7
Pell Grant recipients				
Total[a]	5,165,000	5,543,000	378,000	7.3
Two-year institutions	2,357,000	2,486,000	130,000	5.5
Four-year institutions	2,808,000	3,054,000	245,000	8.8
Pell Grant recipients: first- and second-year students in institutions with any ACGs	3,010,000	3,382,000	372,000	12.4
Two-year institutions	1,561,000	1,710,000	149,000	9.5
Four-year institutions	1,449,000	1,672,000	224,000	15.4
Pell Grant recipients: third- and fourth-year students in institutions with any SMART Grants	1,208,000	1,289,000	81,000	6.7
ACG recipients				
Estimated number prior to implementation[b]	425,000	—	—	—
Total ACG recipients	301,700	398,700	97,000	32.2
Two-year institutions	38,300	65,600	27,300	71.3
Four-year institutions	263,400	333,100	69,700	26.5
SMART Grant recipients				
Estimated number prior to implementation[b]	80,000	—	—	—
Total SMART Grant recipients	62,400	65,400	3,000	4.8
Major[c]				
Life sciences	23,800	26,000	2,200	9.2
Engineering	13,200	13,600	400	3.0
Computer science	9,800	10,000	200	2.0
Physical science	6,000	6,200	100	3.3
Mathematics	4,200	4,000	(200)	(4.8)
Technology	3,000	3,100	0	3.3
Multidisciplinary studies	1,700	1,700	0	0.0
Foreign language	600	800	200	33.3

— Not available.

[a] Total for 2007–08 includes 2,690 students with unknown institution type.

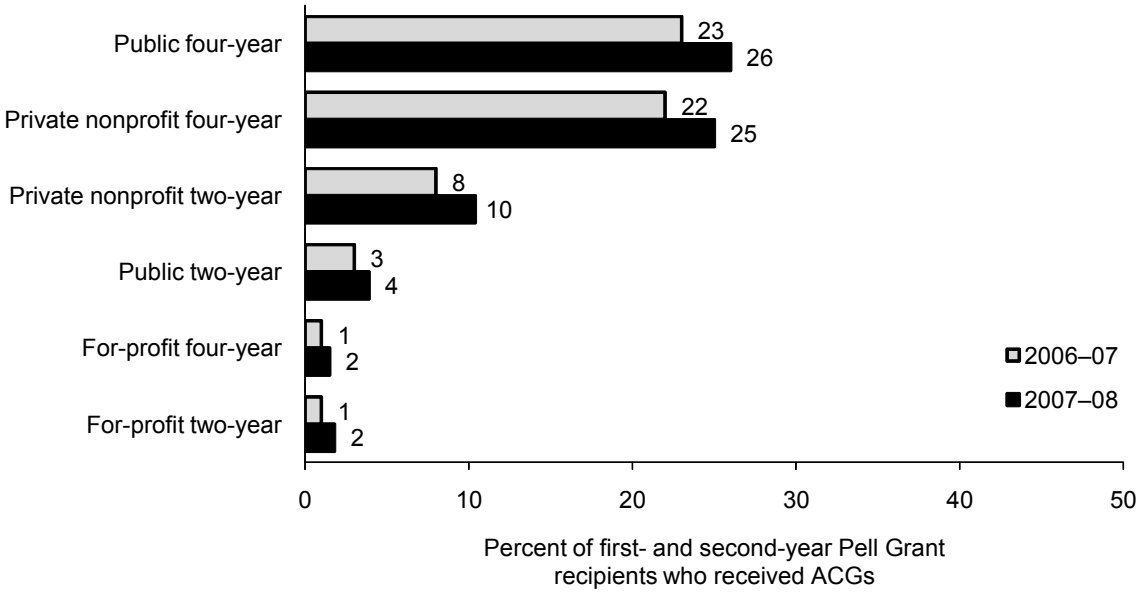
[b] *Federal Register,* Vol. 71, No. 127, p. 37998.

[c] New majors were added to the eligible lists for life sciences and multidisciplinary studies for 2007–08 (see Appendix A).

NOTE: Detail may not sum to totals because of rounding.

SOURCE: U.S. Department of Education, National Center for Education Statistics, *Digest of Education Statistics, 2008* (NCES 2009-020), tables 193 and 194; U.S. Department of Education, Office of Postsecondary Education, 2006–07 and 2007–08 Federal Pell Grant Program End-of-Year Reports; U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Figure A. Percentage of first- and second-year Pell Grant recipients who also received an ACG, by type of institution attended: 2006–07 and 2007–08



SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

The student interview administered as part of the 2007–08 National Postsecondary Student Aid Study (NPSAS:08) included questions to assess students' awareness of the new grant programs. Awareness of the ACG program was low. However, students who were aware of the program did tend to understand its requirements.

- Only 7 percent of potentially eligible students (those who were U.S. citizens, in a degree program, and likely to be eligible for a Pell Grant based on their income) had heard of the ACG program (Table 9). Those who had heard of the ACG program were more likely to have heard of it from their college counselors (35 percent) than their high school counselors (23 percent).

- Of those 7 percent who were aware of the ACG program, 85 percent had heard of the full-time enrollment requirement, and 81 percent were aware of the rigorous high school program requirement. Fewer (70 percent) knew about the first-year cumulative 3.0 GPA requirement for a second-year grant (Table 10).

- After the survey was administered, a match with the recipient file indicated that among students who were awarded an ACG, more than half (56 percent) had responded in the interview that they had not heard of it.

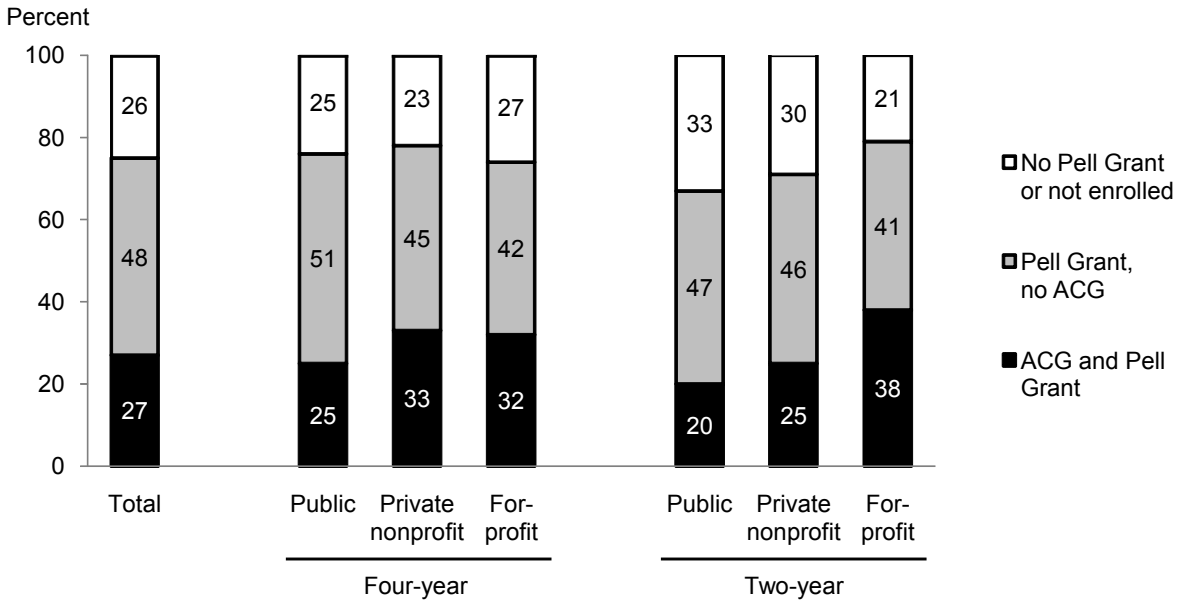
ACG Renewal Rates

An important question is whether students who received an ACG in their first year were able to obtain another one in their second year. In other words, were they able to maintain the 3.0 GPA required at the end of the first year and maintain full-time enrollment, and did they still qualify for a Pell Grant? ACG renewal rates were low.

- Just over one-quarter (27 percent) of the first-year students who had received an ACG in 2006–07 received another one in 2007–08 (Figure B). Almost half (48 percent) of first-year students who received an ACG in 2006–07 received another Pell Grant in 2007–08, but not an ACG. The remaining 26 percent received neither an ACG nor a Pell Grant, either because they did not meet the income or enrollment requirements for a Pell Grant or were not enrolled.

- Students were more likely to get their ACGs renewed at private nonprofit four-year institutions (33 percent) and for-profit institutions (32 percent) than at public four-year institutions (25 percent) or public two-year institutions (20 percent).

Figure B. Percentage distribution of 2006–07 first-year ACG recipients by ACG and Pell Grant receipt status in 2007–08, by type of institution



NOTE: Detail may not sum to totals because of rounding. Pell Grant, no ACG includes 1 percent with SMART Grant in four-year institutions. Based on Appendix Table D-14.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

National SMART Grant Program Eligibility, Participation, and Awareness

In 2006–07, there were 1.2 million third- and fourth-year Pell Grant recipients, and the Department of Education initially estimated that 80,000 of them would be eligible for a National SMART Grant in 2006–07 (Table A).[5] As happened with the ACG program, actual participation has been lower than expected.

- In 2006–07, 62,400 students received a National SMART Grant. As with the ACG program, the discrepancy between estimated and actual participation may be attributable a combination of factors, including a lack of awareness about the new programs, start-up difficulties common to all new programs, the difficulties that institutions had in identifying and verifying student eligibility, and the problem of accurately estimating the number of students meeting complex eligibility requirements with available data.

- The number of students receiving a National SMART Grant increased to 65,400 (5 percent) in 2007–08. Some of this 3,000 increase was due to expanded eligibility. About 1,800 National SMART Grants were awarded to students in newly eligible fields of study (see Appendix A for new fields).

As with the ACG program, receipt of a National SMART Grant is tied to Pell Grant eligibility. If the number of Pell Grant recipients changes, so does the pool of students who are potentially eligible for a National SMART Grant.

- The number of Pell Grants awarded to third- and fourth-year students at institutions participating in the SMART Grant program increased by 7 percent between 2006–07 and 2007–08, growing from 1.2 to 1.3 million students (Table A).

- Had the number of SMART Grant awards grown at the same rate in 2007–08 as the number of Pell Grant awards among third- and fourth-year students, 66,600 students would have received SMART Grants—an excess of 2,200 over the number actually awarded. In short, the increase in SMART Grant awards did not keep pace with the increase in Pell Grant awards.

At most institutions, few students received National SMART Grants. Again, levels of participation varied by type of institution and field of study.

- Eighty percent of participating institutions awarded fewer than 50 grants, and more than a third awarded 10 or fewer (Figure 14), with an average of 44 grants (Appendix Table D-3).

[5] *Federal Register*, Vol.71, No. 127, p. 37998.

- While about a quarter of public four-year institutions awarded more than 100 SMART Grants in 2007–08, almost all private nonprofit four-year institutions (94 percent) and most for-profit four-year institutions (83 percent) awarded 50 or fewer (Appendix Table D-4).

As was true for dependent ACG recipients, dependent National SMART Grant recipients were overrepresented at the higher end of the family income distribution of Pell Grant recipients (Figure 17).

- In 2007–08, 22 percent of the dependent National SMART Grant recipients came from families with incomes of $40,000 or more, compared with 18 percent of third- and fourth-year students who received Pell Grants only.

Life science was the most common major of National SMART Grant recipients (Table A).

- About three-quarters of National SMART Grant recipients majored in one of three fields of study in 2007–08: life sciences (40 percent), engineering (21 percent), or computer science (15 percent) (Figure 21). The pattern was similar in 2006–07. For-profit institutions awarded more than one-third of all the National SMART Grants in computer science (Figure 22).

As with the ACG program, relatively few students were aware of the National SMART Grant program. Those who were aware of it tended to know the requirements.

- Of the third-, fourth-, and fifth-year undergraduates who were U.S. citizens and likely to be eligible for a Pell Grant, only 5 percent had heard of the National SMART Grant program (Table 9).

- Students who were aware of the National SMART Grants were asked if they knew about each of the three requirements, and most said they were aware of them: 80 percent were aware of the full-time enrollment requirement, 74 percent were aware of the major requirement, and 75 percent were aware of the need to maintain a cumulative GPA of 3.0 or higher (Table 10).

National SMART Grant Renewal Rates

An important question is whether students who received a National SMART Grant as a third-year student were able to obtain another one in their fourth year. To do so, students had to continue to be enrolled full-time in an eligible major, maintain a 3.0 GPA in their major, and take at least one course that satisfies the requirements of their major field each term.

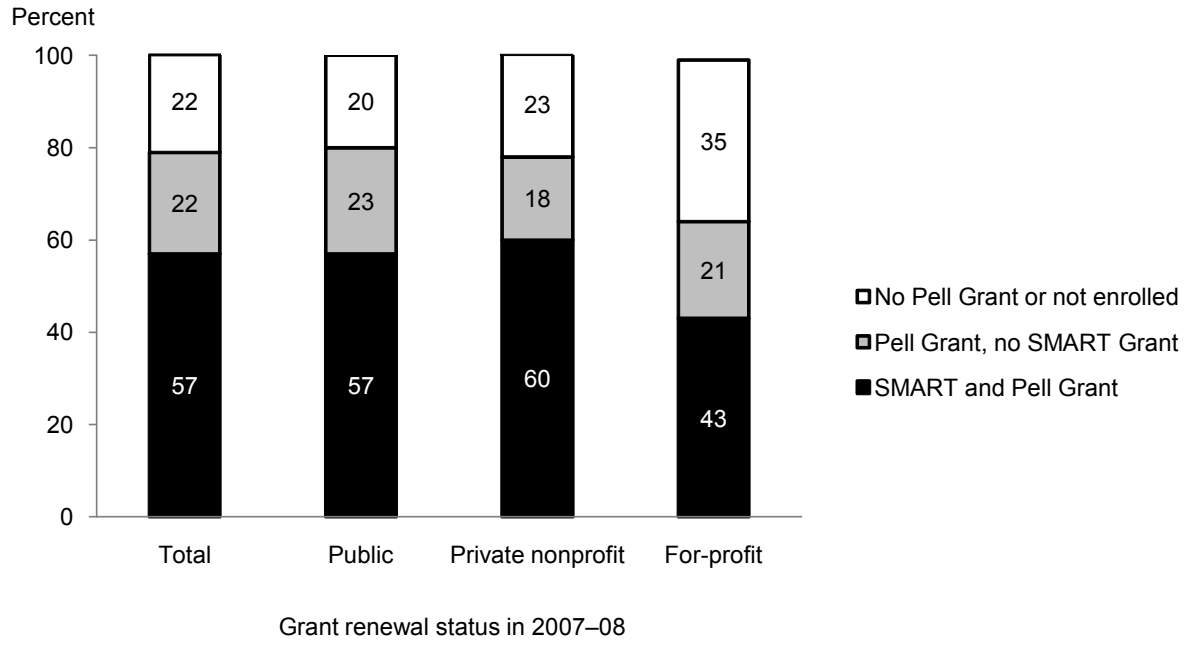
- Overall, more than one-half (57 percent) of third-year students who had received a National SMART Grant in 2006–07 met the requirements to renew it as a fourth-year student (Figure C).

- Renewal rates for third-year National SMART Grant recipients were highest at private nonprofit institutions (60 percent), slightly lower at public institutions (57 percent), and substantially lower at for-profit institutions (43 percent).

- Renewal rates by field of study ranged from a low of 48 percent in computer science to a high of 66 percent in critical foreign languages (Figure 27).

- About one-fifth (22 percent) of third-year National SMART Grant recipients received another Pell Grant the following year but not another National SMART Grant. The remaining 22 percent received neither a National SMART Grant nor a Pell Grant (Figure C).

Figure C. Percentage distribution of 2006–07 third-year SMART Grant recipients by SMART Grant and Pell Grant receipt status in 2007–08, by type of institution



NOTE: Detail may not sum to totals because of rounding. Based on Appendix Table D-15.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Pell Grant Renewal Rates

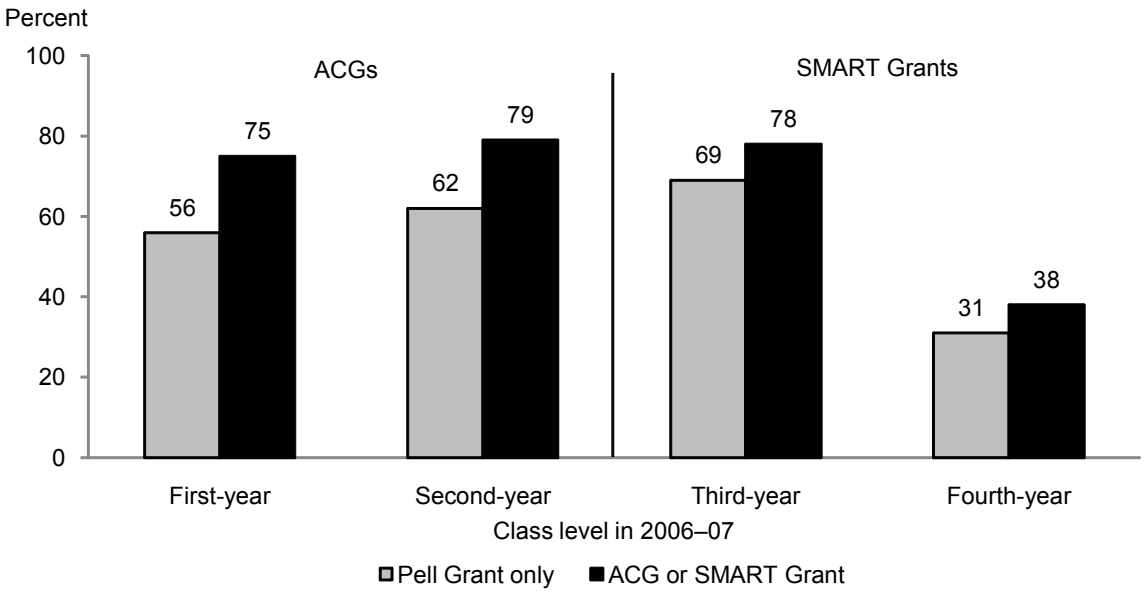
A key question is whether low-income students who receive ACGs or National SMART Grants are more likely than their peers without these grants to persist in college and ultimately graduate. Without longitudinal enrollment data, which are not available for the students included in this study, this question cannot be answered. However, if a student who received a Pell Grant in 2006–07 also received one in 2007–08, it means that the student persisted. If the student did not receive a Pell Grant the second year, it means that the student either did not enroll or enrolled but no longer qualified for a Pell Grant because of a higher family income or because the student dropped below half-time enrollment. Based on their Pell Grant renewal rates, students who received an ACG or National SMART Grant persisted at higher rates than their peers who received a Pell Grant only.

- Three-fourths (75 percent) of first-year Pell Grant recipients who also got an ACG in 2006–07 received a Pell Grant again the following year, compared to just over half (56 percent) of those first-year Pell Grant recipients in 2006–07 who had received a Pell Grant only (Figure D).

- The Pell Grant renewal rates for third-year students who had also qualified for a National SMART Grant in 2006–07 were nearly 10 percentage points higher than for their counterparts who had received a Pell Grant only in 2006–07.

The higher persistence rates for ACGs and National SMART Grants cannot be attributed solely to these grant programs. Students who receive ACGs or National SMART Grants are among the most academically qualified students receiving Pell Grants and therefore would be expected to persist at higher rates. However, the additional financial support (perhaps reducing the need to work during the school term) and other student attributes may have been contributing factors. Nevertheless, the substantial differences are worth noting. As experience with these programs accumulates, it will be possible to address these key questions with additional data and analyses.

Figure D. Percentage of Pell Grant–only and ACG or SMART Grant recipients who received another Pell Grant in 2007–08, by class level in 2006–07



NOTE: Pell Grant renewals include students also receiving ACGs or SMART Grants. Based on Appendix Tables D-16 and D-17.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

CHAPTER 1

Introduction

Purpose and History of the Academic Competitiveness Grant and National SMART Grant Programs

The *Higher Education Reconciliation Act of 2005,* signed into law in February 2006, created two new grant programs for low-income students—the Academic Competitiveness Grant (ACG) for first- and second-year students and the National Science and Mathematics Access to Retain Talent (National SMART) Grant for third- and fourth-year students. The ACG program is intended to encourage students to take challenging courses in high school and attend college full-time, thus increasing their likelihood of succeeding in college. The National SMART Grant program is intended to encourage students to pursue college majors considered to be in high demand in the global economy (science, technology, engineering, and mathematics) and languages deemed critical to the national interest.[6] Congress provided $4.5 billion over five years for these programs, and the first grants were awarded in 2006–07. Unless reauthorized, both programs will end after the 2010–11 academic year.

Initially, to be eligible for either grant program, a student had to qualify for a Federal Pell Grant,[7] enroll full-time, and be a U.S. citizen. First-year students who met these conditions were eligible for an ACG up to $750 (depending on their financial need) if they graduated from high school after Jan. 1, 2006, completed a rigorous high school program (as defined by the U.S. Department of Education[8]), and enrolled in a degree program at a two- or four-year institution of higher education. Second-year students could receive up to $1,300 if they graduated from high school after Jan. 1, 2005, met all the other conditions for an ACG, and had a cumulative grade point average (GPA) of at least 3.0[9] at the end of their first year of college. Third- and fourth-year students with eligible majors at four-year institutions could receive a National SMART Grant worth up to $4,000 if they started with and maintained a cumulative GPA of at least 3.0.

The *Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715), signed into law in May 2008, expanded eligibility for the ACG and National SMART Grant programs to include part-time students and noncitizen permanent residents starting in January 2009. It also opened up

[6] Appendix A includes a complete list of eligible majors.
[7] The Federal Pell Grant Program provides need-based grants to low-income undergraduates and can be used at any one of approximately 5,400 participating postsecondary institutions. The program is described in detail at: http://www.ed.gov/programs/fpg/index.html.
[8] Appendix B contains more detail on rigorous high school programs.
[9] On a 4.0 scale or the numeric equivalent.

the ACG program to students enrolled in certificate programs lasting a year or longer at a degree-granting institution. The *Higher Education Opportunity Act of 2008* (H.R. 4137), enacted in August 2008, further modified the programs. It gave states increased control to define rigorous secondary school programs of study (rather than leaving the definition up to the secretary of education) and delayed implementation of the eligibility changes until July 2009. Consequently, the expanded eligibility will first affect students enrolling in the 2009–10 academic year. Students enrolled during the first three years of the program (2006–07 through 2008–09) were subject to the original requirements.

The timing of the legislation creating the ACG and National SMART Grant programs—the legislation was signed into law in February 2006 and the first grants had to be awarded for the 2006–07 academic year—posed significant challenges for the U.S. Department of Education, colleges and universities, students and their families, and other stakeholders. In a short time period, the Department had to publicize the programs, develop interim regulations, and set up processes to disburse funds, and institutions had to identify and verify eligible students and incorporate the new awards into students' aid packages.

Participation in both programs in 2006–07 was lower than expected. Some 301,700 first- and second-year undergraduates received an ACG (compared with an early estimate that 425,000 students would have been eligible), and about 62,400 third- and fourth-year students received a National SMART Grant (compared with an expected 80,000) (Choy, Berkner, Lee, and Topper 2009). To what extent this lower-than-expected participation was due to inaccurate estimates of eligibility, lack of knowledge about the programs, implementation problems, or other reasons is unknown. All these factors may have played a role.

In the second year of the program (2007–08), 398,700 students received an ACG and 65,400 received a National SMART Grant. This growth reflects, at least in part, increases in the number of Pell Grant awards, which expanded the pool of potentially eligible students, and some expansion of the list of eligible majors for the National SMART Grant.

After the first year, the U.S. Department of Education set a goal of doubling participation in both programs by 2010–11. To achieve this goal, the Department asked states to promote the participation of low-income students in rigorous high school courses, especially those that prepare them for National SMART Grant-eligible majors, and to support efforts to increase program awareness. In addition, the Department and some stakeholders have suggested strategies to improve the identification of eligible students and reduce the administrative burden associated with this task.

Purpose of This Study

MPR Associates and JBL Associates are assisting the Department of Education in evaluating the ACG and National SMART Grant programs. Of key interest to the Department is whether the financial incentives provided by the grants affect student behavior. That is, will the ACGs induce more economically disadvantaged high school students to complete a rigorous high school program and enroll and succeed in postsecondary education? And, will the National SMART Grants motivate more students to major and receive degrees in science, technology, engineering, mathematics, and critical languages? Unfortunately, it is still too early to answer these questions. Students currently in their final years of high school may not have had enough time to take all the required courses and prerequisites, and students already in college may be well-established in other majors and not have the foundation needed to select one of the qualifying majors even if they wanted to do so.

However, using data for the first two years of the programs, academic years 2006–07 and 2007–08, this report addresses a number of questions about indicators of intermediate progress toward achieving the long-term goals of the ACG and National SMART Grant programs. The following are key study questions:

- How have the legislation, regulations, and implementation of the programs changed?

- What percentage of students who met the Pell Grant requirement for ACG and National SMART Grant eligibility also received one of these grants, and is this percentage increasing over time?

- What percentages of students who obtained ACGs and National SMART Grants in 2006–07 were eligible for and received renewed awards the following year?

- What evidence is there that students were aware of the ACGs and National SMART Grants and knew what the requirements were?

- Is there any evidence to suggest that students who received ACGs or National SMART Grants were more likely to persist in college than students who received Pell Grants only?

The first report of this study, *Academic Competitiveness and National SMART Grant Programs: First-Year Lessons Learned* (Choy et al. 2009), addressed questions about the numbers and characteristics of students participating in the Pell Grant, ACG, and National SMART Grant programs in 2006–07 (using the COD-CPS Interface Grant Recipient File maintained by the office of Federal Student Aid). The report also analyzed historical data and used information

gathered from stakeholders in focus groups and through published sources (public comments on proposed regulations, publications, and websites) to describe implementation concerns and legislative and regulatory actions taken to address the concerns.

The second year of the study, reported on here, focused on updating information on the implementation of the programs (Chapter 2) and describing participation in 2007–08 (Chapter 3). Chapter 3 presents data for the ACG and National SMART Grant programs overall, by type of institution, across states, and by student characteristics. It also includes sections on the extent to which students were aware of the new programs and changes in STEM course-taking between 2003–04 and 2007–08. The report also describes renewal rates from 2006–07 to 2007–08 in some detail (Chapter 4). It presents, for each type of institution, how many of the first-year students who received an ACG in 2006–07 received another one as a second-year student in 2007–08. For those who did not receive an ACG in their second year, it indicates how many still had a Pell Grant in their second year but no ACG (implying that they did not earn a sufficiently high GPA in their first year or dropped below full-time attendance), and how many were either no longer eligible for a Pell Grant or not enrolled in college. Renewals of National SMART Grants from the third to fourth year of the program are described in a similar way.

Data

The office of Federal Student Aid (FSA) provided the program participation data used in this report. The file on 2007–08 participation merges student-level records of all Pell Grant recipients with ACG and National SMART Grant award records and information from the Free Application for Student Aid (FAFSA). These data were merged with a similar file for 2006–07 to determine renewal rates. See Appendix C for more detail on the data.

Note that the numbers of Pell Grants, ACGs, and National SMART Grants reported here may not exactly match the numbers reported elsewhere. The FSA files used to generate the participation data are updated continuously with data from institutions on disbursements and cancellations so the exact number of awards varies slightly from day to day. By September, however, most financial aid data for the previous academic year have been finalized so differences between the numbers reported here and in other publications using data generated in September or later should be minor. Note that, unless otherwise indicated, the Pell Grant totals reported here are limited to recipients at institutions participating in the ACG or National SMART Grant programs and therefore are lower than the Pell Grant totals reported elsewhere. Additional Pell Grant recipients can be found at less-than-two-year institutions and at two- and four-year institutions that made no ACG or National SMART Grant awards and therefore are not included in this report.

CHAPTER 2

History of the Concerns Surrounding the ACG and National SMART Grant Legislation and Implementation Update

Background

The report on the first year of the program (U.S. Department of Education 2009) describes the history of the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent (National SMART) Grant programs, including a detailed review of changes made to the legislation and regulations, stakeholder concerns and the Department's response to these concerns, and outreach efforts during the first award year (2006–07). This chapter provides an update on modifications made to the ACG and National SMART Grant programs and describes the status of the various implementation, eligibility, and regulatory concerns raised by stakeholders during the 2007–08 academic year. Relevant documents (including legislation, regulations, and stakeholder websites) were reviewed to better understand the following questions:

- How had implementation progressed, primarily at the postsecondary level, during the second award year?
- How effective were marketing efforts targeted at secondary and postsecondary institutions, stakeholder organizations, students, and parents?
- Whether and how were stakeholder concerns resolved, and in what ways? and
- How have perceptions of and discussions about Pell Grants, ACGs, and National SMART Grants have changed over time?

As background, Table 1 presents an updated chronological summary of critical steps in developing the legislation and the regulations, and of the Department of Education's guidance in interpreting the regulations (through April 2010).

Table 1. Key milestones in the history of the legislation, regulations, and Department of Education guidance

Date	Provisions
Feb. 1, 2006	Congress passes the *Higher Education Reconciliation Act of 2005* as part of the *Deficit Reduction Act of 2005*.
Feb. 8, 2006	President Bush signs the *Higher Education Reconciliation Act of 2005* into law.
April 5, 2006	The Department of Education explains the process for administering grants to institutions of higher education through a letter posted on the Department's website.
May 2, 2006	The Department of Education announces guidelines on how students become eligible—having successfully completed a rigorous high school program of study and specific majors.
June 1, 2006	Deadline for states to establish and submit to the secretary of education an alternate rigorous high school program of study for recognition in the 2006–07 academic year.
July 3, 2006 Effective 2006–07 academic year	Interim Final Regulations are posted in the *Federal Register*— addressing mandatory participation, definition of "academic year," and definition of GPA.
July 3–Aug. 17, 2006	Comment period on Interim Final Regulations.
Oct. 20, 2006	"Dear Colleague" letter on academic year.
Nov. 1, 2006	Deadline for states to establish and submit to the secretary of education additional rigorous high school programs of study for recognition in the 2007–08 academic year.
Nov. 1, 2006 Effective 2007–08 academic year	Final Regulations published, in response to comments.
February–April 2007	Negotiated rulemaking sessions.
Oct. 29, 2007 Effective July 1, 2008—but could be implemented on or after Nov. 1, 2007	Final Regulations published, as amended by the secretary of education.
May 7, 2008 Effective Jan. 1, 2009	The *Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715) is passed by the House and Senate and signed into law by President Bush.
Aug. 1, 2008	The Department of Education's Office of the Inspector General publishes its *Audit of the Department's Process for Disbursing Academic Competitiveness Grants and National Science and Mathematics Access to Retain Talent Grants* (U.S. Department of Education 2008).

Cont'd. next page. See notes at end of table.

Table 1. Key milestones in the history of the legislation, regulations, and Department of Education guidance—Continued

Date	Provisions
Aug. 14, 2008 Effective July 1, 2009	The *Higher Education Opportunity Act of 2008* (H.R. 4137) is enacted and the *Higher Education Act of 1965 (HEA)* is reauthorized.
Jan. 19, 2009	The Department of Education releases the report titled *Academic Competitiveness and National SMART Grant Programs: First-Year Lessons Learned*.
February 2009	The Department of Education releases its list of rigorous secondary school programs of study and eligible majors for the National SMART Grant in the 2009–10 COD Technical Reference (U.S. Department of Education 2009).
March 25, 2009	The Government Accountability Office releases its report titled *Recent Changes to Eligibility Requirements and Additional Efforts to Promote Awareness Could Increase Academic Competitiveness and SMART Grant Participation*.
May 1, 2009	Interim Final Rules are posted in the *Federal Register*.
May 12, 2009	The Department of Education's Office of Postsecondary Education releases its *Academic Competitiveness Grant and National SMART Grant Programs End-of-Year Report* for the 2007–08 academic year.
June 1, 2009	Comments on Interim Final Rules due to the Department. Two stakeholder organizations responded.
June 30, 2009	Correction to Interim Final Rules published in the *Federal Register*.
July 1, 2009	Changes to the eligibility rules go into effect.
Nov. 23, 2009 Effective Jan. 22, 2010	Final Regulations published in the *Federal Register*.

NOTE: A more detailed description of the history of the ACG and National SMART Grant programs can be found in Appendix H.

At the same time that legislation and regulations are modifying and shaping the ACG and National SMART Grant programs, changes are being made to the federal student aid programs that may affect the utilization of ACGs and National SMART Grants. The maximum authorized Pell Grant amount for eligible students was increased, starting July 1, 2009, to $6,000 for academic year 2009–10. However, because the authorized maximum amount was not funded, the maximum Pell Grant amount for the 2009–10 award year was $5,350, an increase of $619 from the 2008–09 award year. For 2010–11, the maximum award was funded at $5,550, a $200 increase, and eligibility for the Pell Grant was expanded. This will increase the number of potentially eligible ACG and National SMART Grant recipients.

The Department of Education has developed a shorter and simpler version of the online Free Application for Federal Student Aid (FAFSA) and renewal FAFSA that eliminates nonapplicable questions. They have also developed a Web application that will let some families answer the remaining financial questions with a data feed from the Internal Revenue Service (IRS). These improvements should increase the number of Pell Grant applicants, as research shows that the complexity of the current FAFSA application prevents many low-income, potentially Pell Grant–eligible students from applying for federal aid (ACSFA 2008).

Unrelated to the changes in student aid programs is the effect of the current economic recession on college and university operations. Declines in state support and losses in endowment holdings have increased the pressure on institutions to cut expenses and raise tuition to compensate for lost revenue. There have also been increases in enrollment, especially in less expensive public and community colleges. During a recession, unemployed or underemployed workers are more likely to return to college to upgrade their skills than are those who are fully employed.[10] The effects of these program changes and the larger economic cycles will affect the numbers of students who are eligible for ACGs and National SMART Grants in their final years of funding.

Continuing Controversy on the Design and Purpose of the Legislation

While financial aid has been a central part of the federal government's higher education policy for many years, the introduction of a merit component to the Pell Grant award process was perceived by postsecondary administrators and their stakeholder organizations as a significant change in federal policy. The *Servicemen's Readjustment Act*, or G.I. Bill, passed in 1944, was a significant federal foray into providing financial aid for students—in this case, veterans—for postsecondary education. The first need-based federal grant programs came into existence with Title IV of the *Higher Education Act of 1965*. The *Education Amendments of 1972* went on to expand aid to the neediest of students through the creation of the Basic Education Opportunity Grant, later renamed the Pell Grant. Title IV Grant programs were established to help financially needy students.

Leading up to and continuing throughout the first award year for ACGs and National SMART Grants, there was general discussion about the merit components of the grants, and specifically about the ACG requirement that students complete a rigorous secondary school curriculum in high school and achieve a 3.0 GPA at the end of their first year to receive their second-year award, and the National SMART Grant requirement that students maintain a cumulative 3.0 GPA. The intent of the programs was to encourage academic and enrollment behaviors that would lead to successful degree completion. The statutory requirements (full-time enrollment, enrollment in degree programs) were aligned with previous research that identifies these

[10] For examples of news stories on recession-induced changes by colleges and universities, see http://recessionreality.blogspot.com/ (accessed July, 2010).

characteristics as factors in degree attainment (U.S. Department of Education 1999, 2006). By tying these programs to the Pell Grant, the government was attempting to bolster access and degree completion for students who are most at risk of never reaching, or dropping out of, higher education. By mandating that students complete a rigorous secondary school curriculum, states were also encouraged to ensure that approved curricula were available to all students.

Critics took issue with the merit component of the grants, based on philosophical differences and on logistical concerns. First, some critics were concerned about the perceived shift in federal aid policy away from need-based to merit-based aid and its effect on low-income students. They were concerned that this trend toward funding merit-based aid might affect the funding levels of other federal need-based aid programs, while serving a more limited student population. During interviews and focus groups held during the first implementation year, high school and postsecondary stakeholders voiced concerns that the distribution of aid would shift from the low end to the high end of the Pell Grant-eligibility range and exclude more racial and ethnic minority recipients, thereby reducing the resources going to those students who need the most help to attend college.

The other, more practical, concern was how to fulfill the statutory requirements, given the time, budgetary, and administrative constraints facing postsecondary institutions. During the first implementation year, colleges and universities had less than six months to prepare for disbursement. Additionally, verifying academic achievement and meeting the necessary documentation requirements set forth by the statute required greater coordination among admissions officers, financial aid officers, and registrars. As open-access institutions, community colleges in particular felt the brunt of these new statutory requirements.

Changes in the Programs

Leading up to the start of the 2006–07 academic year, the Department notified the public of this new source of potential financial aid; provided guidance and Interim Regulations to higher education institutions; set up processes to disburse funds to colleges and universities; worked with stakeholders to develop Final Regulations for 2006–07; and began establishing regulations for subsequent years. The Interim Final Rules that governed these programs were issued by the Department in July 2006 and were followed by a series of "Dear Colleague" letters to address specific concerns—expanding the list of National SMART Grant majors and providing two approaches for determining "academic year." At the same time, postsecondary institutions worked to identify eligible students and award these new grants, despite concerns about the administrative burdens created by the new requirements. The Final Regulations aimed to further reduce the administrative burden of implementing the grants.

The Final Regulations for 2008–09, released in November 2007, were developed through the analysis of comments received on the Notice of Proposed Rulemaking that was based on a negotiated rulemaking process. Early implementation of the regulations was allowed. Modifications made to the Final Regulations included allowing states and local education agencies to submit rigorous curricula for approval beyond the following year; clarifying how to interpret Advanced Placement (AP), International Baccalaureate (IB), and dual enrollment credits; and outlining a process by which institutions could submit petitions to have additional majors designated as National SMART Grant–eligible majors.

Changes Enacted by the *Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715) and the *Higher Education Opportunity Act of 2008* (H.R. 4137)

The *Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715) was passed by Congress in April 2008 and signed into law by President Bush on May 7, 2008. With the passage of H.R. 5715, Congress expanded eligibility to include part-time students, eligible noncitizens, and students enrolled in certificate programs lasting a year or more at a degree-granting institution. The legislation also deleted the "academic year" terminology, which allowed colleges and universities to determine student standing based on grade level. Students enrolled in demanding degree programs requiring five years of course credits were also allowed to receive a fifth-year grant. In addition, Congress made it clear that only states could add additional rigorous programs of study to those previously defined by the secretary to determine student eligibility for the ACG. Although these changes were slated to go into effect on Jan. 1, 2009, the *Higher Education Opportunity Act of 2008* (H.R. 4137), passed by Congress in August 2008, delayed the implementation of these changes until July 1, 2009. Final regulations implementing H.R. 5715 and H.R. 4137 were published on Nov. 23, 2009, with an effective date of Jan. 22, 2010.

Resolution of the Statutory and Regulatory Concerns Expressed by Stakeholders

Many of the original concerns expressed by stakeholders in the first year of administering the grants were addressed with clarifications in the Final Regulations and in the *Higher Education Opportunity Act of 2008*. Stakeholders were particularly pleased that the new legislation expanded the programs to include a wider range of Pell Grant–eligible students, although some stakeholders are still concerned about the burden associated with administering the rigorous secondary school curriculum and postsecondary GPA requirements. This section primarily focuses on the concerns raised during the second implementation year and any modifications that were made to the statutory language. Table 2 lists the salient concerns affecting the implementation of the ACG and National SMART Grant legislation, and whether stakeholders consider them still unresolved. A more detailed review of all the major stakeholder concerns since the programs' inception can be found in Chapter 2 of the *First-Year Lessons Learned* report (U.S. Department of Education 2009).

Table 2. Development and resolution of salient concerns about eligibility requirements for ACGs and National SMART Grants

Salient Issues	Source and Resolution: Effective 2006–07 and 2007–08 Academic Years	*Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715): Effective Jan. 1, 2009	*Higher Education Opportunity Act* (H.R. 4137): Effective July 1, 2009
Eligibility Requirements for ACGs and National SMART Grants			
Adding "Merit" Aid to Basic Pell Grant Requirements	Legislation; No changes to the Final Regulations dated Oct. 29, 2007.	No change.	No change.
Full-time Enrollment	Legislation; No changes to the Final Regulations dated Oct. 29, 2007.	Students enrolled at least half-time are now eligible.	No change.
Degree Programs	Legislation; No changes to the Final Regulations dated Oct. 29, 2007.	Students enrolled in one- to two-year certificate programs at degree-granting institutions are now eligible.	Change to "program of study."
U.S. Citizenship	Legislation; No changes to the Final Regulations dated Oct. 29, 2007.	Some students who are noncitizens (permanent residents) are now eligible.	No change.
Rigorous High School Program	No changes to the Final Regulations dated Oct. 29, 2007. The secretary recognizes at least one rigorous secondary school program of study for each state annually. States may submit proposals for recognition or may elect to accept rigorous secondary school programs of study pre-recognized by the secretary.	States given increased control to define rigorous secondary school programs of study. The secretary no longer recognizes rigorous secondary school programs of study.	No change.
"Academic Year" Defining Students' Initial and Ongoing Eligibility	Statutory requirements, Interim and Final Regulations. The Department issued clarifications in the Final Regulations, but did not change the definition of "academic year."	"Academic year" changed to "year."	No change.

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Table 2. Development and resolution of salient concerns about eligibility requirements for ACGs and National SMART Grants—Continued

Salient Issues	Source and Resolution: Effective 2006–07 and 2007–08 Academic Years	*Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715): Effective Jan. 1, 2009	*Higher Education Opportunity Act* (H.R. 4137): Effective July 1, 2009
Regulations			
Mandatory Participation	Interim and Final Regulations. No changes to the Final Regulations dated Oct. 29, 2007.	No change.	No change.
Four-year High School Transcript Requirement	Interim and Final Regulations. No changes to the Final Regulations dated Oct. 29, 2007.	Regulatory requirement, no change.	No change.
Determining Eligibility of Majors/Declaration of Majors	The Department issued clarifications in the 2007 Final Regulations and provided institutions with a process to petition for the inclusion of additional majors.	Extends eligibility for a National SMART Grant to a student enrolled in a qualifying liberal arts curriculum. National SMART Grant eligibility expanded to include students enrolled in the fifth year of a five-year degree program.	No change.
Postsecondary GPA	Legislation; The Department issued clarifications in the Final Regulations dated Oct. 29, 2007.	No change.	No change.

Concerns Raised During the Second Award Year, 2007–08

During 2007–08, stakeholders continued to express concern about the statutory requirements that caused administrative burden in implementing the grants and called for the expansion of program eligibility to all students who were Pell Grant–eligible, which would expand the programs to include part-time students who were enrolled at least half-time, certificate-seekers, and noncitizens eligible for federal aid. The passage of H.R. 5715 and H.R. 4137 in 2008 addressed many of these concerns, although the administrative burden was still felt by some institutions. Local campus difficulty in implementing technology solutions for the coordination of information on financial need, determining students' initial and continuing academic progress and eligibility, and the ACG's rigorous curriculum requirement continued to concern policy groups, financial aid administrators, and academic advisors. These stakeholders thought that the

processes for verifying that a student initially met the rigorous curriculum requirement for the ACG, attained the required minimum GPA at the end of the first year for the ACG, and met the minimum GPA each term for the National SMART Grant required time-consuming administrative processes at a time when many colleges were facing cutbacks in staffing.

Although the Department provided clarification throughout the first and second implementation years, no significant changes in legislation were made to address these concerns during the 2008–09 academic year.

Administrative Burden

Several recent reports cite the administrative burden of qualifying the grant recipients as one of the primary reasons why the number of recipients during the first two implementation years was lower than the Department had expected. The Institute for Higher Education Policy (IHEP) discussed the ACG and National SMART Grant programs in its February 2008 publication *Window of Opportunity: Targeting Federal Grant Aid to Students with the Lowest Incomes* (McSwain, Cunningham, Erisman, and Merisotis 2008), in which they called upon stakeholders to address the challenge of reaching a greater number of students.

The National Association of Student Financial Aid Administrators (NASFAA) called the programs "too complicated and ineffective" in their April 2009 report *National Conversation Initiative—Preliminary Recommendations* (NASFAA 2009, p. 20). NASFAA's criticisms of the programs echo the feedback that stakeholders provided during the first implementation year: that the programs are challenging to implement, burdensome on financial aid and academic advising departments, and have thus far served a limited number of students. NASFAA also stated that the merit component both limits the reach of the grants and signals a change in federal student aid policy. The Government Accountability Office (GAO) heard similar comments from the institutions and administrators they interviewed for their audit of the ACG and National SMART Grant programs, released in March 2009. Some of the state officials and college administrators interviewed by the GAO felt that the differing state and institutional participation rates were due in part to variances in access to rigorous curricula, state high school graduation requirements, college admissions requirements, and institutional and student characteristics. Many of the financial aid administrators interviewed for the GAO report (U.S. Government Accountability Office 2009) identified the rigorous curriculum requirement as particularly difficult to verify and burdensome to implement.

Despite these concerns, states and institutions have made efforts to simplify the award process. Northwestern Connecticut Community College, for example, has reconfigured its data system to automate the award process and promote the ACG to students. While awarding the grants still creates a "huge additional workload on already strained resources," the college has developed a form to help administrators and staff members determine student eligibility (Northwestern

Connecticut Community College n.d.). The GAO also reported that several of the states and institutions they interviewed had implemented strategies to help streamline the verification process. Texas and Florida annotate the high school transcripts of students who meet the rigorous curricula requirement; Georgia provides institutions with a list of students who have received their Bright Future Scholarship (and thereby meet the curriculum requirements); and Rhode Island is considering annotating its high school transcripts as well.

Definition of Academic Year

Leading up to and during the first implementation year, stakeholders expressed concern about the definition of "academic year" as described in Section 481(a)(2) of the *Higher Education Reconciliation Act of 2005*. Under the Interim Final Regulations, academic year progress was defined in terms of both the minimum number of weeks of instructional time and in credit or clock hours. Stakeholders preferred that "academic year" be determined only by the student's grade level or credits earned and his or her standing as defined by the institution, which is consistent with the definition of "year" used in other Title IV programs.

Initial confusion over the rules for the program led to errors in awarding aid. In a "Dear Colleague" letter (GEN-06-18), the Department acknowledged that it would be difficult for many institutions using a traditional term-based academic calendar to determine the actual number of weeks of instruction that a student would need in order to complete the number of credit hours in an academic year and allowed institutions to decide this on a student-by-student basis, using two suggested approaches and several examples.

The language of the law left the Department little latitude for modifying the statutory requirements, and there were no changes to the definition for the 2006–07, 2007–08, or 2008–09 academic years. The *Ensuring Continued Access to Student Loans Act of 2008* (H.R. 5715) provided that eligibility for awards is based on the student's grade level instead of academic year.

Regulatory Requirements

Stakeholders continued to voice concerns over several of the regulatory requirements: that institutions must participate in the ACG and National SMART Grant programs to continue to participate in Title IV funding; that colleges review four-year high school transcripts to verify completion of a rigorous curriculum instead of using the typical three-year transcript; and that the determination of eligibility for the National SMART Grant be based on academic major, course work, and postsecondary GPA. Postsecondary institutions felt these regulatory requirements were particularly difficult to implement, especially for community colleges and smaller colleges and universities, which generally lack the staff, budget, and expertise to process student transcripts in such detail. As open-admission institutions, many community colleges did

not require high school transcripts for enrollment and were not set up to meet the verification requirements of the ACG. Although many states and institutions have now put processes in place to mitigate the administrative burden of these grants, community colleges may continue to find the verification requirements burdensome as college enrollment increases and institutional and state budgets shrink.

Mandatory Participation

Stakeholders questioned the mandatory institutional participation requirement, saying it violated institutional autonomy and would be difficult to implement given the short amount of time between the authorization of the program and the awarding of the grants. In its response to the negotiated rulemaking sessions, the Department said it was not going to change the Interim Regulations in order to ensure that students with financial need could receive all the federal grants to which they were entitled. A voluntary program would have created a "separate but unequal" situation where otherwise eligible students would be missing out on the chance to receive additional grant funds based on the college or university they decided to attend.

Although no changes were, or will be, made to this part of the statute, the Department's Office of the Inspector General (OIG) was assigned the tasks of examining the proper identification of eligible students, the correct disbursement of monies, and institutional compliance. In the report *Audit of the Department's Process for Disbursing Academic Competitiveness Grants and National Science and Mathematics Access to Retain Talent Grants* (U.S. Department of Education 2008), the OIG found that the Federal Student Aid (FSA) office had sufficient processes in place to correctly identify financially eligible students, but did not adequately follow up with colleges to ensure compliance. More than half of the nonparticipating ACG/National SMART Grant-eligible colleges never responded to FSA inquiries as to why they were not participating, and the OIG report found that a significant proportion of these colleges were in fact eligible to participate, although they may have had very few students who would have qualified. The FSA, like the colleges and universities, had insufficient time to adequately implement the procedures and processes needed to monitor institutional compliance.

The OIG recommended that the FSA put procedures in place to improve oversight of the grants and that a system of fines and suspension/termination from the Pell Grant program be established for colleges that are not in compliance. In response, the FSA began during the second award year (2007–08) to collect certification from nonparticipating institutions that appeared to be eligible for at least one of the programs. The FSA also agreed to develop an administrative protocol in spring 2009 for issuing fines to eligible institutions that failed to comply with the procedures (U.S. Department of Education 2008).

Four-year High School Transcript

During the first implementation year, college stakeholders were concerned about the requirement to review four-year high school transcripts rather than three-year transcripts. They reported that this requirement had been a time-consuming manual process. Community colleges, in particular, felt this requirement would put an undue burden on them as open-access institutions. Neither H.R. 5715 nor H.R. 4137 modified the statutory language to allow for the evaluation of partial high school transcripts. This will continue to be an issue for some colleges until the programs sunset in 2010–11.

Current Status of Legislation and Regulations

The legislation was significantly modified with the passage of H.R. 5715 and H.R. 4137 in summer 2008. The new program modifications—namely, the expanded eligibility requirements and changes to the definition of "academic year"—went into effect July 1, 2009, in time for the fourth award year. On May 1, 2009, the Department solicited comments on the Interim Final Rules in the *Federal Register*;[11] comments were due to the Department on June 1, 2009. Two organizations responded to the Interim Final Rules: the American Association of University Women and the National Association of Student Financial Aid Administrators. Both organizations applauded the changes made by H.R. 5715 and H.R. 4137. NASFAA had several questions about the definition of "eligible program of study"; the duration of student eligibility, particularly for students in certificate programs that are longer than one year; the ability of ACG recipients who enter as sophomores due to AP or IB course work to receive a second-year grant; and the calculation of a grant for students whose grade level changes after the term has begun.[12]

The Department waived the negotiated rulemaking requirements for changes made to the programs under Section 401(b) of H.R. 4137 and waived the notice-and-comment rulemaking requirements outlined by the *Administrative Procedure Act* (5 U.S.C. 533), given the short amount of time between the set implementation date of the revised regulations and the 2009–10 award year. Final regulations were published on Nov. 23, 2009.

Despite the modifications made to the ACG and National SMART Grant programs, the programs are slated to sunset after the 2010–11 academic year. It is anticipated that the recent modifications may not increase program participation rates as much as might be expected if the programs were expected to continue.

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[11] Department of Education (Rules and Regulations). *Federal Reg*ister (Vol. 74, No. 83), p. 20210 (May 1, 2009). Available at: http://www.ed.gov/legislation/FedRegister/finrule/2009-2/050109a.html.

[12] Available at: http://www.regulations.gov/search/Regs/home.html#searchResults?Ne=11+8+8053+8098+8074+8066+8084+1&Ntt=Academic+Competitiveness+Grant&Ntk=All&Ntx=mode+matchall&N=8060 (accessed July, 2010).

Stakeholders' Perspectives

To gain a better understanding of general concerns surrounding the ACG and National SMART Grant programs, the publications and websites of stakeholder organizations were reviewed for this report. These stakeholders include a mix of organizations representing secondary and postsecondary institutions and administrators; parents, students, and teachers; governmental and nongovernmental agencies; and Science, Technology, Engineering, and Mathematics (STEM)-related associations (Table 3). Stakeholders were identified based on their role in preparing students for or implementing the ACG and National SMART Grant programs. While the selected group of stakeholders is not exhaustive, it does offer a range of perspectives and insights into the regulatory and implementation aspects of the grant programs at both the college and secondary school levels.

Table 3. Stakeholder organizations

Organization	Stakeholder Role
Postsecondary Stakeholders	
American Association of Collegiate Registrars and Admissions Officers	Represents administrators at postsecondary institutions
American Association of Community Colleges	Represents public two-year institutions
American Association of State Colleges and Universities	Represents some state postsecondary institutions
American Association of University Professors	Represents professors at some universities
American Association of University Women	Advocates educational equity for women and girls
American Conference of Academic Deans	Represents deans at all postsecondary institutions
American Council on Education	Represents U.S. higher education institutions
Association of American Universities	Includes 60 American universities
Association of Community College Trustees	Represents community college trustees
Career College Association	Represents proprietary postsecondary institutions
National Academic Advising Association	Includes all postsecondary institutions
National Association of College and University Business Officers	Represents business officers at all postsecondary institutions
National Association of Independent Colleges and Universities	Represents some independent institutions
National Association of State Student Grant and Aid Programs	Represents state agencies responsible for state-funded student aid programs
National Association of State Universities and Land-Grant Colleges	Represents state universities and land-grant colleges
National Association of Student Financial Aid Administrators	Includes all postsecondary institutions
State Higher Education Executive Officers	Represents state chief executive officers that serve on coordinating boards and governing boards of postsecondary education
The Council for Opportunity in Education and The Pell Institute	Represents TRIO programs and some Educational Opportunity Programs
United States Student Association	Represents students

Cont'd. next page. See notes at end of table.

Table 3. Stakeholder organizations—Continued

Elementary and Secondary Stakeholders	
American School Counselor Association	Includes elementary, middle and high school, and college counselors
Council of Chief State School Officers	Includes public officials who head departments of elementary and secondary education
National Association for College Admission Counseling	Represents high school and college counselors
National Association of Secondary School Principals	Includes middle and high school principals
National Council of Teachers of Mathematics	Represents elementary and high school mathematics teachers
National Science Teachers Association	Represents elementary and high school science teachers
National Education Association	National labor union committed to advancing public education
Parent and Student Stakeholders	
United States Student Association	Represents students
National Parent Teacher Association	Includes high school and elementary school parents
Other Agencies and Organizations	
Achieve, Inc.	Nonprofit education reform organization
Advisory Committee on Student Financial Assistance	Independent and bipartisan source of advice and counsel on student financial aid policy to both Congress and the secretary of education
National Business Association	Represents the self-employed and small business communities
National Governors Association	Represents state governors
U.S. Department of Education	For the ACG and National SMART Grant programs, responsible for developing regulations and administering the programs
U.S. Government Accountability Office	Responsible for auditing, investigating, and evaluating government programs
College Board	Nonprofit membership organization promoting college success
Institute for Higher Education Policy	Nonprofit organization promoting increased access to and success in postsecondary education
The Bill & Melinda Gates Foundation	Nonprofit organization promoting increased access and success for elementary, secondary, and postsecondary students
The Lumina Foundation for Education	Nonprofit organization promoting increased access to and success in postsecondary education
The Brookings Institution	Nonprofit public policy organization

NOTE: Interviews were conducted in fall 2006 with experts from key stakeholder organizations. Documentation and feedback from the negotiated rulemaking sessions and from stakeholder websites were collected and examined. For the first-year report, stakeholders were selected based on their role in implementing the ACG and National SMART Grant programs during the first award year. This list has since been broadened to include a more diverse set of stakeholders, ranging from representatives from high school and postsecondary organizations to nongovernmental organizations.

Stakeholders' Perspectives

Given that some of the most contentious statutory concerns (rigorous curriculum requirement, postsecondary GPA requirement) are unlikely to be modified or removed before the programs' sunset following the 2010–11 academic year, many colleges have found ways to implement the grants and work within the framework and guidelines provided by the Department. The American Association of Collegiate Registrars and Admissions Officers, the National Association of Student Financial Aid Administrators, and the National Association of College

and University Business Officers continue to provide their members with updates and implementation information on the ACG and National SMART Grant programs.

Questions raised by college and university financial aid administrators on the national FINAID-L listserv[13] continued to center on identifying students, determining eligibility, calculating GPA, and evaluating transcripts. Administrators and other financial aid personnel use this site to post technical questions and receive guidance from their colleagues on how to adhere to, and interpret, the legislation.

Similarly, parents and students continue to post questions and comments about the grants on the College Confidential website,[14] which was developed by several college aid counselors, administrators, and a parent to provide information on the college admissions and financial aid application process. Posts from parents and students continue to focus on the eligibility requirements, approved majors, and how changes in enrollment affect grant disbursement.

During the Brookings Institution's May 2009 forum on the "Future of Student Financial Aid," participants discussed some of the challenges that institutions and administrators faced when implementing the ACGs and National SMART Grants. One of the concerns they raised about the design of the programs was that, unlike the Pell Grant, whose award amount is distributed on a sliding scale based on income, students must meet all of the eligibility requirements to receive the ACG and National SMART Grant.

There have also been calls by various higher education advocacy groups to streamline the financial aid system and eliminate the ACG and National SMART Grant programs altogether by fully funding the Pell Grant. In September 2008, the College Board and the Rethinking Student Aid Study Group published the report *Fulfilling the Commitment: Recommendations for Reforming Federal Student Aid* (College Board 2008), which presents recommendations for improving the federal student aid system. The authors cited the growing complexity of the federal student grant system and recommended simplifying the Pell Grant program by increasing the average award instead of diverting funds to companion programs, such as the ACG and National SMART Grant programs, that serve a smaller population of low- and middle-income students. NASFAA (2009) made similar recommendations in its report, calling for an increase in the maximum Pell Grant award through the elimination of the ACG and National SMART Grant programs.

[13] Archives searched at: FINAID-L@LISTS.ASET.PSU.EDU (accessed July, 2010).
[14] Available at: http://www.collegeconfidential.com (accessed July, 2010).

Conclusion

Many of the concerns expressed by stakeholders during the first and second award years have been mitigated by the enactment of H.R. 5715 and H.R. 4137, although concerns were still raised about the perceived administrative burden of implementing the grants, and several recent reports have advocated instead for increasing the maximum Pell Grant amount by eliminating the ACG and National SMART Grant programs entirely. Stakeholders generally approve of the changes made to the legislation, primarily because more students will meet the new eligibility requirements, even though there are still concerns about the increased administrative burden of processing a higher volume of transcripts and awards. It is anticipated that a greater number of students will be served by the grants during the 2009–10 academic year, due in part to the broader eligibility rules and to more awareness about the programs and their requirements (Table 4).

Table 4. Possible effects of legislative and economic changes and stakeholder efforts

Changes	Expected Effects
H.R. 5715, H.R. 4137, and the *Health Care and Education Reconciliation Act of 2010*	• Increased participation by lower-income and adult students who are more likely to attend part-time and enroll in certificate programs. • Increased administrative burden as the number of recipients increases.
FAFSA simplification	• Increased participation by lower-income students who are more likely to complete the FAFSA.
Economic recession	• Increased postsecondary enrollment, particularly at community colleges. • Possibly fewer students attending full-time due to the financial burden of full-time tuition, although these students would still be eligible for an ACG or National SMART Grant award. • More students may qualify for a Pell Grant, given changes in financial circumstances.
Increase in eligibility and maximum Pell Grant award	• Increased participation and retention.
"Race to the Top" funding	• Dependent on how quickly money is disbursed and states fund their programs. • It is unlikely that the ACG or National SMART Grant programs will benefit from this funding before they sunset in 2010–11.
Various efforts to improve high school graduation rates	• Increase in the number of students graduating high school and in the number of graduates prepared for college.
States' and institutions' efforts to automate award process	• These efforts have generally been limited to a small number of states and institutions. While they may prove beneficial, it is unlikely that many more states or institutions will adopt these practices as the programs are slated to sunset in 2010–11.
Mandatory participation penalties for noncompliance	• Increased participation among colleges, but also increased risk for institutional error, particularly at smaller institutions and community colleges that do not have the ability or staffing to process a high volume of transcripts.

Efforts made by the FSA to increase compliance may result in an increase in the number of ACG awards. State and institutional efforts to automate the award process and better classify students as having completed a "rigorous" secondary school curriculum will also streamline the verification process, and thereby reduce the associated administrative burden. Other recent developments—such as the increase in the maximum Pell Grant award and the simplification of the FAFSA—may also contribute to an increase in postsecondary enrollment and persistence.

Postsecondary institutions, and community colleges in particular, may experience increases in student enrollment, despite decreases in state funding and institutional endowments, as unemployed and underemployed workers return to education. While many of these students may be enrolled part-time, they would still be eligible for the ACG or National SMART Grant as long as they enroll at least half-time and meet the other eligibility requirements.

Federal, state, and local efforts to improve K–12 education, postsecondary enrollment, and degree attainment are unlikely to have the effect of increasing the number of ACG recipients. The ACG and National SMART Grant programs will sunset at the end of the 2010–11 academic year, and the fruits of these efforts are generally slow to mature.

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CHAPTER 3

ACG and National SMART Grant Program Participation and Awareness

This chapter describes participation in the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent (SMART) Grant programs focusing on 2007–08, the second year these grants were available. The figures in this chapter show data for both 2006–07 and 2007–08 to allow comparisons between the first and second years of each program. The tables in Appendix D provide more detail on participation in 2007–08, showing data by type of institution and student characteristics and comparing ACG and National SMART Grant recipients with students who received Pell Grants only. The report on the first year of the program contains comparable tables for 2006–07 in Appendix E (U.S. Department of Education 2009).

In considering participation in the ACG and National SMART Grant programs, it is important to remember (as explained in Chapter 1) that participation is tied to Pell Grant eligibility. As a result, it is sensitive to changes in Pell Grant participation and also to changes in the maximum Pell Grant. If the number of Pell Grant recipients increases, for example, so does the pool of students eligible for an ACG or National SMART Grant. In addition, because a student's total grant aid cannot exceed his or her calculated financial need, it is possible that as the maximum Pell Grant amount increases, fewer students may be eligible for an ACG or National SMART Grant or the amounts they can receive may be reduced.[15]

In fall 2006, a total of 15.2 million undergraduates were enrolled in degree-granting institutions, and 5.2 million of them received a Pell Grant (Table 5). Of these, 3.0 million were in their first or second year of study and therefore potentially eligible for an ACG. The Department of Education estimated that some 425,000 of these first- and second-year Pell Grant recipients would be eligible for an ACG.

[15] Congress legislates a maximum Pell Grant amount, but the actual maximum in a given year depends on the amount appropriated. The maximum Pell Grant was $4,050 in 2006–07 and increased to $4,310 in 2007–08. The maximum increased again in 2008–09 (to $4,731) and will be $5,350 in 2009–10. An individual student's Pell Grant award for the year depends on family income and is adjusted for the price of attending, status as a full- or part-time student, and number of terms enrolled.

Table 5. Number of undergraduates, numbers of Pell Grant, ACG, and SMART Grant recipients, and number and percent change: 2006–07 and 2007–08

Undergraduates and grant recipients	2006–07	2007–08	Change	
			Number	Percent
Undergraduates				
Fall enrollment in degree-granting institutions	15,184,000	15,604,000	419,000	2.8
Two-year institutions	6,518,000	6,618,000	99,000	1.5
Four-year institutions	8,666,000	8,986,000	320,000	3.7
Pell Grant recipients				
Total[a]	5,165,000	5,543,000	378,000	7.3
Two-year institutions	2,357,000	2,486,000	130,000	5.5
Four-year institutions	2,808,000	3,054,000	245,000	8.8
Pell Grant recipients: first- and second-year students in institutions with any ACGs	3,010,000	3,382,000	372,000	12.4
Two-year institutions	1,561,000	1,710,000	149,000	9.5
Four-year institutions	1,449,000	1,672,000	224,000	15.4
Pell Grant recipients: third- and fourth-year students in institutions with any SMART Grants	1,208,000	1,289,000	81,000	6.7
ACG recipients				
Estimated number prior to implementation[b]	425,000	—	—	—
Total ACG recipients	301,700	398,700	97,000	32.2
Two-year institutions	38,300	65,600	27,300	71.3
Four-year institutions	263,400	333,100	69,700	26.5
SMART Grant recipients				
Estimated number prior to implementation[b]	80,000	—	—	—
Total SMART Grant recipients	62,400	65,400	3,000	4.8
Major[c]				
Life sciences	23,800	26,000	2,200	9.2
Engineering	13,200	13,600	400	3.0
Computer science	9,800	10,000	200	2.0
Physical science	6,000	6,200	100	3.3
Mathematics	4,200	4,000	(200)	(4.8)
Technology	3,000	3,100	0	3.3
Multidisciplinary studies	1,700	1,700	0	0.0
Foreign language	600	800	200	33.3

— Not available.

[a] Total for 2007–08 includes 2,690 students with unknown institution type.

[b] *Federal Register,* Vol. 71, No. 127, p. 37998.

[c] New majors were added to the eligible lists for life sciences and multidisciplinary studies for 2007–08 (see Appendix A).

NOTE: Detail may not sum to totals because of rounding.

SOURCE: U.S. Department of Education, National Center for Education Statistics, *Digest of Education Statistics, 2008* (NCES 2009-020), tables 193 and 194; U.S. Department of Education, Office of Postsecondary Education, 2006–07 and 2007–08 Federal Pell Grant Program End-of-Year Reports; U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

ACG Program Participation

The number of institutions participating in the ACG program has increased.

All institutions participating in the Pell Grant program are required by law to participate in the ACG program. However, nonparticipation in the ACG program does not necessarily mean noncompliance with the law, because a Pell Grant-eligible institution may not have any students qualifying for an ACG. For example, institutions offering primarily certificate programs or only a few degree programs (as many private institutions do) might not have any ACG-eligible students.

In 2007–08, 4,100 degree-awarding institutions were eligible to participate in the Federal Pell Grant program, up from 3,600 a year earlier (Appendix Table D-1 and U.S. Department of Education 2009, Appendix Table E-1). The number of institutions participating in the ACG program (defined as making at least one award) also increased (from 2,800 to 3,000), but the increase was proportionately less. As a result, the percentage of Pell Grant–eligible institutions awarding ACGs declined, from 78 to 73 percent. This decline may not be particularly meaningful, however. The actual numbers of eligible and participating institutions are difficult to determine because some multi-campus institutions report data separately by campus and others report centrally.[16] Therefore, what may appear to be a change in the number of eligible or participating institutions may reflect, in part, a change in how the data are reported. A more important point is that most Pell Grant recipients had access to an ACG if they qualified for one. In both years, about 90 percent of the students with Pell Grants were enrolled in institutions that awarded ACGs and thus could have received one if they met the nonfinancial criteria.

Among all types of institutions, public four-year ones had the highest participation rate in the ACG program in both 2006–07 and 2007–08 (about 95 percent) (Figure 1). For-profit four-year institutions showed the most notable increase in the rate of participation (from 62 to 73 percent), but the number of such institutions is relatively small (just 164 in 2007–08). See Appendix Table D-1 for more detail on institutional participation.

The number of students receiving an ACG increased by a third.

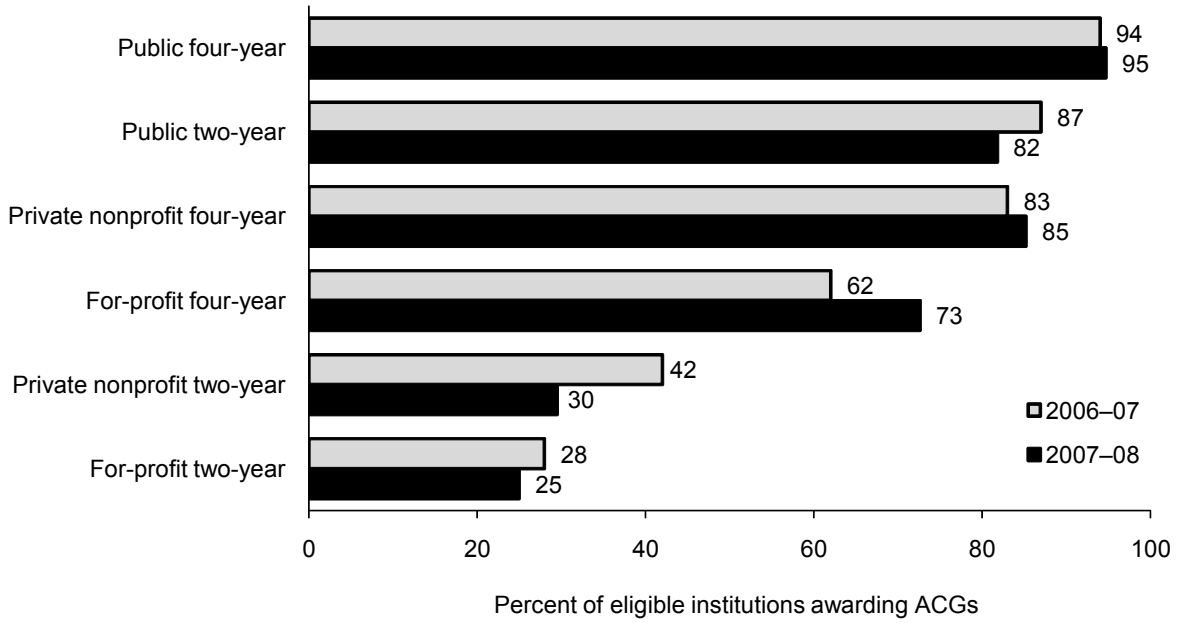
In the first year of the program, 301,700 students received an ACG (Table 5). A combination of factors may account for the discrepancy between the actual and expected numbers of students, including a lack of awareness about the new programs, start-up difficulties common to all new programs, the difficulties that institutions had in identifying and verifying student eligibility, and

[16] Many community college systems and for-profit institutions with multiple campuses do not provide information at the campus level.

the problem of accurately estimating the number of students meeting complex eligibility requirements with available data.[17]

In the second year of the program, the number of students receiving an ACG rose by 97,000 (or 32 percent) to 398,700. Some of this increase reflects the 12 percent increase in Pell Grant awards to first- and second-year students at ACG-participating institutions (from 3.0 to

Figure 1. Percentage of eligible institutions awarding ACGs, by type of institution: 2006–07 and 2007–08



SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

3.4 million), which expanded the pool of potentially eligible students. However, if the number of ACGs awarded had increased in proportion to the Pell Grant awards (i.e., by 12 percent), only 339,000 (rather than 398,700) students would have received an ACG in 2007–08. This suggests that an additional 60,000 students received ACGs in the second program year for other reasons. More students may have met the qualifications or institutions may have identified more eligible students. In addition, the pool of potential recipients was expanded because, in 2007–08, students who delayed entering college for one year became eligible for the grant, while in 2006–07, only immediate college entrants were eligible due to the requirement of high school graduation after Jan. 1, 2006.

[17] See Appendix G for a comparison of program participation, Department of Education Goals, and estimates of eligibility.

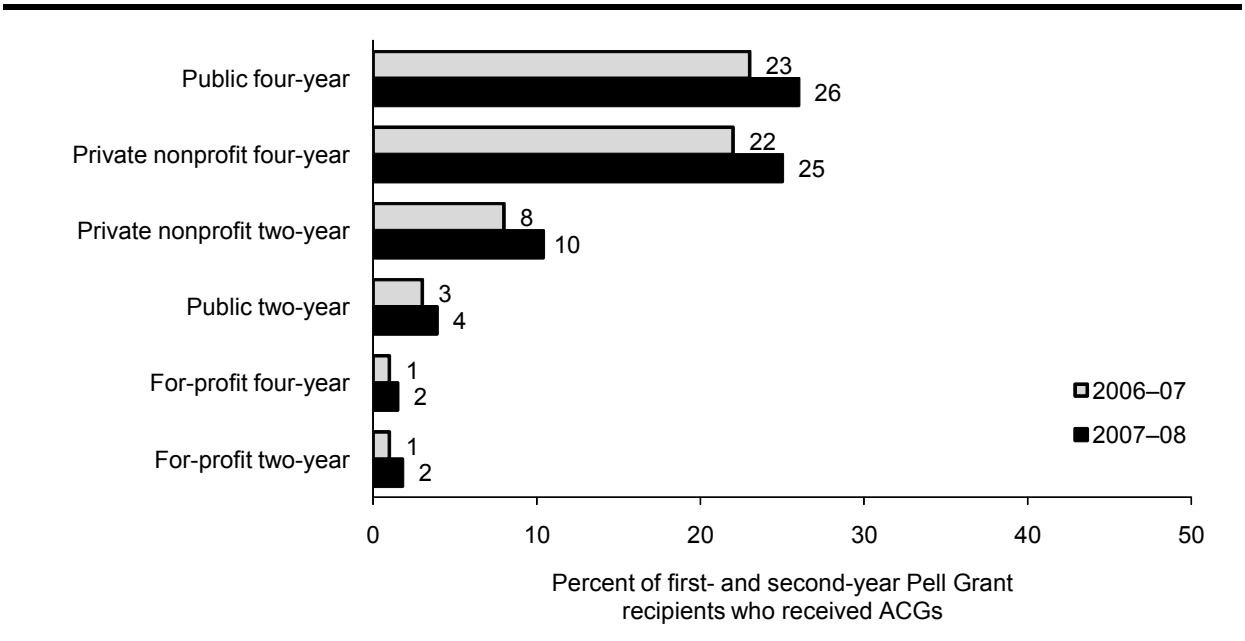
The increase in ACG awards was particularly notable at two-year institutions, where the number of students receiving ACG awards increased by 71 percent, from 38,300 in 2006–07 to 65,600 in 2007–08. Again, had the number increased in proportion to the Pell Grant awards at two-year institutions (9.5 percent), only 42,000 students would have received ACG awards, suggesting that an additional 24,000 students received ACGs in 2007–08 because more students met the qualifications or institutions identified more students meeting the qualifications.

The number of students with awards at four-year institutions increased from 263,400 in 2006–07 to 333,100 in 2007–08. Again, had the number of ACGs increased at the same rate as Pell Grant awards (15.4 percent), only 303,900 students would have received ACG awards, suggesting that an additional 29,200 students received ACGs in 2007–08 because more students met the qualifications or institutions identified more students meeting them.

The percentage of Pell Grant recipients receiving an ACG increased only slightly.

Despite the growth in the number of ACGs awarded, many Pell Grant recipients simply do not meet all the criteria for an ACG. The proportion of Pell Grant recipients who received an ACG remained low, increasing only slightly overall, from 10 percent (U.S. Department of Education 2009, Appendix Table E-2) to 12 percent (Appendix Table D-2). The percentage rose at all types of institutions, but by varying amounts (Figure 2).

Figure 2. Percentage of first- and second-year Pell Grant recipients who also received an ACG, by type of institution attended: 2006–07 and 2007–08



SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Most of the grants went to students at public and private nonprofit four-year institutions.

Of the approximately 400,000 ACGs awarded in 2007–08, more than half (225,200) went to students at public four-year institutions (Appendix Table D-2).[18] Another 100,700 went to students at private nonprofit four-year institutions.[19] A much smaller number went to students at public two-year institutions (61,900), even though these students accounted for almost half of all first- and second-year Pell Grant recipients.

The relatively small number of ACGs awarded to students at public two-year institutions reflects, in part, the large proportions of students attending these institutions who would have been ineligible because they attended part-time, were enrolled in certificate or nondegree programs, or were not recent high school graduates.[20] When ACG eligibility is expanded in 2009–10 to include students in certificate programs at degree-granting institutions and part-time students, the number of grants and the percentage of Pell Grant recipients receiving an ACG should both increase at public two-year institutions.

A majority of ACG students have received the maximum award.

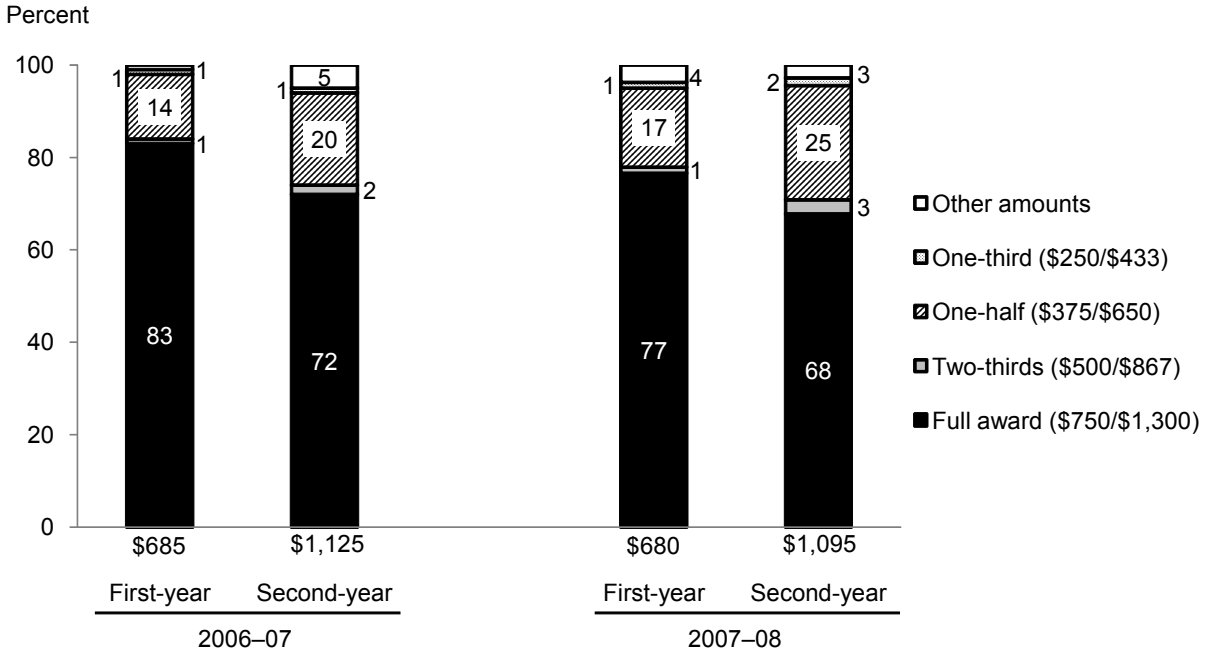
Colleges disburse ACGs and Pell Grants one term at a time, with students receiving one-half or one-third of the award each term depending on their colleges' academic calendar. Among first-year ACG recipients, about three-quarters (77 percent) were enrolled for the entire academic year in 2007–08 and received the maximum of $750. This was a decline from the previous year, however, when 83 percent received the full amount (Figure 3). The average ACG for first-year students was about $680 in both years.

Among second-year ACG recipients, about two-thirds (68 percent) were enrolled for the full year in 2007–08 and received the maximum of $1,300. This represents a slight decline from 2006–07, when 72 percent received the maximum. The average ACG for second-year students was about the same in both years ($1,100).

Students would have received less than the full amount if they attended only part of the year, and first-year students would have received more than $750 if they advanced to second-year status during the year. Additional students may have received less than the full amount because the full amount would have exceeded their financial need, but this was probably rare—most students not receiving the maximum received one-third, one-half, or two-thirds of the full amount, suggesting partial-year attendance as the primary explanation rather than a reduced award.

[18] Of these, 7,300 recipients attended institutions participating in the ACG program only, and 217,900 attended institutions participating in both the ACG and National SMART Grant programs.
[19] Of these, 6,800 recipients attended institutions participating in the ACG program only, and 93,900 attended institutions participating in both the ACG and National SMART Grant programs.
[20] In 2003–04, 53 percent of students at public two-year institutions were age 24 or older, 66 percent attended part-time, and 24 percent were enrolled in certificate or nondegree programs (Horn and Nevill 2006).

Figure 3. Percentage distribution of first- and second-year ACG recipients by amount received and average amount received: 2006–07 and 2007–08



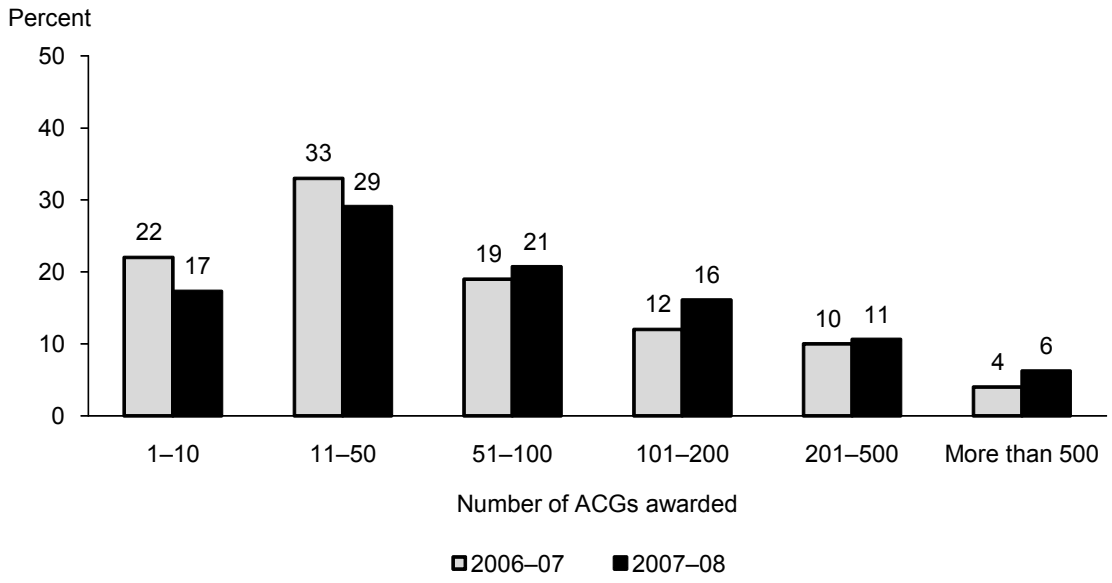
NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Almost half of all participating institutions awarded 50 or fewer ACGs.

Participating institutions awarded an average of 134 ACGs in 2007–08, up from 107 the previous year (Appendix Table D-3 and U.S. Department of Education 2009, Appendix Table E-3). However, 46 percent of all participating institutions awarded 50 or fewer ACGs in 2007–08, making this a relatively small program at many institutions (Figure 4).

Many public four-year institutions handled relatively high volumes—52 percent awarded between 201 and 1,000 ACGs, and another 7 percent awarded more than 1,000 (Appendix Table D-4). Other types of institutions, however, had relatively few students. Forty percent of private nonprofit four-year institutions and 60 percent of public two-year institutions awarded 50 or fewer grants. Appendix Table D-5 provides additional detail on the distribution of ACGs.

Figure 4. Percentage distribution of institutions participating in the ACG program by the number of ACGs awarded: 2006–07 and 2007–08



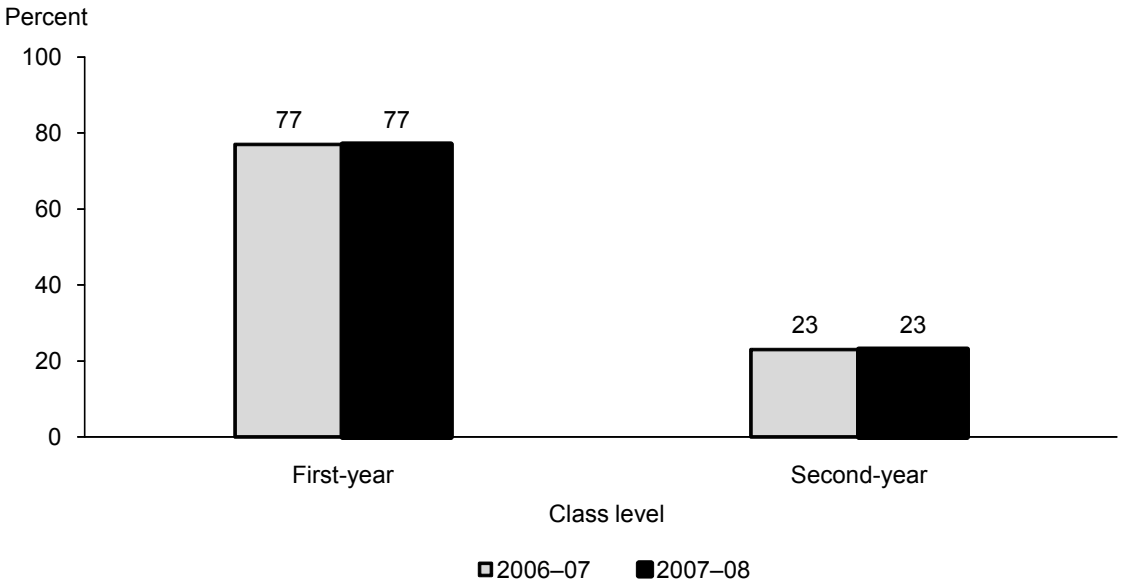
NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Just over three-quarters of all ACGs were awarded to first-year students in each of the first two years of the program.

In both 2006–07 and 2007–08, 77 percent of all ACG recipients were in their first year of college, and 23 percent were in their second year (Figure 5). In contrast, 65 percent of all recipients with Pell Grants only were in their first year in 2007–08, and 35 percent were in their second year (Appendix Table D-6). The lower percentage of ACG than Pell-only awards going to second-year students suggests that it is difficult for low-income students to meet the cumulative 3.0 GPA required for an ACG.

Because the ACG program was not signed into law until spring 2006, students who received an ACG for 2006–07 as a second-year student could not have known a year earlier that earning a 3.0 GPA could make them eligible for this grant. In contrast, students who received an ACG for 2006–07 as a first-year student would have known that if they earned a 3.0 GPA, they could get another, even larger, ACG in their second year. Therefore, it might be reasonable to expect that this prospect would have motivated some first-year ACG recipients in 2006–07 to work hard for a 3.0 GPA and retain eligibility. If this were the case, however, the proportion of grants going to second-year students should have increased in 2007–08. Because no such increase occurred,

Figure 5. Percentage distribution of ACG recipients by class level: 2006–07 and 2007–08



NOTE: If the student changed levels after the first term, the student is counted among first-year students. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

either the grants did not have the expected motivating effect or the effect was overshadowed by other factors.

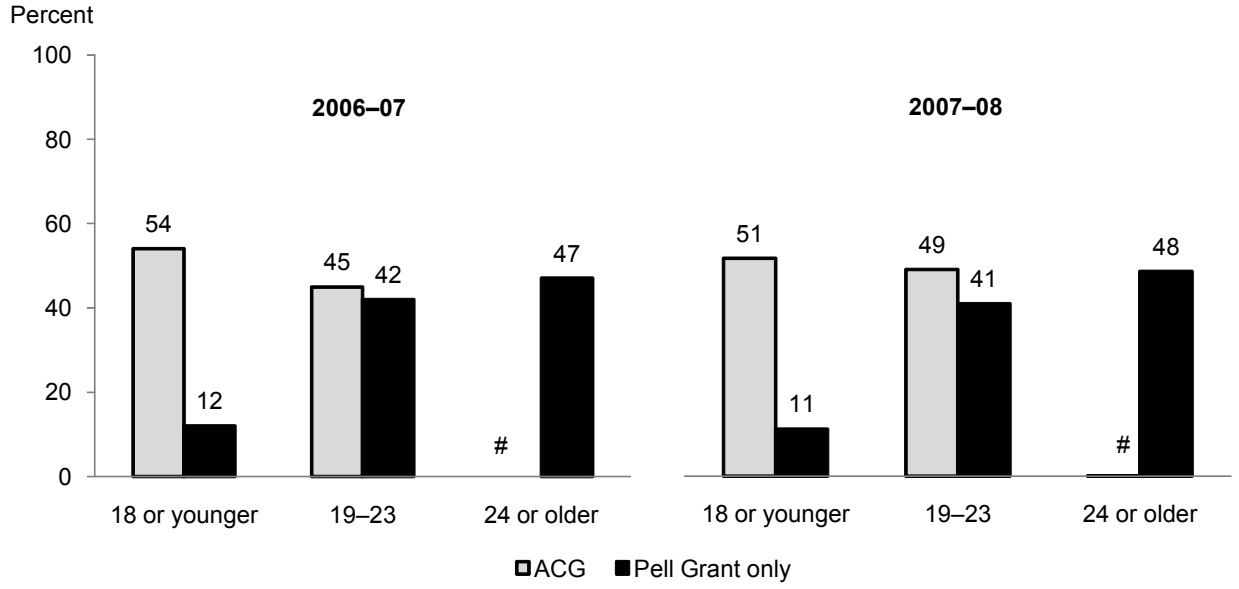
A majority of ACG recipients were women.

Sixty-two percent of all ACG recipients in 2007–08 were women (Appendix Table D-8). However, women accounted for an even greater percentage (67 percent) of all first- and second-year students with a Pell Grant but no ACG. This means that women were less likely than men to receive an ACG.

Among Pell Grant recipients, younger students were the primary beneficiaries of the ACG program.

To be eligible for an ACG in 2007–08, students had to be recent high school graduates and in their first two years of college. As a result, about half of ACG students were age 18 or younger, and almost all of the rest were between age 19 and 23 (Figure 6). In contrast, nearly half of the first- and second-year Pell Grant recipients who did not receive an ACG were age 24 or older (Appendix Table D-8).

Figure 6. Percentage distribution of ACG recipients and students who received Pell Grants only at ACG-participating institutions by age: 2006–07 and 2007–08



Rounds to zero.
NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Although all ACG recipients were from low-income families, they were disproportionately at the higher end of the income distribution of Pell-recipient families.

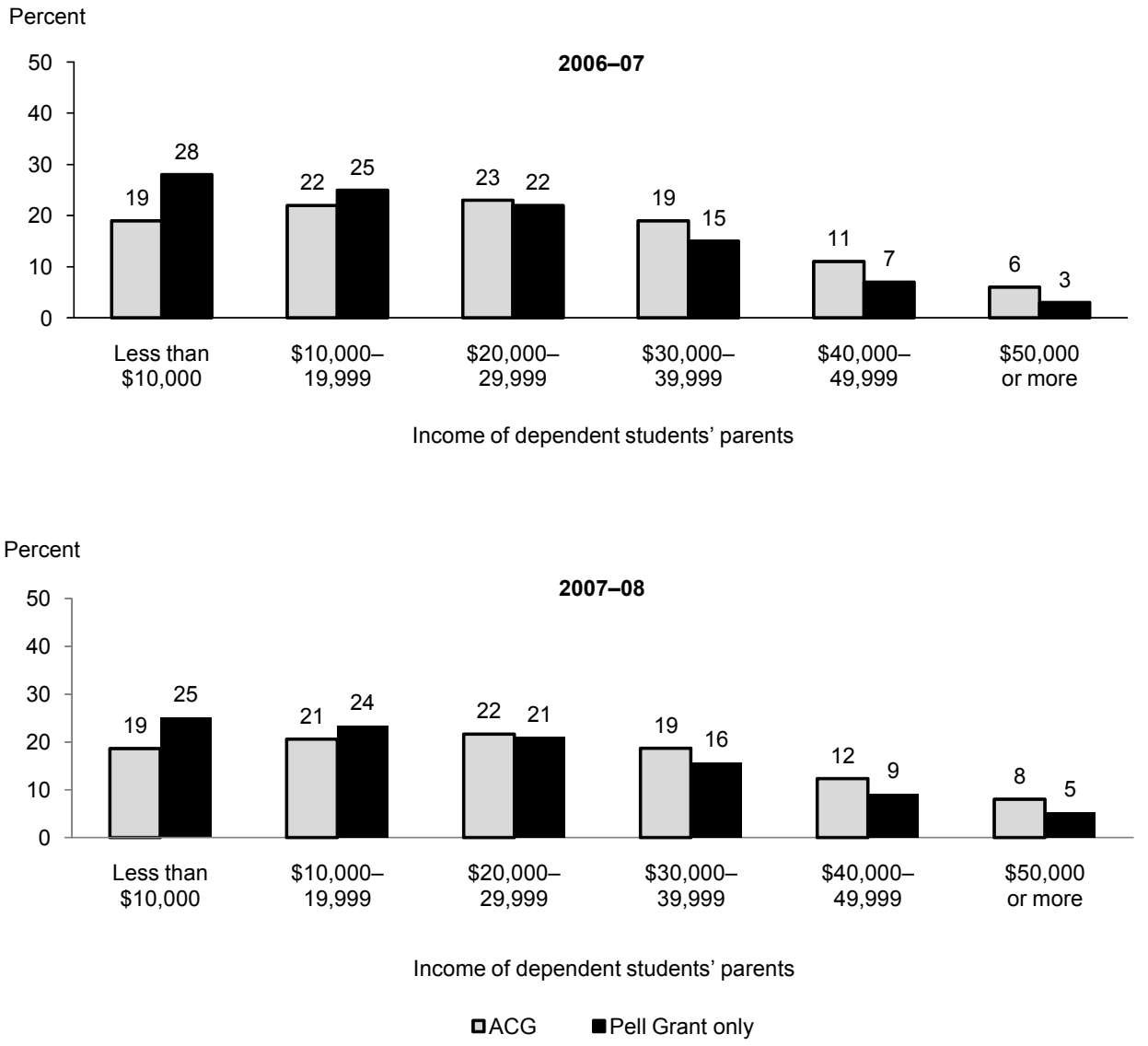
In 2007–08, 8 percent of dependent ACG recipients came from families with incomes of $50,000 or more (compared with 5 percent of their counterparts who received Pell Grants only), and another 12 percent came from families with incomes of $40,000–49,999 (compared with 9 percent of their Pell Grant–only counterparts) (Figure 7). The pattern was similar in 2006–07.

The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and (for dependent students) family's financial resources should be available to help pay for a student's education.[21] The EFC is an index number and is used to determine the Pell Grant amount. Students with a zero EFC are the neediest and are eligible for the maximum Pell Grant award. As income increases, so does the EFC. Therefore, ACG recipients tended to come from the higher end of the EFC distribution as well as the higher end of the income distribution for dependent students (Appendix Table D-10 and U.S.

[21] For financially independent students, only the student's and spouse's financial resources are considered. Students under age 24 are usually considered financially dependent for federal financial aid eligibility purposes. To be categorized as independent, a student under age 24 must have a dependent or be one of the following: married, a graduate student, a ward of the court, an orphan, or a veteran.

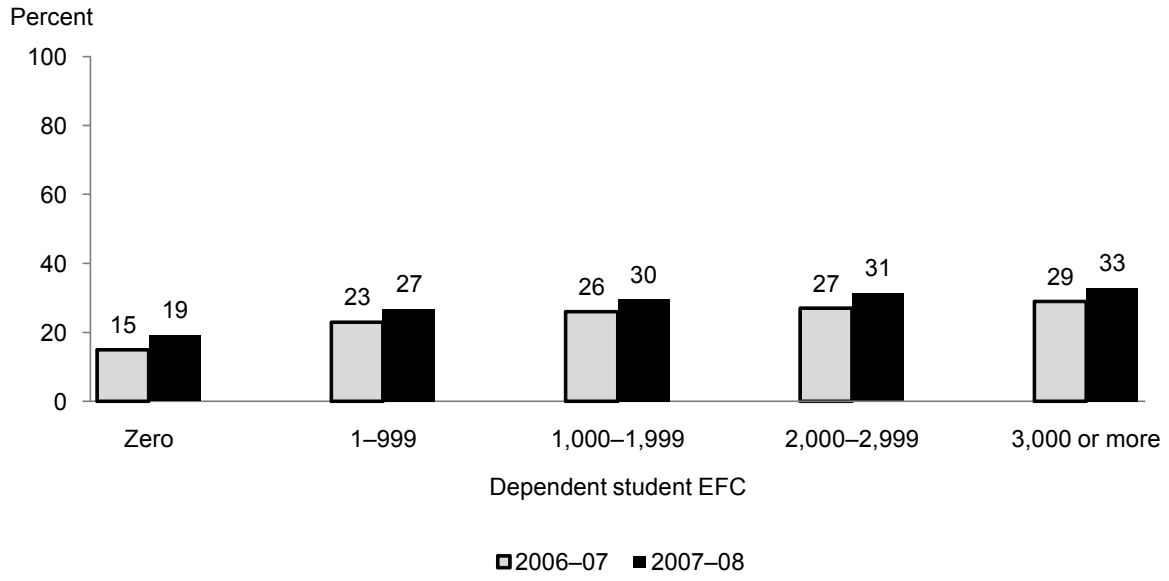
Department of Education 2009, Appendix Table E-10). The corresponding EFC distributions for independent students are shown in the same tables. Among dependent students, the percentage of first- and second-year Pell Grant recipients receiving an ACG was about 4 percentage points higher in 2007–08 than in 2006–07 at each EFC level (Figure 8).

Figure 7. Percentage distribution of dependent ACG recipients and dependent students who received Pell Grants only at ACG-participating institutions by parents' income: 2006–07 and 2007–08



NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Figure 8. Percentage of dependent first- and second-year Pell Grant recipients at ACG-participating institutions who received an ACG, by Expected Family Contribution: 2006–07 and 2007–08

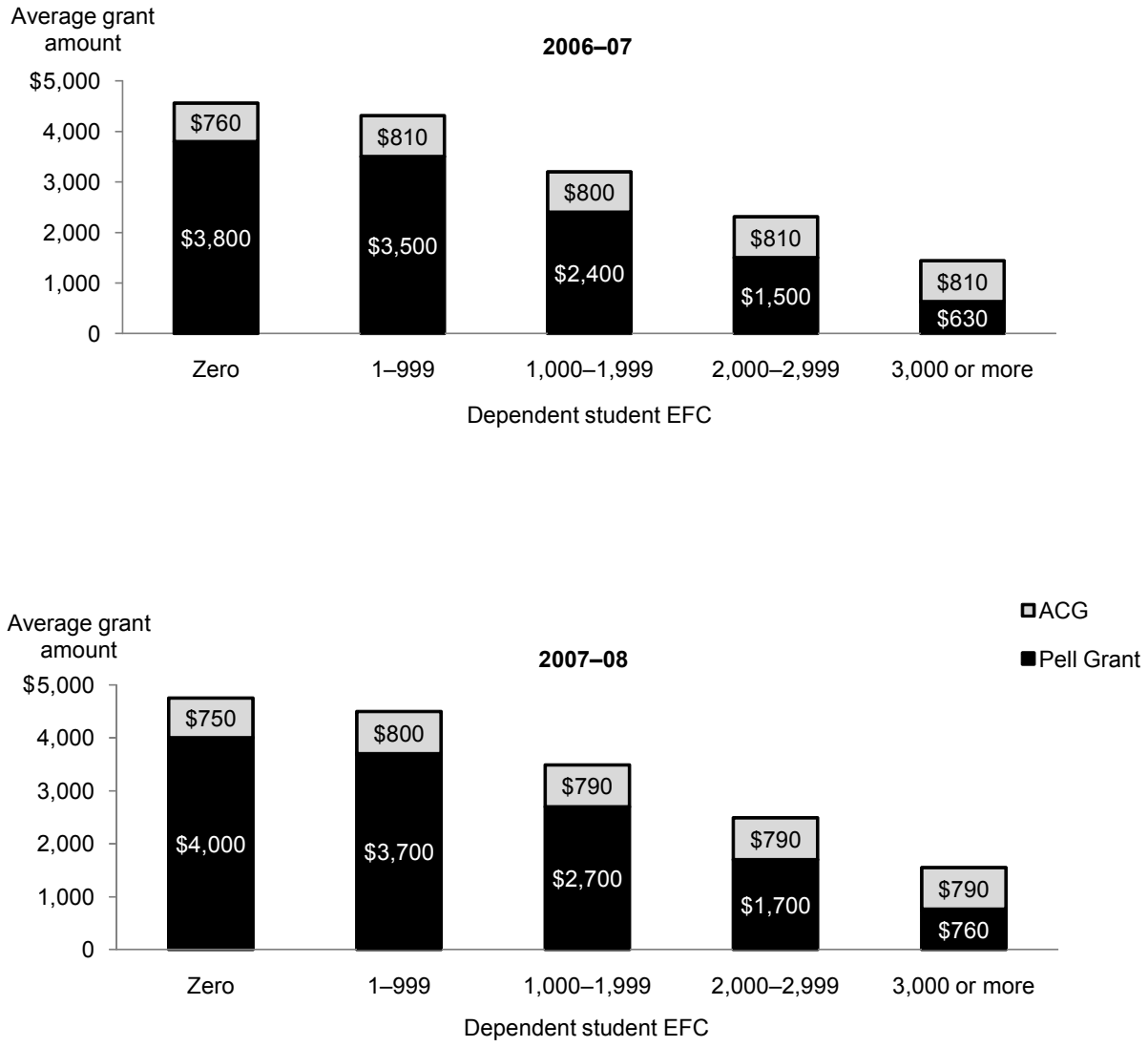


NOTE: The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount. The average family incomes corresponding to these EFC categories were $9,900, $21,500, $31,400, $36,300, and $40,400 in 2006–07. In 2007–08, the corresponding averages were $11,800, $23,800, $33,600, $39,100, and $44,500.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

As EFC increased, the ACG contributed relatively more than the Pell Grant to the combined award.

First- and second-year students with ACGs received an average Pell Grant of $3,000 and an average ACG of $770, for a combined average of $3,800. First- and second-year students with Pell Grants only received an average of $2,500 (Appendix Table D-11). Because the ACG amount is income-based only in terms of being restricted to those eligible for Pell Grants, the average ACG for dependent students was roughly the same across EFC levels (between $750 and $810 in both 2006–07 and 2007–08) (Figure 9 and Appendix Table D-12). The minor differences are due to a slightly different mix of first- and second-year students at each EFC level. On the other hand, Pell Grant amounts, which are based on need, decline as EFC increases. In 2007–08, first- and second-year dependent students with a zero EFC received an average Pell Grant of $4,000, which was much larger than their average ACG of $750. In contrast, their counterparts with an EFC of 3,000 or more received an average Pell Grant of $760, which was less than their average ACG of $790.

Figure 9. Average Pell Grant and ACG amounts awarded to dependent first- and second-year students with ACGs, by Expected Family Contribution: 2006–07 and 2007–08



NOTE: The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount. The average family incomes corresponding to these EFC categories were $9,900, $21,500, $31,400, $36,300, and $40,400 in 2006–07. In 2007–08, the corresponding averages were $11,800, $23,800, $33,600, $39,100, and $44,500.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Figure 10 and Appendix Table D-12 show how ACG and Pell Grant dollars are spread across EFC levels. In 2007–08, students with an EFC of less than 1,000 received 75 percent of all Pell Grant dollars and 56 percent of all ACG dollars. Students with higher EFCs received a much greater share of ACG dollars (45 percent) than Pell Grant dollars (26 percent). The pattern was similar in 2006–07.

Completing the ED course-defined high school curriculum was the most common way that students met the academic requirements for an ACG.

As indicated earlier, there were several ways to meet the academic requirements for an ACG. Students may have qualified on more than one basis, but their institutions reported just one and may have chosen the easiest to verify. The distribution of recipients according to the way in which they formally qualified for an ACG was about the same in 2006–07 and 2007–08. In both years, more than half qualified by completing the ED course-defined high school curriculum (Figure 11). Next most common was meeting the requirements of a state-designated rigorous program of courses (35 percent in 2006–07 and 37 percent in 2007–08).

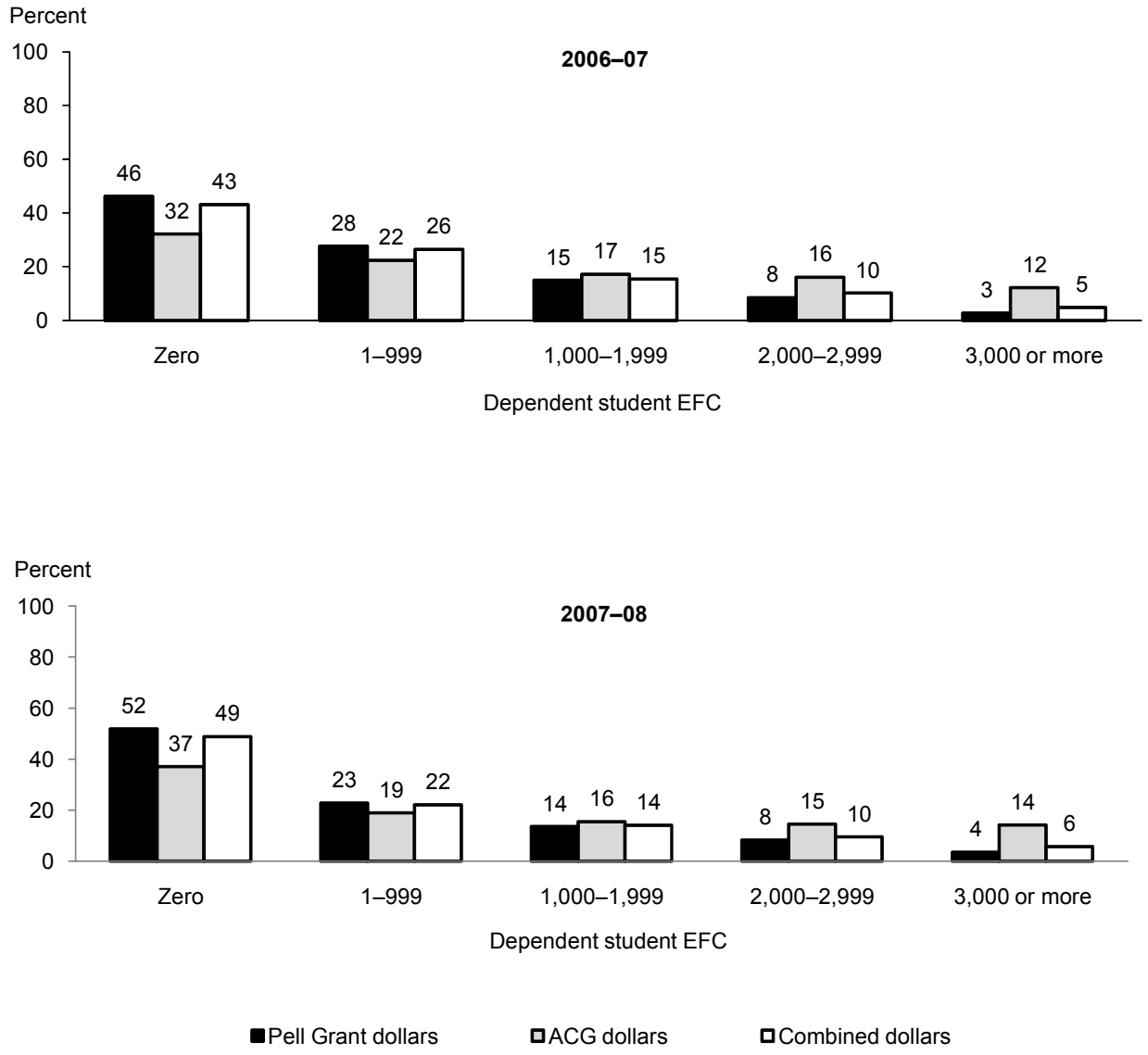
Participation rates varied widely by state.

Table 6 shows the states ranked from high to low according the percentage of first- and second-year Pell Grant recipients—at four-year institutions only—who received an ACG in 2007–08. This table is based on students' state of residence, regardless of where they attended college. Massachusetts residents had the highest level of participation (37 percent of Pell Grant recipients from that state received an ACG), and Utah had the lowest level (5 percent). The overall participation rate at four-year institutions was slightly higher in 2007–08 than in 2006–07, and there were increases in all but a few states.

Table 7 shows data by state for students at two-year institutions ranked by their rate of ACG participation. Most states had low rates of participation, but some improved in 2007–08. The rate of ACG participation in two-year institutions was low in part because, as already indicated, these institutions have large numbers of part-time students and students enrolled in certificate programs. While these students were eligible for Pell Grants in 2007–08, they were not eligible for ACGs. When this eligibility requirement changes in 2009–10, participation rates at two-year institutions should increase. Participation in the ACG program may also be lower in two-year institutions because these institutions often do not require high school transcripts and may have found it difficult to verify rigorous high school course-taking. Finally, the rate of ACG participation may be lower because students at two-year institutions may be less likely than those at four-year institutions to have completed a rigorous high school curriculum.

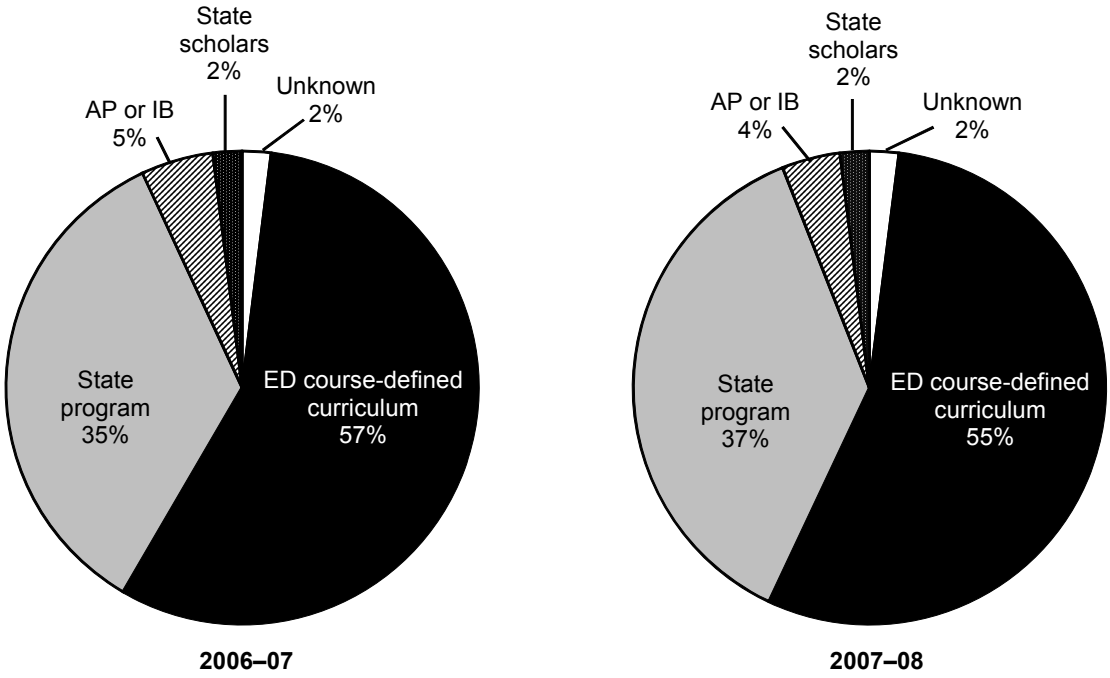
Appendix Table E-1 displays participation data by state arranged alphabetically (including students in both two- and four-year institutions).

Figure 10. Percentage distributions of Pell Grant, ACG, and combined dollars for dependent first- and second-year students by Expected Family Contribution: 2006–07 and 2007–08



NOTE: The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount. The average family incomes corresponding to these EFC categories were $9,900, $21,500, $31,400, $36,300, and $40,400 in 2006–07. In 2007–08, the corresponding averages were $11,800, $23,800, $33,600, $39,100, and $44,500. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Figure 11. Percentage distribution of ACG recipients by type of qualification for an ACG: 2006–07 and 2007–08



NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Table 6. Number of first- and second-year students at four-year ACG-participating institutions with Pell Grants and number and percentage of Pell Grant recipients with ACGs, by state of student's residence: 2006–07 and 2007–08

State of student's residence	Number of first- and second-year students with Pell Grants 2007–08	Number of Pell Grant recipients with ACGs 2007–08	Percent of first- and second-year Pell Grant recipients with ACGs		
			2006–07	2007–08	Change
Total	1,632,721	330,905	18.5	20.3	1.8
Massachusetts	22,362	8,198	32.0	36.7	4.7
Vermont	3,231	1,052	26.4	32.6	6.2
Iowa	12,850	4,073	26.3	31.7	5.4
Nebraska	9,517	2,986	29.2	31.4	2.2
California	108,959	33,678	28.8	30.9	2.1
Pennsylvania	59,872	18,423	28.1	30.8	2.7
Maine	8,344	2,368	24.8	28.4	3.6
Connecticut	10,731	3,014	22.7	28.1	5.4
Wisconsin	26,383	7,303	25.3	27.7	2.4
Minnesota	24,515	6,593	23.8	26.9	3.1
South Carolina	23,938	6,171	21.3	25.8	4.4
New Hampshire	5,738	1,473	20.7	25.7	5.0
North Carolina	42,379	10,679	24.4	25.2	0.8
New Jersey	31,508	7,892	24.4	25.0	0.7
North Dakota	4,599	1,121	20.6	24.4	3.7
Rhode Island	4,443	1,056	19.7	23.8	4.1
Oregon	11,016	2,556	20.7	23.2	2.5
Louisiana	27,563	6,370	20.2	23.1	2.9
Illinois	53,873	12,289	18.7	22.8	4.1
Indiana	42,963	9,647	17.5	22.5	4.9
South Dakota	6,650	1,485	19.2	22.3	3.1
Washington	19,168	4,180	17.7	21.8	4.1
Texas	114,428	24,937	20.0	21.8	1.8
Maryland	20,615	4,481	20.3	21.7	1.5
Ohio	79,820	16,978	20.9	21.3	0.4
Kentucky	27,265	5,792	17.3	21.2	3.9
Kansas	12,649	2,600	20.2	20.6	0.4
Oklahoma	21,059	4,114	16.5	19.5	3.0
Colorado	20,119	3,864	16.6	19.2	2.6
Tennessee	36,756	6,627	15.2	18.0	2.9
Virginia	31,514	5,636	19.7	17.9	-1.9
New York	152,067	26,884	19.4	17.7	-1.7
Georgia	62,581	10,958	16.0	17.5	1.5
Idaho	11,458	1,923	13.6	16.8	3.2
Delaware	2,947	494	12.2	16.8	4.6
Wyoming	1,280	213	16.5	16.6	0.1
Montana	7,184	1,194	13.8	16.6	2.9
Hawaii	4,522	732	14.2	16.2	2.0
Missouri	36,080	5,810	14.8	16.1	1.3

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Table 6. Number of first- and second-year students at four-year ACG-participating institutions with Pell Grants and number and percentage of Pell Grant recipients with ACGs, by state of student's residence: 2006–07 and 2007–08—Continued

State of student's residence	Number of first- and second-year students with Pell Grants 2007–08	Number of Pell Grant recipients with ACGs 2007–08	Percent of first- and second-year Pell Grant recipients with ACGs		
			2006–07	2007–08	Change
Arkansas	20,305	3,243	15.9	16.0	0.0
District of Columbia	2,885	452	11.7	15.7	4.0
Mississippi	16,574	2,563	16.1	15.5	-0.7
West Virginia	12,419	1,870	12.6	15.1	2.4
Michigan	64,039	8,263	9.9	12.9	3.0
Florida	127,078	15,363	11.3	12.1	0.8
Arizona	18,336	1,987	7.3	10.8	3.5
Alabama	28,174	2,928	10.0	10.4	0.4
New Mexico	17,198	1,566	6.5	9.1	2.6
Nevada	10,143	682	11.3	6.7	-4.6
Alaska	3,824	252	3.5	6.6	3.1
Utah	15,254	837	4.1	5.5	1.4
Puerto Rico	87,705	14,093	13.4	16.1	2.6
All others*	5,841	962	20.4	16.5	-3.9

* Including all other U.S. jurisdictions except Puerto Rico (i.e., American Samoa, the Federated States of Micronesia, Guam, the Marshall Islands, the Northern Marianas, Palau, and the Virgin Islands). Also included are ACG-eligible students with unknown residence state.

NOTE: This table is based on unduplicated records. Class level is institution-reported for ACGs but student-reported for Pell Grants. Students with reported class levels greater than 5 at four-year institutions were excluded.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table 7. Number of first- and second-year students at two-year ACG-participating institutions with Pell Grants and number and percentage of Pell Grant recipients with ACGs, by state of student's residence: 2006–07 and 2007–08

State of student's residence	Number of first- and second-year students with Pell Grants 2007–08	Number of Pell Grant recipients with ACGs 2007–08	Percent of first- and second-year Pell Grant recipients with ACGs		
			2006–07	2007–08	Change
Total	1,668,858	64,878	2.5	3.9	1.4
Texas	153,032	11,493	5.2	7.5	2.3
Mississippi	39,907	2,878	3.6	7.2	3.6
Nebraska	11,013	791	4.4	7.2	2.8
Maine	4,893	345	2.0	7.1	5.0
Florida	69,202	4,876	5.5	7.0	1.6
Wyoming	2,912	187	5.4	6.4	1.1
New York	62,258	3,998	3.5	6.4	3.0
Oklahoma	18,210	1,117	5.5	6.1	0.6
Kansas	15,190	871	3.3	5.7	2.5
Tennessee	32,555	1,755	3.8	5.4	1.6
Arkansas	21,907	1,146	4.0	5.2	1.2
Alabama	32,144	1,657	3.8	5.2	1.3
Wisconsin	27,382	1,318	2.0	4.8	2.8
Montana	3,094	145	4.2	4.7	0.5
New Hampshire	2,964	138	2.7	4.7	1.9
Louisiana	19,795	896	3.6	4.5	0.9
Pennsylvania	55,499	2,391	2.2	4.3	2.1
New Jersey	42,542	1,795	3.1	4.2	1.2
Iowa	23,261	960	1.8	4.1	2.4
North Dakota	2,636	107	5.3	4.1	-1.2
North Carolina	65,614	2,578	2.1	3.9	1.8
South Dakota	2,625	102	3.5	3.9	0.4
Missouri	34,785	1,337	2.9	3.8	1.0
Hawaii	4,197	154	1.2	3.7	2.4
South Carolina	31,116	1,138	2.4	3.7	1.2
Minnesota	31,060	1,066	2.1	3.4	1.4
Utah	6,073	206	1.0	3.4	2.4
Maryland	26,465	808	2.0	3.1	1.1
Idaho	4,552	137	1.5	3.0	1.5
Rhode Island	5,089	152	0.4	3.0	2.5
Massachusetts	24,230	719	1.8	3.0	1.2
Georgia	47,449	1,241	1.9	2.6	0.7
Virginia	33,455	867	2.1	2.6	0.5
Indiana	34,602	894	1.5	2.6	1.0
Connecticut	13,956	349	0.7	2.5	1.8
California	245,543	6,125	1.1	2.5	1.4
Ohio	71,417	1,742	1.5	2.4	0.9
Illinois	80,224	1,879	1.5	2.3	0.8
Delaware	3,848	89	1.3	2.3	1.0

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Table 7. Number of first- and second-year students at two-year ACG-participating institutions with Pell Grants and number and percentage of Pell Grant recipients with ACGs, by state of student's residence: 2006–07 and 2007–08—Continued

State of student's residence	Number of first- and second-year students with Pell Grants 2007–08	Number of Pell Grant recipients with ACGs 2007–08	Percent of first- and second-year Pell Grant recipients with ACGs		
			2006–07	2007–08	Change
Alaska	391	9	1.6	2.3	0.7
West Virginia	5,893	122	1.4	2.1	0.6
District of Columbia	595	12	3.1	2.0	-1.1
Oregon	24,113	485	1.1	2.0	0.9
Kentucky	32,087	634	1.1	2.0	0.8
Arizona	33,102	594	0.7	1.8	1.1
New Mexico	11,504	178	1.0	1.5	0.5
Washington	33,142	488	0.7	1.5	0.8
Michigan	72,464	948	0.7	1.3	0.6
Vermont	2,083	24	1.0	1.2	0.1
Nevada	3,747	43	1.0	1.1	0.1
Colorado	22,780	182	0.6	0.8	0.2
Puerto Rico	14,962	579	3.0	3.9	0.9
All others*	5,299	133	2.6	2.5	-0.1

* Including all other U.S. jurisdictions except Puerto Rico (i.e., American Samoa, the Federated States of Micronesia, Guam, the Marshall Islands, the Northern Marianas, Palau, and the Virgin Islands). Also included are ACG-eligible students with unknown residence state.
NOTE: This table is based on unduplicated records. Class level is institution-reported for ACGs but student-reported for Pell Grants. Students with reported class levels greater than 2 at two-year institutions were excluded.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

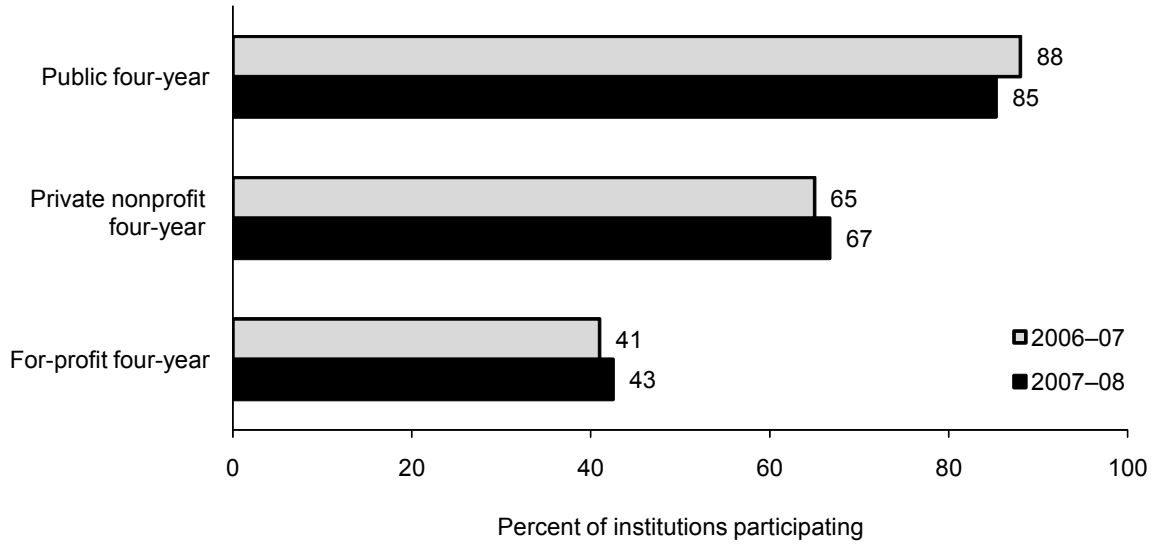
National SMART Grant Program Participation

In 2006–07, there were 1.2 million third- and fourth-year Pell Grant recipients, and the Department of Education initially estimated that 80,000 of them would be eligible for a National SMART Grant in 2006–07 (Table 5). As happened with the ACG program, actual participation has been lower than expected.

To participate in the National SMART Grant program, institutions must be eligible to participate in the Pell Grant program and offer bachelor's degrees in one of the designated science, technology, engineering, mathematics, or critical language fields. In both 2006–07 and 2007–08, approximately 2,100 four-year institutions were eligible to participate in the Pell Grant program, and the number participating in the National SMART Grant program increased just slightly (from 1,425 to 1,478 institutions) (Appendix Table D-1 and U.S. Department of Education 2009, Appendix Table E-1).

National SMART Grant participation rates in 2007–08 were highest at public four-year institutions (85 percent) and lowest at for-profit four-year institutions (43 percent) (Figure 12). Participation rates at all types of institutions were about the same as in the previous year. Institutional participation rates reflect the fact that not all colleges offer National SMART Grant–eligible majors. However, most third- and fourth-year Pell Grant recipients (88 percent) were enrolled in an institution that awarded National SMART Grants (Appendix Table D-1). See Appendix Table D-1 for additional detail about institutional participation.

Figure 12. Percentage of eligible institutions participating in the SMART Grant program, by type of institution: 2006–07 and 2007–08



SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

The number of students receiving National SMART Grants has increased but only slightly.

In 2006–07, 62,400 students received a National SMART Grant (Table 5). As with the ACG program, the discrepancy between estimated and actual participation may be attributable to a combination of factors, including a lack of awareness about the new programs, start-up difficulties common to all new programs, the difficulties that institutions had in identifying and verifying student eligibility, and the problem of accurately estimating the number of students meeting complex eligibility requirements with available data.

The number of students receiving a National SMART Grant increased to 65,400 (5 percent) in 2007–08. Some of this 3,000 increase was due to expanded eligibility. About 1,800 National SMART grants were awarded to students in newly eligible fields of study (see Appendix A for new fields).

As with the ACG program, receipt of a National SMART Grant is tied to Pell Grant eligibility. If the number of Pell Grant recipients changes, so does the pool of students potentially eligible for a National SMART Grant. The number of Pell Grants awarded to third- and fourth-year students at institutions participating in the SMART Grant program increased by 7 percent between 2006–07 and 2007–08, from 1.2 to 1.3 million students (Table 5). Had the number of National SMART Grants grown at the same rate in 2007–08 as the Pell Grant awards among third- and fourth-year students, 66,600 students would have received SMART Grant awards—an excess of 2,200 over the number actually awarded. In short, the increase in SMART Grant awards did not keep pace with the increase in Pell Grant awards.

The majority of the 2007–08 National SMART Grant recipients were enrolled in public four-year institutions (43,900). Another 17,000 were enrolled in private nonprofit four-year institutions, and the remaining 4,600 in for-profit four-year institutions. Appendix Table D-2 provides additional detail about the number and distribution of recipients by type of institution.

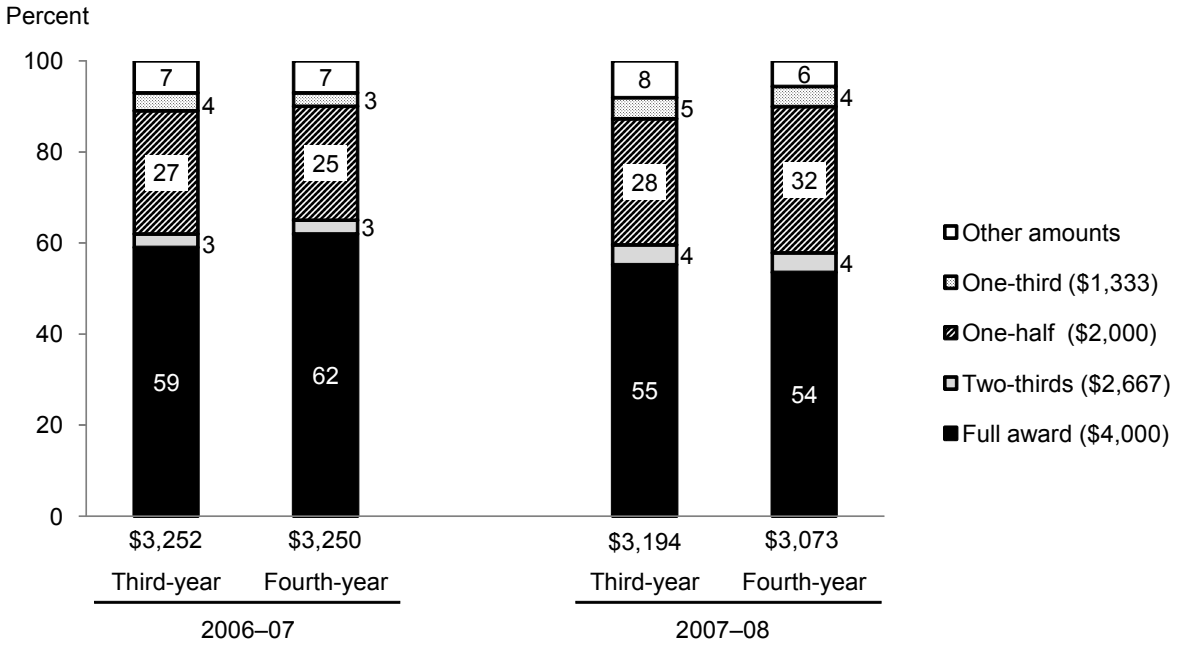
Just over half of all National SMART Grant recipients received the maximum $4,000 award.

In 2007–08, about 55 percent of the National SMART Grant recipients received the full-year award of $4,000 (Figure 13). As in the case of ACGs, this proportion is less than in the previous year, when it was about 60 percent. Most of the rest received one-half, one-third, or two-thirds of that amount, most likely because they attended only part of the year. Seven percent received some other amount, which would include students who were enrolled in colleges with nontraditional calendars (primarily for-profit institutions) and possibly some of the students who received reduced National SMART Grant awards because their financial need was fully met with a Pell Grant and partial National SMART Grant.

The National SMART Grant program is small for most institutions.

Across all types of institutions, the average number of awards in 2007–08 was 44, the same as in 2006–07 (Appendix Table D-3 and U.S. Department of Education 2009, Appendix Table E-3). Public four-year colleges had the highest average number of awards (83), and private nonprofit four-year colleges, the lowest (20). For-profit four-year colleges were in between, with an average of 47 awards.

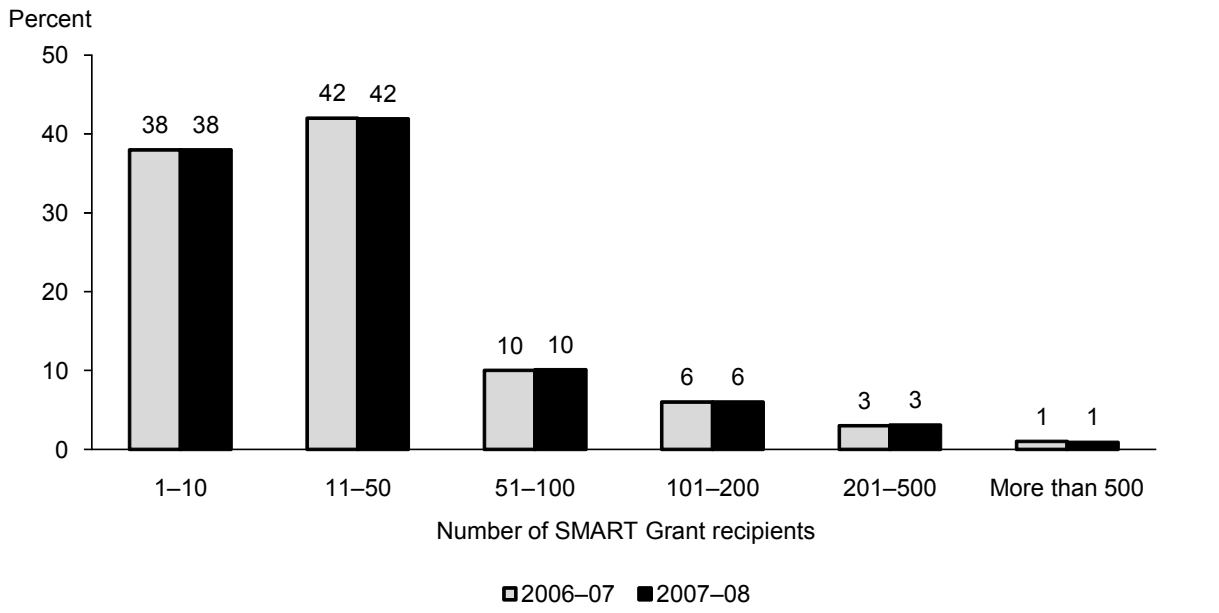
Figure 13. Percentage distribution of third- and fourth-year SMART Grant recipients by amount received and average amount received: 2006–07 and 2007–08



NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

In both 2006–07 and 2007–08, 80 percent of all participating institutions awarded 50 or fewer National SMART Grants, and 38 percent awarded 10 or fewer (Figure 14). Almost all private nonprofit four-year institutions (94 percent) and most for-profit four-year institutions (83 percent) awarded 50 or fewer grants in 2007–08 (Appendix Table D-4). Among public four-year institutions, which had the highest average number of grants, just 10 percent awarded 200 or more grants.

Figure 14. Percentage distribution of institutions participating in the SMART Grant Program by the number of SMART Grant recipients: 2006–07 and 2007–08

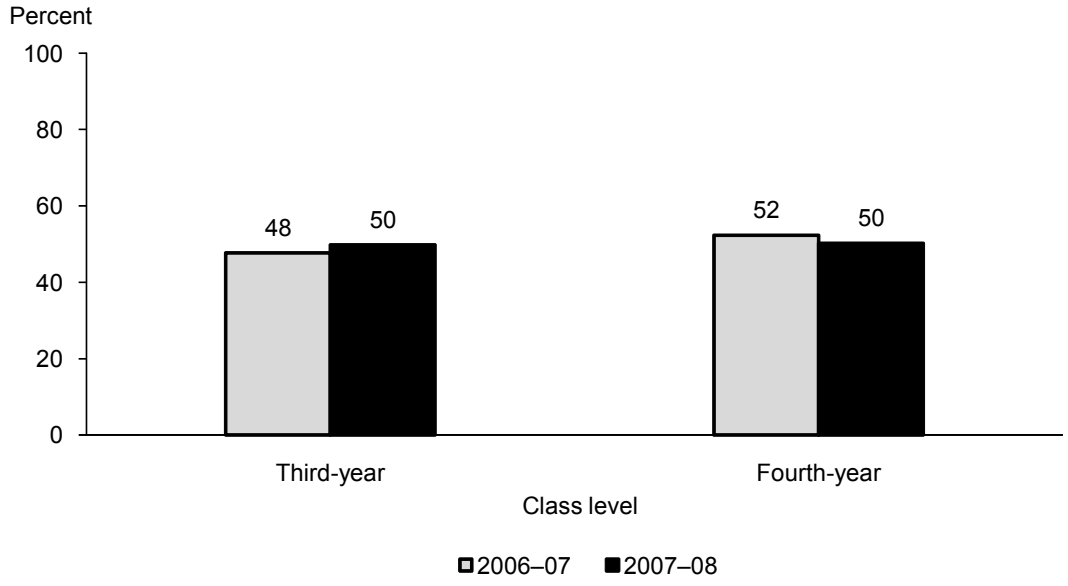


NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

National SMART Grant awards were evenly divided between third- and fourth-year students.

In 2007–08, about 5 percent each of third-year and fourth-year Pell Grant recipients received a National SMART Grant (Appendix Table D-7). Because the number of Pell Grant recipients was about the same at both levels, 50 percent of the National SMART Grants went to third-year students, and 50 percent went to fourth-year students (Figure 15). Appendix Table D-7 shows additional detail on class-level participation by type of institution.

Figure 15. Percentage distribution of SMART Grant recipients by class level: 2006–07 and 2007–08



NOTE: If a student changed levels after the first term, the student is counted among third-year students. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

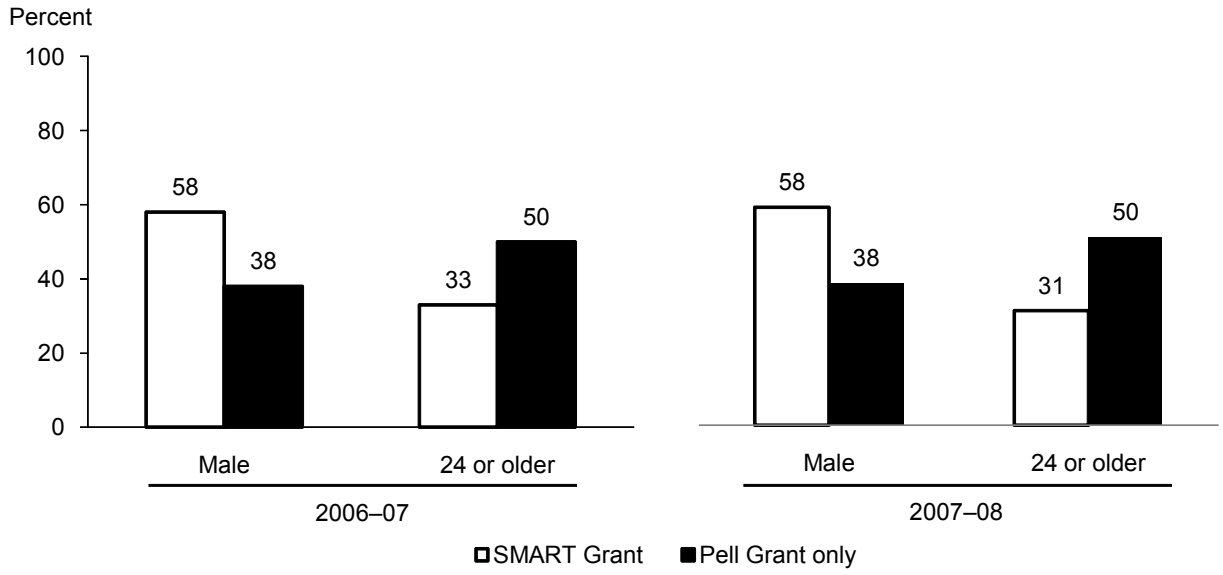
Men received a disproportionate share of National SMART Grants.

The majority of third- and fourth-year students in the Pell Grant program were women in 2007–08 (62 percent), but more than half of the National SMART Grants (58 percent) went to men (Figure 16). This pattern reflects the predominance of men in eligible fields. In 2005–06, women earned less than half of all bachelor's degrees in physical sciences and science technologies (42 percent), engineering and engineering technologies (18 percent), mathematics and statistics (45 percent), and computer and information sciences (21 percent) (Planty et al. 2008, Indicator 27). Only in biological and biomedical sciences did women earn a majority of bachelor's degrees (62 percent). Appendix Table D-8 presents more detail on the demographic characteristics of National SMART Grant recipients.

National SMART Grant recipients tended to be younger than students who received a Pell Grant only.

Thirty-one percent of the National SMART Grant recipients were age 24 or older, compared with 50 percent of third- and fourth-year students at participating institutions who received Pell Grants only (Figure 16 and Appendix Table D-8). This reflects the fact many older students

Figure 16. Percentages of SMART Grant recipients and of third- and fourth-year Pell Grant–only recipients at SMART Grant–participating institutions who were male and who were age 24 or older: 2006–07 and 2007–08



SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

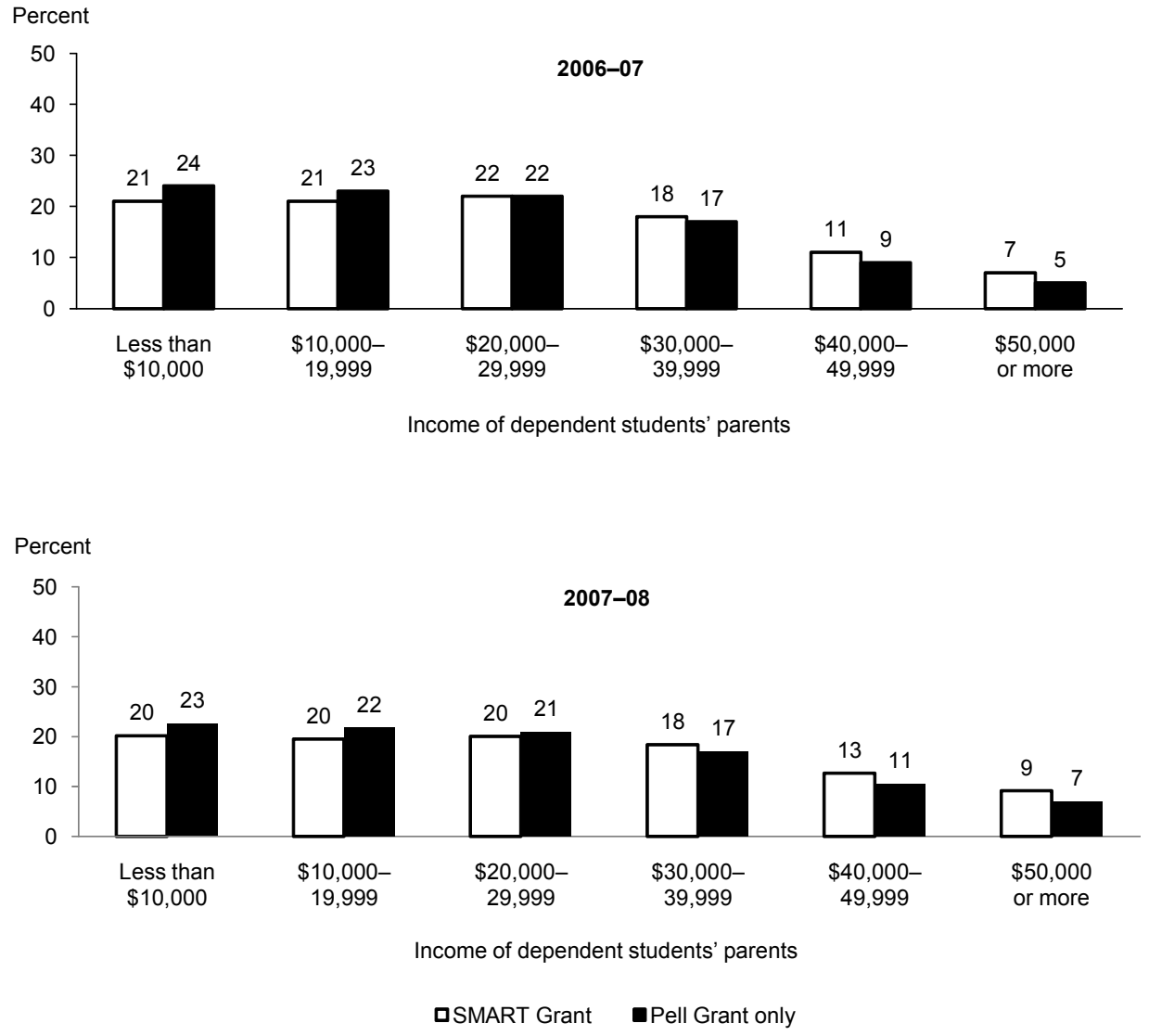
enroll part-time.[22] Because they were younger, National SMART Grant recipients were also more likely than students with Pell Grants only to be dependent (62 vs. 42 percent) (Appendix Table D-9). National SMART Grant recipients tended to be older than ACG recipients because the National SMART Grant program did not require recipients to be recent high school graduates.

Dependent National SMART Grant recipients were overrepresented at the higher end of the family income distribution of Pell Grant recipients.

As was true for dependent ACG recipients, dependent National SMART Grant recipients were overrepresented at the higher end of the family income distribution of Pell Grant recipients. In 2007–08, 22 percent of the dependent National SMART Grant recipients came from families with incomes of $40,000 or more, compared with 18 percent of third- and fourth-year students who received Pell Grants only (Figure 17). The incomes of independent students were not

[22] In 2003–04, about 30–40 percent of students in various age categories of 24 or older were enrolled part-time for all or part of the year (Horn and Nevill 2006).

Figure 17. Of dependent SMART Grant recipients and dependent third- and fourth-year students who received Pell Grants only at SMART Grant–participating institutions, percentage distribution by parents' income: 2006–07 and 2007–08



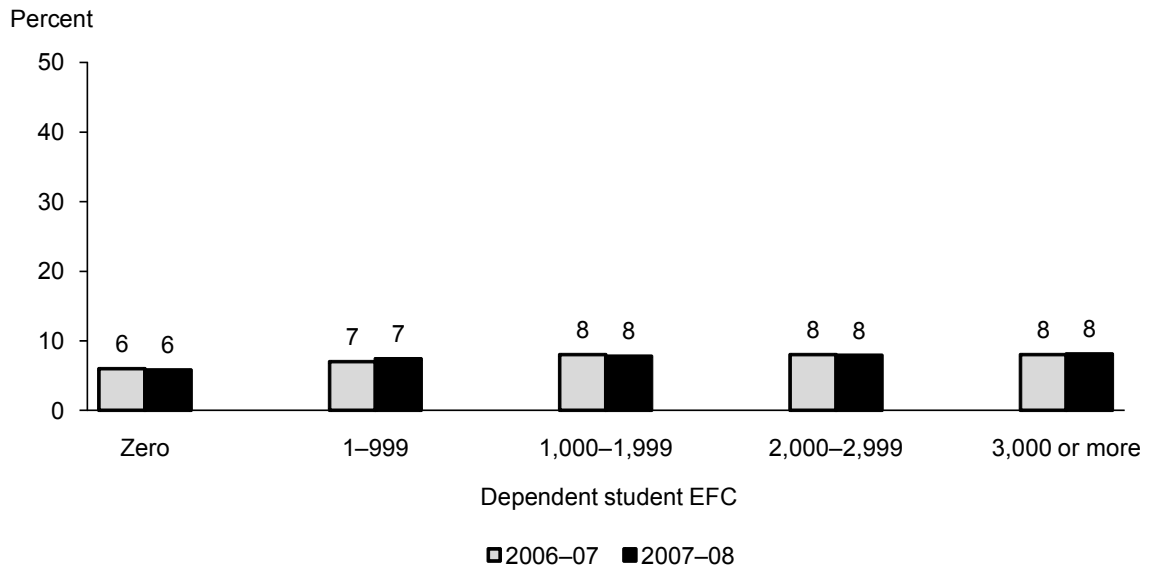
NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

available, but they are usually very low compared with the parental incomes of dependent students.[23]

The percentage of Pell Grant recipients receiving a National SMART Grant varied little by EFC level.

Among dependent third- and fourth-year Pell Grant recipients, 6–8 percent received a National SMART Grant, regardless of EFC level (Figure 18). Among independent students, 3–4 percent received one (Appendix Table D-10). Dependent students received an average National SMART Grant of about $3,200 in 2007–08, regardless of EFC level (Figure 19). However, because the average Pell Grant amount declines as EFC increases, the National SMART Grant became

Figure 18. Percentage of dependent third- and fourth-year Pell Grant recipients at SMART Grant–participating institutions who received a SMART Grant, by Expected Family Contribution: 2006–07 and 2007–08



NOTE: The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount. The average family incomes corresponding to these EFC categories were $9,700, $19,700, $31,000, $36,000, and $39,900 in 2006–07. In 2007–08, the corresponding averages were $10,700, $21,100, $33,200, $38,500, and $43,900.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

[23] Full-time independent students tend to have lower incomes than their dependent counterparts in part because they have limited time to work. For dependent students, parents' income is considered; for independent students, only their own and spouse's incomes are considered. Among full-time students enrolled in 2003–04, 85 percent of independent students had incomes under $50,000, compared with 39 percent of dependent students (U.S. Department of Education, National Center for Education Statistics, 2003–04 National Postsecondary Student Aid Study [NPSAS:04], Data Analysis System).

relatively more important as EFC increased. At the zero EFC level, the average Pell Grant amount was slightly larger than the average National SMART Grant amount, while at the top EFC level (3,000 or more), the average Pell Grant amount was low relative to the average National SMART Grant amount ($760 vs. $3,300). See Appendix Table D-12 for more detail.

Students with a zero EFC (i.e., the lowest income level) received 44 percent of the Pell Grant dollars awarded in 2007–08 and 31 percent of the National SMART Grant dollars (Figure 20). In both cases, these were slightly larger shares than in 2006–07.

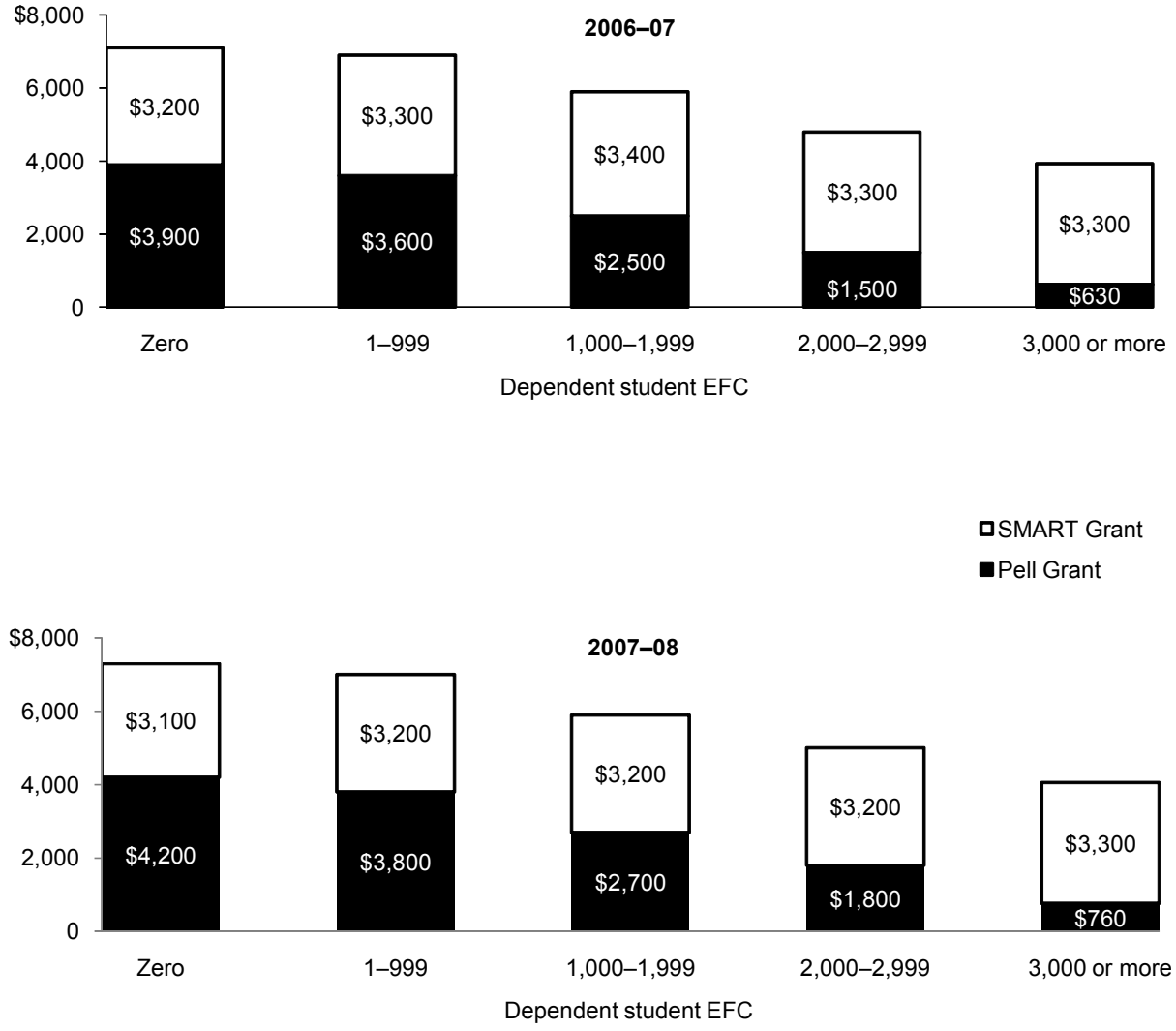
Life science was the most common major of National SMART Grant recipients.

Figure 21 shows the distribution of National SMART Grant recipients by field of study. About three-quarters majored in one of three fields of study in 2007–08: life sciences (40 percent), engineering (21 percent), or computer science (15 percent). The pattern was similar in 2006–07. Public four-year institutions awarded more than two-thirds of the National SMART Grants in each category except in computer science and critical foreign languages (Figure 22). See Appendix Table D-13 for more detail.

For-profit institutions awarded more than one-third of all the National SMART Grants in computer science.

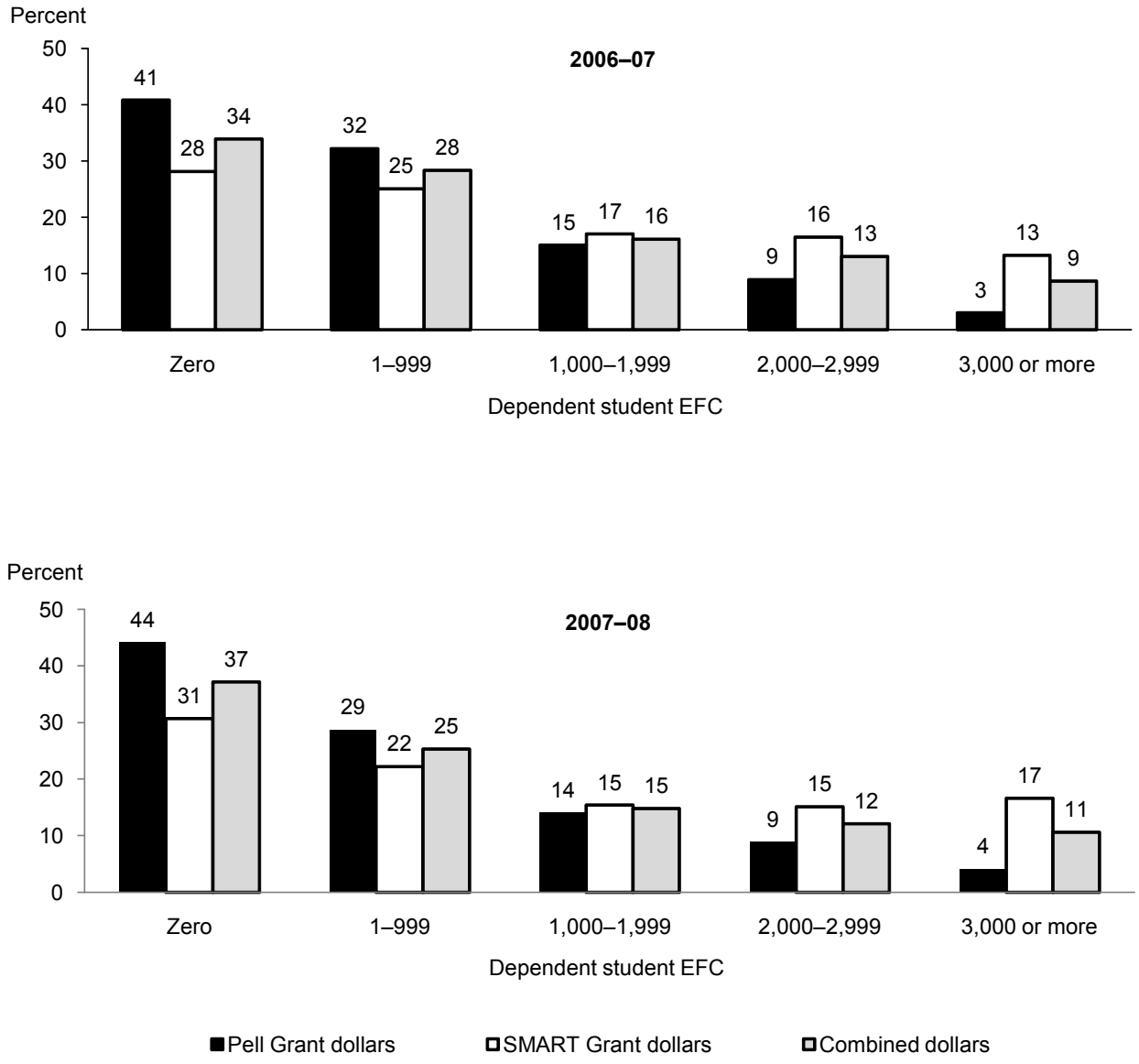
In 2007–08, for-profit four-year institutions awarded relatively few National SMART Grants overall (just 7 percent of the total), but they awarded 38 percent of all the grants in computer science (up from 33 percent in 2006–07) (Figure 22). In absolute numbers, for-profit four-year institutions awarded almost as many National SMART Grants in this field as public four-year institutions did (3,800 vs. 4,000), and they awarded more than private nonprofit institutions (2,200) (Appendix Table D-13). For-profit four-year institutions awarded another 600 National SMART Grants to students in technology majors. Computer science and technology together accounted for 96 percent of the National SMART Grants awarded at for-profit four-year institutions (Appendix Table D-13).

Figure 19. Average Pell and SMART Grant amounts awarded to dependent third- and fourth-year students with SMART Grants, by Expected Family Contribution: 2006–07 and 2007–08



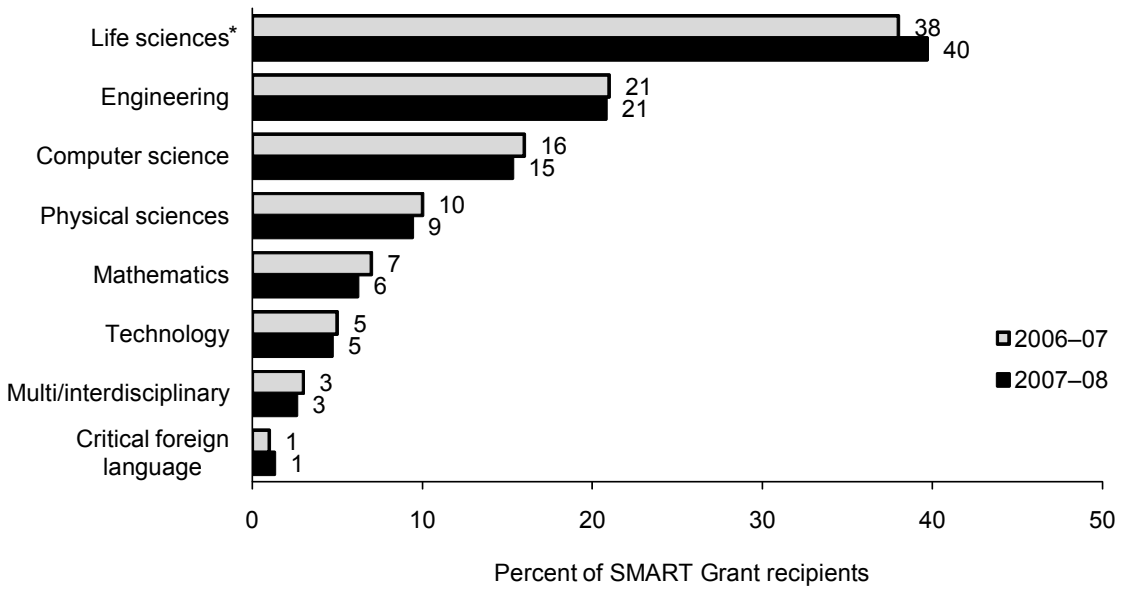
NOTE: The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount. The average family incomes corresponding to these EFC categories were $9,700, $19,700, $31,000, $36,000, and $39,900 in 2006–07. In 2007–08, the corresponding averages were $10,700, $21,100, $33,200, $38,500, and $43,900.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Figure 20. Percentage distributions of Pell Grant, SMART Grant, and combined dollars for dependent third- and fourth-year students by Expected Family Contribution: 2006–07 and 2007–08



NOTE: The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount. The average family incomes corresponding to these EFC categories were $9,700, $19,700, $31,000, $36,000, and $39,900 in 2006–07. In 2007–08, the corresponding averages were $10,700, $21,100, $33,200, $38,500, and $43,900. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Figure 21. Percentage distribution of SMART Grant recipients by field of study: 2006–07 and 2007–08



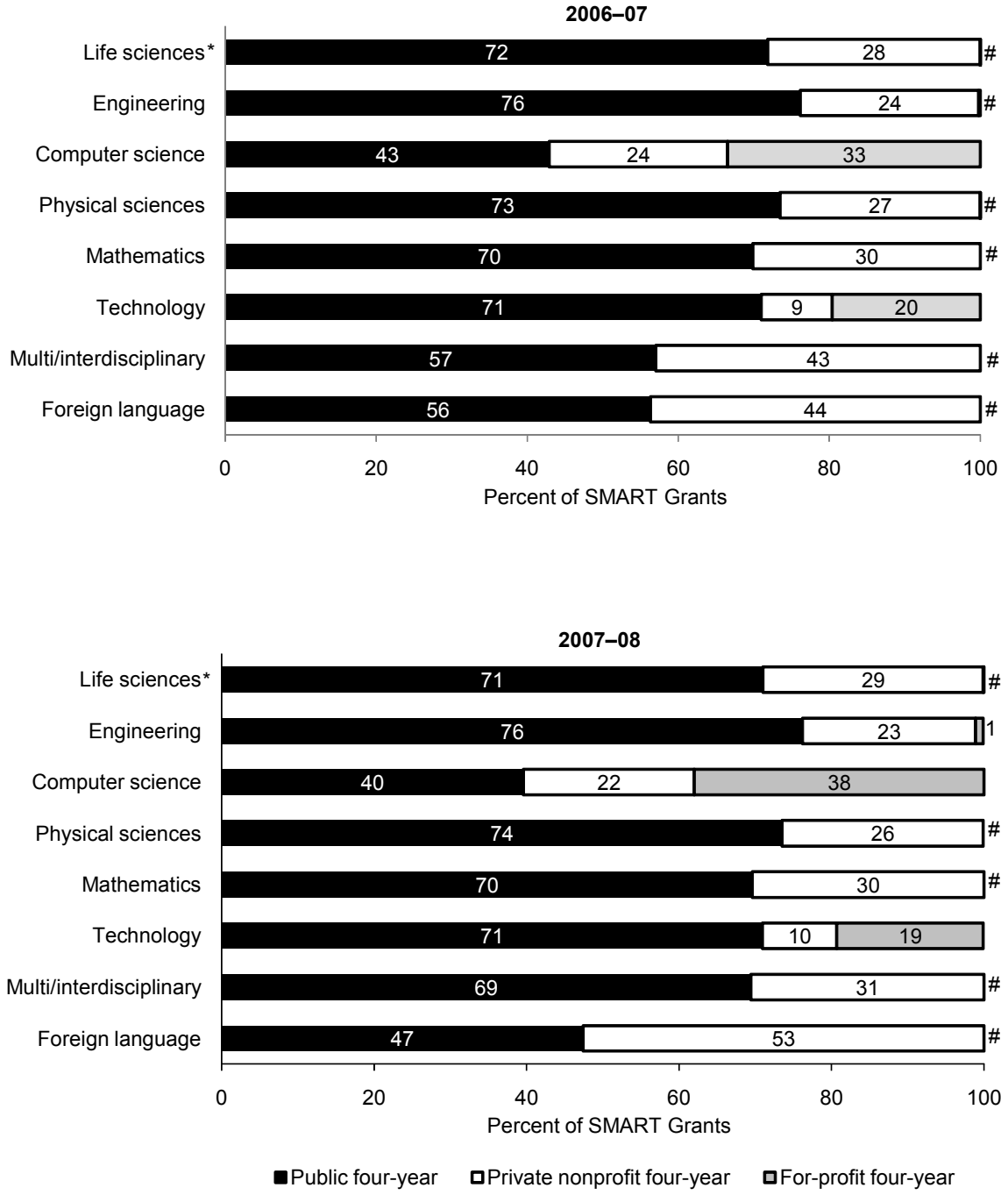
* Life sciences includes biological and biomedical sciences, agriculture, natural resources and conservation, and psychology (physiological psychology and psychobiology only).
NOTE: Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

National SMART Grant participation rates varied widely by state, with no obvious patterns.

The percentage of third- and fourth-year Pell Grant students at participating institutions who received National SMART Grants ranged from highs of 13 percent in Utah and 10 percent in Illinois to a low of 2 percent in Delaware in 2007–08 (Table 8).

Table 8 also shows the percentage of bachelor's degrees awarded in National SMART Grant–eligible fields by the institutions in each state. No apparent relationship exists between the rate of participation in the National SMART Grant program at the state level and the percentage of bachelor's degrees awarded in eligible fields by institutions in that state. State differences could reflect varying levels of diligence in administering the program, the mix of offerings at institutions in a state, or differing proportions of students meeting the other eligibility requirements (full-time attendance, U.S. citizenship, and maintaining a cumulative GPA of 3.0).

Figure 22. Percentage distribution of SMART Grants by type of institution within field of study: 2006–07 and 2007–08



Rounds to zero for for-profit institutions.

* Life sciences includes biological and biomedical sciences, agriculture, natural resources and conservation, and psychology (physiological psychology and psychobiology only).

NOTE: Detail may not sum to totals because of rounding.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table 8. Number of third- and fourth-year students at SMART Grant–participating institutions with Pell Grants and number and percentage of Pell Grant recipients with SMART Grants, by state of student's residence: 2006–07 and 2007–08

State of student's residence	Number of third- and fourth-year students with Pell Grants 2007–08	Number of Pell Grant recipients with SMART Grants 2007–08	Percent of third- and fourth-year Pell Grant recipients with SMART Grants			Percent of all bachelor's degrees awarded in SMART Grant-eligible fields in 2006–07	
			2006–07	2007–08	Change		
Total	1,288,910	65,384	5.2	5.1	-0.1	15.8	
Utah	23,437	3,096	14.1	13.2	-0.9	17.0	*
Illinois	11,760	1,131	5.3	9.6	4.3	16.1	*
Washington	18,522	1,501	8.4	8.1	-0.3	16.2	*
Virginia	2,906	223	4.5	7.7	3.2	16.1	*
Colorado	20,021	1,485	6.7	7.4	0.7	20.9	*
Maine	19,807	1,469	4.1	7.4	3.3	16.6	*
Oregon	15,317	1,130	7.4	7.4	0.0	16.9	*
Montana	5,227	381	7.0	7.3	0.3	20.0	*
South Dakota	5,651	395	6.1	7.0	0.9	21.1	*
Pennsylvania	47,790	2,945	6.0	6.2	0.1	17.2	*
Iowa	29,197	1,797	4.3	6.2	1.8	14.6	
Minnesota	19,268	1,133	6.0	5.9	-0.1	15.6	
Indiana	51,895	2,940	4.7	5.7	0.9	16.2	*
West Virginia	20,574	1,155	4.8	5.6	0.8	13.8	
California	132,834	7,428	5.4	5.6	0.2	17.4	*
North Carolina	3,823	212	4.1	5.5	1.5	16.8	*
Massachusetts	5,441	299	7.1	5.5	-1.6	16.1	*
Alabama	1,619	87	4.4	5.4	1.0	15.9	*
Kansas	14,283	763	4.9	5.3	0.5	14.6	
Hawaii	4,008	211	4.6	5.3	0.7	13.5	
New Jersey	3,309	173	3.9	5.2	1.4	15.9	*
Florida	54,546	2,811	5.0	5.2	0.2	12.9	
Oklahoma	18,951	970	4.9	5.1	0.2	14.7	
Michigan	43,063	2,134	4.9	5.0	0.0	17.4	*
North Dakota	90,998	4,506	7.1	5.0	-2.2	15.7	
Nevada	4,192	207	5.0	4.9	-0.1	12.6	
Wyoming	1,416	66	5.3	4.7	-0.7	23.0	*
South Carolina	16,061	723	4.4	4.5	0.1	15.1	
New Hampshire	8,158	362	7.3	4.4	-2.9	13.7	
Vermont	23,331	1,028	5.3	4.4	-0.9	13.5	
Georgia	37,735	1,655	4.5	4.4	-0.1	17.1	*
Mississippi	27,400	1,192	3.0	4.4	1.3	15.1	
Maryland	13,849	597	4.4	4.3	0.0	20.8	*
Arkansas	51,660	2,196	3.5	4.3	0.8	13.4	
Connecticut	7,808	326	4.8	4.2	-0.6	11.8	
Kentucky	18,919	782	4.4	4.1	-0.3	12.5	
Tennessee	24,195	1,000	4.3	4.1	-0.2	12.9	
Wisconsin	10,605	437	5.8	4.1	-1.7	16.4	*
Ohio	44,644	1,737	4.3	3.9	-0.4	14.1	

Cont'd. next page. See notes at end of table.

Table 8. Number of third- and fourth-year students at SMART Grant–participating institutions with Pell Grants and number and percentage of Pell Grant recipients with SMART Grants, by state of student's residence: 2006–07 and 2007–08—Continued

State of student's residence	Number of third- and fourth-year students with Pell Grants 2007–08	Number of Pell Grant recipients with SMART Grants 2007–08	Percent of third- and fourth-year Pell Grant recipients with SMART Grants			Percent of all bachelor's degrees awarded in SMART Grant-eligible fields in 2006–07	
			2006–07	2007–08	Change		
New Mexico	22,775	884	4.6	3.9	-0.8	16.6	*
New York	10,263	395	4.7	3.8	-0.8	14.1	
Nebraska	34,671	1,303	4.4	3.8	-0.7	13.2	
Louisiana	21,499	781	4.2	3.6	-0.6	16.8	*
Texas	94,244	3,335	3.6	3.5	-0.1	15.1	
Idaho	23,873	830	9.2	3.5	-5.7	15.2	
Alaska	23,141	798	3.7	3.4	-0.2	20.0	*
Rhode Island	5,053	164	3.6	3.2	-0.4	13.5	
District of Columbia	2,000	64	1.9	3.2	1.3	16.4	*
Missouri	17,623	540	4.5	3.1	-1.4	14.4	
Arizona	14,178	424	5.3	3.0	-2.3	16.6	*
Delaware	7,239	149	2.9	2.1	-0.8	12.2	
Puerto Rico	57,920	3,027	5.7	5.2	-0.5		
All others[a]	211	7	0.6	4.7	4.1		

* Higher than average.

[a] The U.S. Virgin Islands was the only outlying jurisdiction participating in 2007–08.

NOTE: This table is based on unduplicated records. Class level is institution-reported for SMART Grants but student-reported for Pell Grants. Students with reported class levels greater than 5 at four-year institutions were excluded.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Student Awareness of the ACG and National SMART Grant Programs

The student interview administered as part of the 2007–08 National Postsecondary Student Aid Study (NPSAS:08) included questions designed to gain an understanding of how aware low-income students were of the ACG and National SMART Grant programs.[24] The student sample for NPSAS:08 was designed to ensure that it would include sufficient numbers of students potentially eligible for these programs to permit meaningful analyses of these groups.[25]

Few potentially eligible students had heard of the ACG program.

First- and second-year students who were U.S. citizens, were in a degree program, and seemed likely to be eligible for a Pell Grant based on their income were asked if they had heard of the ACG program. If they had heard of it, they were asked additional questions about how they had

[24] See Appendix C for more information on NPSAS.

[25] All comparisons of sample survey data cited in this report are statistically significant at the .05 level.

heard of it and if they knew about the various requirements. Among those asked, only 7 percent had heard of the ACG program (Table 9). After the survey was administered, a match with the recipient file indicated that among students who were awarded an ACG, more than half (56 percent) had responded in the interview that they had not heard of the program.[26] Whether they were truly unaware of the type of grant they had received or simply did not immediately recognize the name when asked later in the academic year is unknown.

Among students asked about awareness (i.e., those potentially eligible for an ACG), there was some variation by student characteristics. For example, blacks and Hispanics were somewhat more likely than whites to have heard of the program (9 and 8 percent vs. 6 percent). Considering type of institution, potentially eligible students at public four-year institutions were the most aware of ACGs (12 percent), and students in for-profit two-year institutions were the least aware (3 percent).

Students who had heard of the ACG were asked the source of their information and could mention more than one source. High school counselors were mentioned least often (by 23 percent). College financial aid counselors and letters addressed to the recipient were more likely sources (35 percent in each case), but students most frequently cited hearing about the ACG some "other way" (41 percent).

Students who had heard of the ACG tended to be aware of the requirements.

Students who had heard of the ACG were asked about their awareness of three requirements: enrolling full-time, completing a rigorous high school program of study, and earning a cumulative GPA of 3.0 or higher in their first year of college (to qualify for a grant in their second year). Eighty-five percent had heard of the full-time enrollment requirement, and 81 percent were aware of the rigorous high school program requirement (Table 10). Fewer (70 percent) knew about the cumulative GPA requirement. This was true no matter which source they cited for their information.

Awareness of the National SMART Grant program was low as well.

Of the third-, fourth-, and fifth-year undergraduates who were U.S. citizens and likely to be eligible for Pell Grants, only 5 percent had heard of the National SMART Grant program (Table 9). Of those who were asked the question and who later turned out to have received a National SMART Grant, 29 percent reported that they had not heard of the program.

[26] Previous experience in designing financial aid-related questions for NPSAS has shown that students are often unclear about the specific types of grants or loans they have received, which seems to be the case here.

Table 9. Percentage of potentially eligible students who had heard of ACGs, by source, and percentage who had heard of SMART Grants, by student characteristics and type of institution: 2007–08

Student characteristics and type of institution	Percent who had heard of ACGs	Of those who had heard of ACGs				Percent who had heard of SMART Grants
		High school counselor	College financial aid counselor	Letter received	Other way	
Total	7.1	22.8	34.6	35.1	41.1	4.5
Race/ethnicity						
Black	8.7	21.2	42.3	39.9	40.3	4.6
White	6.2	20.3	30.6	32.4	42.9	4.5
Hispanic	8.4	27.9	36.5	34.1	36.5	4.2
Other	8.0	28.0	36.3	40.4	42.3	4.8
Gender						
Male	6.8	28.8	37.1	34.1	41.6	4.8
Female	7.3	19.1	33.1	35.8	40.9	4.3
Dependency status						
Dependent	9.4	26.9	34.3	41.0	36.1	4.9
Independent	4.5	13.0	35.3	21.3	53.0	4.1
Parent's education						
High school or less	8.2	22.8	36.7	34.1	41.0	4.1
More than high school	6.5	22.4	33.7	36.2	41.6	4.8
Type of institution						
Public two-year	5.6	25.2	35.1	29.9	41.9	†
Public four-year	11.7	23.8	30.1	40.7	39.8	5.6
Private nonprofit	8.8	18.0	38.0	46.0	37.6	6.0
For-profit two-year	2.8	14.5	48.2	22.8	30.0	†
For-profit four-year	4.9	3.7	55.8	14.5	63.8	3.6
SMART Grant-eligible major						
Eligible major	†	†	†	†	†	8.6
Non-eligible major	†	†	†	†	†	3.8

† Not applicable.
NOTE: Students could report more than one source.
SOURCE: U.S. Department of Education, National Center for Education Statistics, 2007–08 National Postsecondary Student Aid Study (NPSAS:08).

Table 10. Among potentially eligible students who had heard of ACGs and SMART Grants, percentage who were aware of each requirement, by student characteristics, type of institution, and source of information: 2007–08

Student characteristics, type of institution, and source of information	ACG			SMART Grant		
	Full-time enrollment	Rigorous high school program	Cumulative GPA of 3.0 or higher	Full-time enrollment	Majoring in science, technology, engineering, math, or critical languages	Earning a cumulative GPA of 3.0 or higher
Total	84.6	81.1	70.3	80.3	73.6	74.7
Race/ethnicity						
Black	87.5	80.8	62.9	80.2	74.3	75.6
White	84.2	82.6	73.4	80.7	73.6	74.1
Hispanic	82.2	77.2	69.7	82.4	75.5	76.1
Other	85.0	81.7	69.9	76.3	71.0	74.8
Gender						
Male	85.2	79.9	68.2	80.8	74.1	75.2
Female	84.2	81.9	71.5	79.9	73.2	74.2
Dependency status						
Dependent	86.7	83.1	68.3	83.6	74.3	75.7
Independent	79.5	76.5	75.0	76.2	72.6	73.3
Parent's education						
High school or less	83.1	81.4	68.7	79.4	72.3	77.7
More than high school	86.2	81.3	71.5	80.9	74.3	73.7
Type of institution						
Public two-year	80.4	79.2	70.2	†	†	†
Public four-year	89.3	84.9	68.3	85.9	78.9	77.1
Private nonprofit	89.0	83.2	69.3	83.0	74.4	77.0
For-profit two-year	86.0	76.4	75.3	†	†	†
For-profit four-year	74.2	63.2	91.3	67.7	56.0	69.1

Cont'd. next page. See notes at end of table.

Table 10. Among potentially eligible students who had heard of ACGs and SMART Grants, percentage who were aware of each requirement, by student characteristics, type of institution, and source of information: 2007–08—Continued

	ACG			SMART Grant		
Student characteristics, type of institution, and source of information	Full-time enrollment	Rigorous high school program	Cumulative GPA of 3.0 or higher	Full-time enrollment	Majoring in science, technology, engineering, math, or critical languages	Earning a cumulative GPA of 3.0 or higher
Source of information on ACG						
High school counselor	88.5	86.4	78.6	†	†	†
College financial aid counselor	87.9	83.6	75.7	†	†	†
Letter received	90.5	87.6	73.7	†	†	†
Other	84.7	81.6	69.6	†	†	†
SMART Grant-eligible major						
Eligible major	†	†	†	86.3	85.1	82.8
Non-eligible major	†	†	†	78.2	69.0	72.4

† Not applicable.
SOURCE: U.S. Department of Education, National Center for Education Statistics, 2007–08 National Postsecondary Student Aid Study (NPSAS:08).

Like their ACG counterparts, students who had heard of the National SMART Grant program tended to be aware of its requirements.

Students who were aware of the National SMART Grants were asked if they knew about each of the three requirements: enrolling full-time, majoring in an eligible field, and earning a cumulative GPA of 3.0 or higher. The full-time enrollment requirement was the best known (by 80 percent of the students who were aware of the grant) (Table 10). The other two requirements were known by 74 and 75 percent of these students, respectively. Understandably, those with National SMART Grant–eligible majors were more aware than those without such majors, especially about the major requirement.

Change in STEM Majors

A major goal of the National SMART Grant is to increase the number of low-income students who pursue degrees in the technical fields of science, technology, engineering, and mathematics (STEM) to help the United States be competitive in the global economy. Although it is too early to know if the program is having this effect, an examination of current trends using the 2003–04 and 2007–08 National Postsecondary Student Aid Studies provides useful background information for later study of this question.

The proportion of undergraduates who pursued STEM majors remained stable.

In both 2003–04 and 2007–08, 14 percent of undergraduates were STEM majors (Appendix Table F-1). The total number of undergraduates increased between the two years, and there was an equivalent increase in the number of STEM majors. As a result, the proportion of STEM majors stayed about the same. The proportion of undergraduates majoring in STEM fields at each type of institution remained generally stable as well, except at public four-year institutions where it increased from 18 to 20 percent.

While men greatly outnumbered women as STEM majors in both years, the proportion of women who were STEM majors increased slightly, from 7.5 percent to 8 percent. During this period, the proportion of blacks who were STEM majors decreased slightly, from 13 to 12 percent. Within the highest income group of dependent students (families with an income of $100,000 or more), the proportion with STEM majors increased from 16 to 18 percent.

The proportion of Pell Grant recipients who chose STEM majors also remained stable.

There was little change in the proportion of Pell Grant recipients who chose a STEM major: 14 percent in 2003–04 and 13 percent in 2007–08 (Appendix Table F-2). At for-profit institutions, the number of all Pell Grant recipients increased more than the number of Pell Grant recipients with STEM majors, resulting in a drop in the proportion who were STEM majors from 21 to 14

percent. The number of black Pell Grant recipients increased, but the percentage who chose a STEM major dropped from 13 to 10 percent.

The number of younger undergraduates going straight to college and receiving Pell Grants who took rigorous courses increased.

The number of undergraduates who had recently graduated from high school and were beginning postsecondary education students rose by 27 percent between 2003–04 and 2007–08 (Appendix Table F-3). The proportion who received Pell Grants, however, decreased slightly, from 28 to 26 percent.

Among these beginning postsecondary students, for-profit institutions had the largest proportion of Pell Grant recipients in both years, but the proportion dropped from 71 to 61 percent during the period. The proportion of Asians who received Pell Grants decreased from 33 to 24 percent.

The number of beginning college students just out of high school who had completed a rigorous high school program (i.e., met the ACG requirements) increased by 28 percent between 2003–04 and 2007–08. During this period, the number who had taken mathematics courses higher than algebra II increased by 45 percent; the number who had taken two or more years of mathematics increased by 30 percent; and the number who had taken two or more years of social studies, English, or foreign language all increased at least 20 percent. The number with a high school GPA of 3.00 or higher increased by 31 percent, and the number who had earned college-level credits while in high school increased 40 percent.

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CHAPTER 4

ACG, National SMART, and Pell Grant Renewals

This chapter describes the status in 2007–08 of students who received ACGs, National SMART Grants, and Pell Grants in 2006–07. The data were derived by merging records from the recipient files for the two years. If the 2006–07 recipients enrolled in 2007–08 and received any of the three types of grants, they appeared in the 2007–08 file. If they did not have a record in the 2007–08 data file, either they were not enrolled in 2007–08 or they were enrolled but had lost Pell Grant eligibility. It is impossible to tell which condition applied. Highlights of the findings of this analysis are shown in figures in the text, and detailed results are located in Appendix Tables D-14 through D-18.

ACG Program Renewals

Just over one-quarter of first-year ACGs were renewed for a second year.

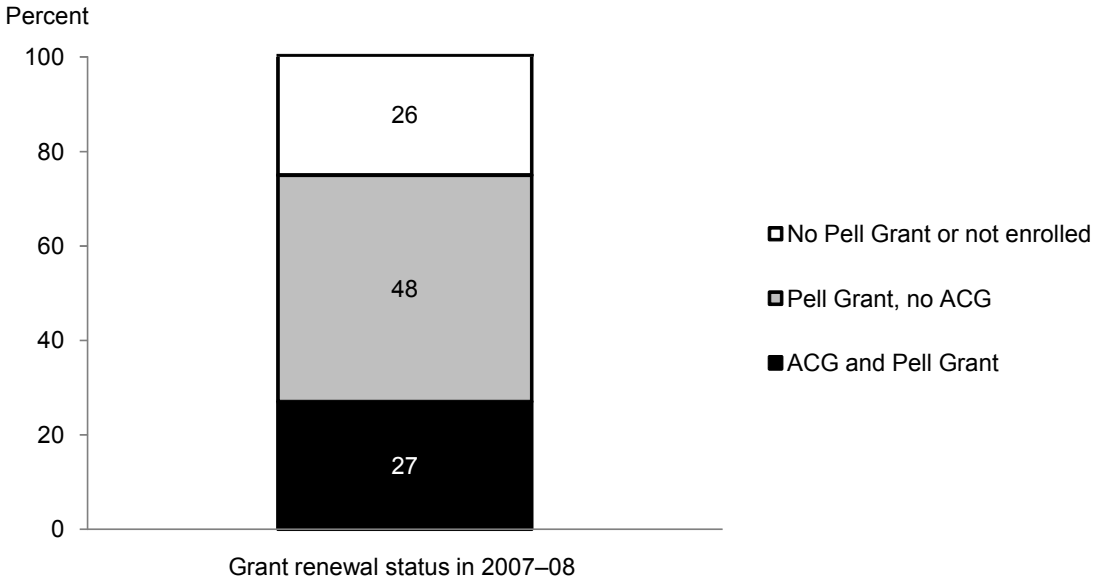
To receive another ACG as a second-year student, a first-year ACG recipient must continue to have an Expected Family Contribution (EFC) low enough to qualify for a Pell Grant, continue to be enrolled full-time, and have a 3.0 GPA at the end of the first year. Only 27 percent of the first-year students who had received an ACG in 2006–07 met all the requirements for another one in their second year (Figure 23).

Almost half of first-year ACG recipients received another Pell Grant the following year but not another ACG.

Almost one-half (48 percent) of the first-year students who had received an ACG in 2006–07 met the requirements for a Pell Grant renewal in the second year but could not meet the stricter ACG renewal requirements (Figure 23). This suggests that a 3.0 GPA requirement may be an unrealistic expectation for low-income students during their freshman year.

Renewal of a Pell Grant requires only a low EFC and minimal academic progress. Pell Grant eligibility does not require full-time attendance, and each college can set its own academic progress criteria, which are usually based on course completion (minimum credits earned per term) rather than a minimum GPA. It is possible that some second-year Pell Grant students who lose their ACG funds may find it necessary to drop to part-time attendance to reduce their tuition expenses, but there are no data to prove that this is the case.

Figure 23. Percentage distribution of 2006–07 first-year ACG recipients by ACG and Pell Grant receipt status in 2007–08

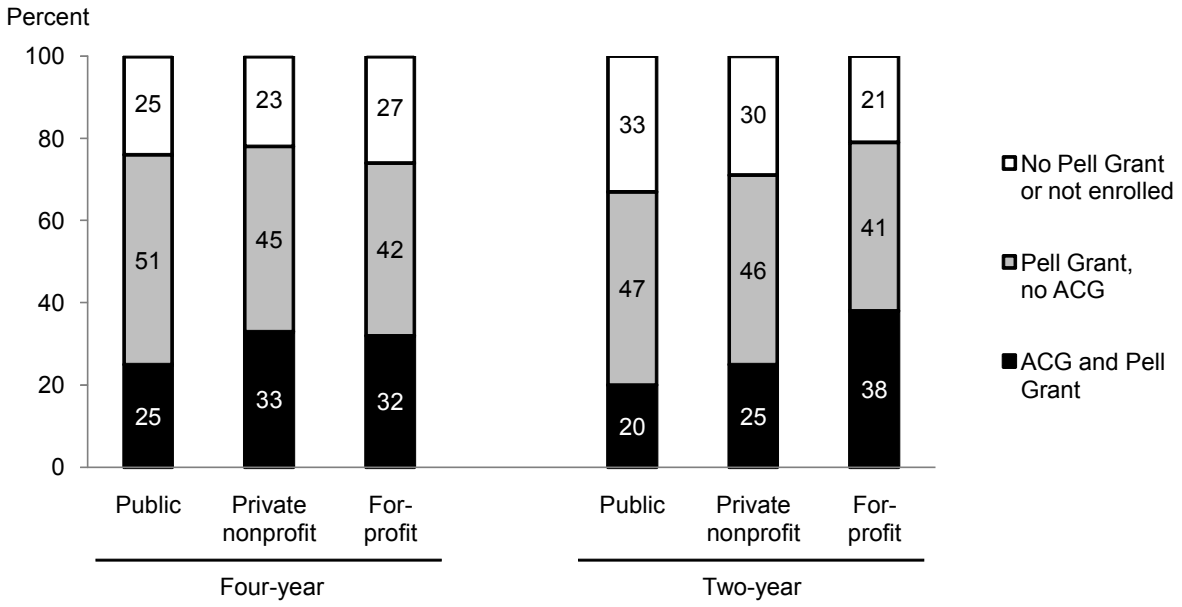


NOTE: Detail may not sum to totals because of rounding. Pell Grant, no ACG includes 1 percent with SMART Grants. Based on Appendix Table D-14.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

At four-year institutions, renewal rates of first-year ACGs were lowest in the public sector.

At four-year institutions, about one-fourth (25 percent) of the first-year ACGs were renewed at public institutions, compared with 33 percent at private nonprofit institutions and 32 percent at for-profit institutions (Figure 24). Overall, the lowest renewal rates of first-year ACGs were at public two-year institutions (20 percent) (Appendix Table D-14). The number of first-year ACGs that were awarded was quite small at private nonprofit and for-profit two-year institutions, but their renewal rates were relatively high.

Figure 24. Percentage distribution of 2006–07 first-year ACG recipients by ACG and Pell Grant receipt status in 2007–08, by type of institution



NOTE: Detail may not sum to totals because of rounding. Pell Grant, no ACG includes 1 percent with SMART Grants in four-year institutions. Based on Appendix Table D-14.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

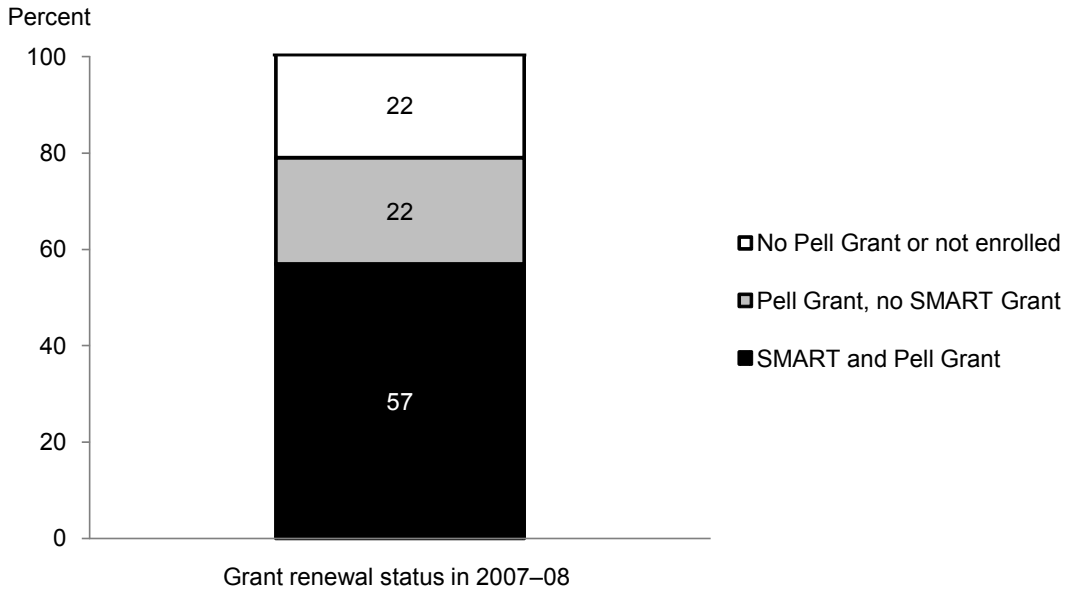
National SMART Grant Program Renewals

More than one-half of the third-year students who received a National SMART Grant in 2006–07 received another one the following year.

To receive another National SMART Grant in their fourth year, third-year National SMART Grant recipients had to continue to have an EFC low enough to qualify for a Pell Grant, continue to be enrolled full-time, continue to be enrolled in an eligible major and take at least one course meeting the requirements for that major, and maintain a cumulative 3.0 GPA. More than one-half (57 percent) of the third-year students who received a National SMART Grant in 2006–07 met the requirements to renew it as fourth-year students (Figure 25).

The National SMART Grant renewal rates (57 percent) were substantially higher than the ACG renewal rates (27 percent). In part, this likely reflects the fact that freshmen have a more difficult time meeting academic expectations in the first year of college than juniors, who have had time to adapt to the college experience.

Figure 25. Percentage distribution of 2006–07 third-year SMART Grant recipients by SMART Grant and Pell Grant receipt status in 2007–08



NOTE: Detail may not sum to totals because of rounding. Based on Appendix Table D-15.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

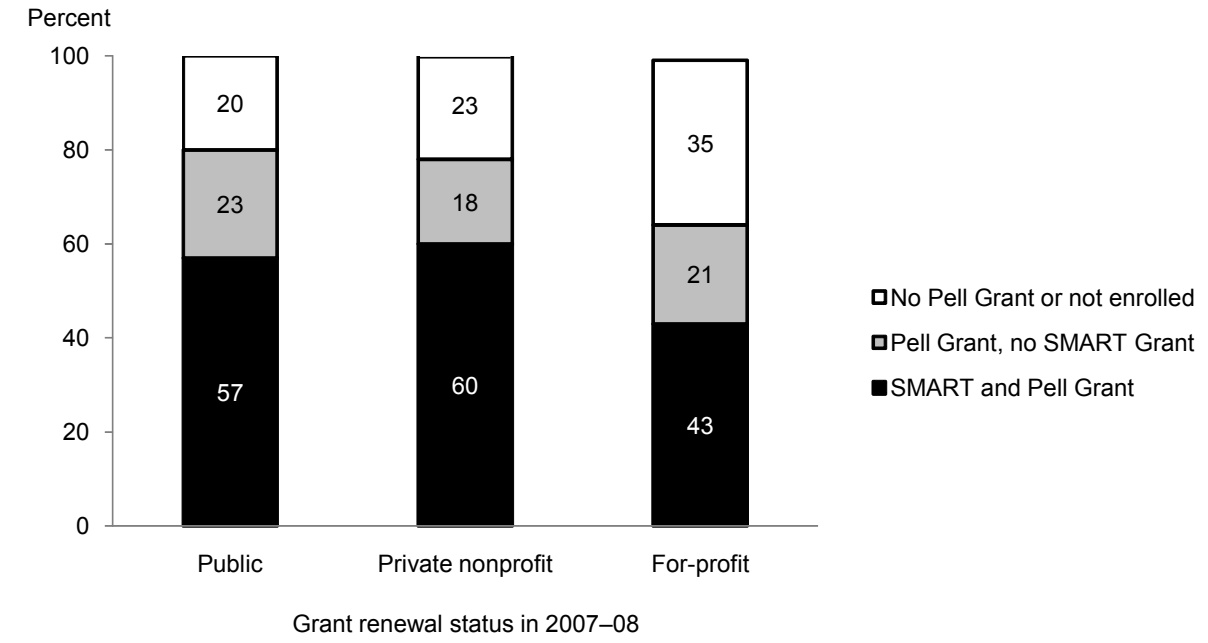
About one-fifth of third-year National SMART Grant recipients received another Pell Grant the following year but not another National SMART Grant.

Twenty-two percent of the third-year National SMART Grant students did not qualify for a renewal of their grant in their fourth year but did receive a Pell Grant (Figure 25). This means that they did not meet the GPA requirement, were not enrolled full-time, or were not taking at least one course in their major.

Renewal rates for third-year National SMART Grant recipients were highest at private nonprofit institutions.

Third-year students at private nonprofit institutions had National SMART Grant renewal rates of 60 percent, followed by 57 percent of those at public institutions (Figure 26). At for-profit institutions, where the majority of National SMART Grant students are computer science majors, the renewal rate was lower (43 percent) (Appendix Table D-15).

Figure 26. Percentage distribution of 2006–07 third-year SMART Grant recipients by SMART Grant and Pell Grant receipt status in 2007–08, by type of institution

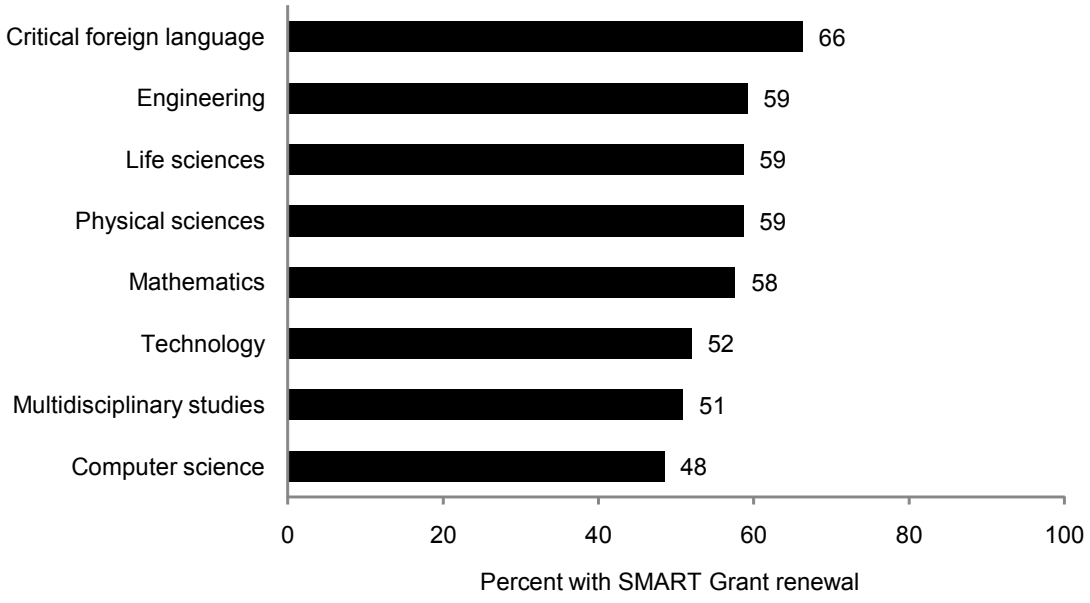


NOTE: Detail may not sum to totals because of rounding. Based on Appendix Table D-15.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Renewal rates were highest for National SMART Grant recipients studying critical foreign languages.

Renewal rates for third-year National SMART Grant recipients by field of study ranged from a low of 48 percent in computer science to a high of 66 percent in critical foreign languages. Renewal rates for National SMART Grant students in the life sciences, engineering, physical sciences, and mathematics were all between 58 and 59 percent (Figure 27). Appendix Table D-16 shows detailed data on National SMART Grant renewals by field of study.

Figure 27. Percentage of 2006–07 third-year SMART Grant recipients who received another SMART Grant in 2007–08, by field of study



NOTE: Based on Appendix Table D-16.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Pell Grant Renewals

A key question is whether low-income students who receive ACGs or National SMART Grants are more likely than their peers without these grants to persist in college and ultimately graduate. Without longitudinal enrollment data, which are not available for the students included in this study, this question cannot be answered. However, if a student who received a Pell Grant in 2006–07 also received one in 2007–08, it means that the student persisted. If the student did not receive a Pell Grant in the second year, it means that the student either did not enroll or enrolled but no longer qualified for a Pell Grant because of a higher family income or because the student dropped below half-time enrollment. Based on their Pell Grant renewal rates, students who received an ACG or National SMART Grant persisted at higher rates than their peers who received a Pell Grant only.

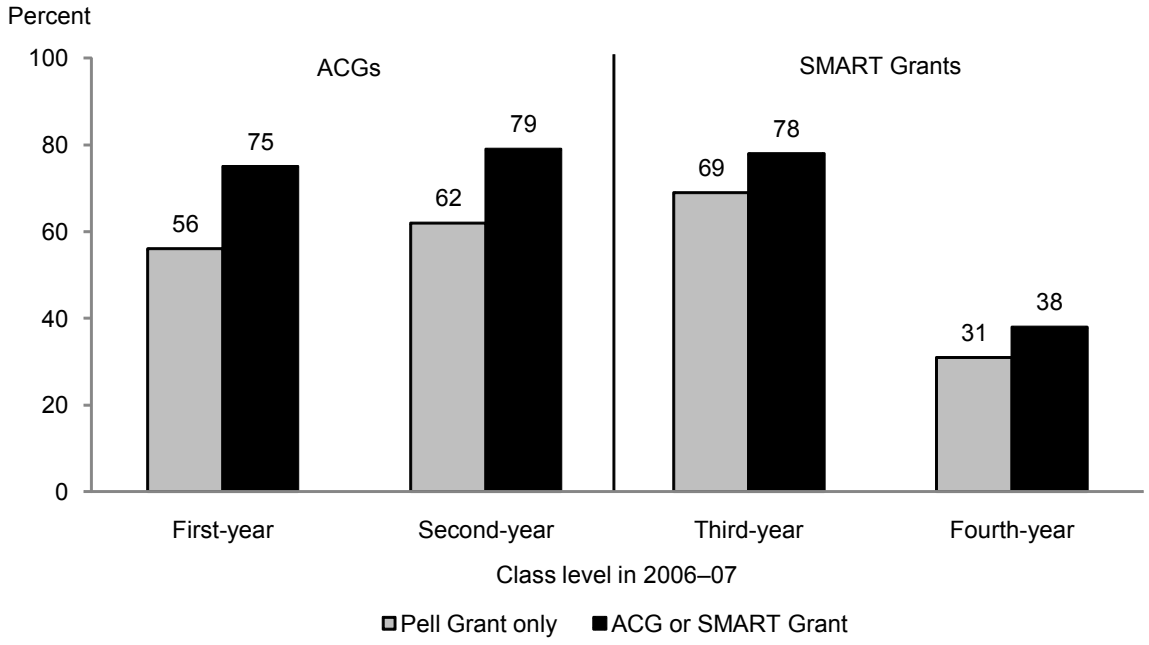
The higher persistence rates for students with ACGs and National SMART Grants cannot be attributed solely to these grant programs. Students who receive these grants are among the most academically qualified students receiving Pell Grants and therefore would be expected to persist at higher rates. However, the additional financial support (perhaps reducing the need to work during the school term) and other student attributes may have been contributing factors.

Nevertheless, the substantial differences are worth noting. As experience with these programs accumulates, it will be possible to address these key questions with additional data and analyses.

ACG and National SMART Grant recipients had higher Pell Grant renewal rates than students with a Pell Grant only.

The Pell Grant renewal rates of first- and second-year students who had also qualified for an ACG in 2006–07 were about 18 percentage points higher than for their counterparts who had received a Pell Grant only in 2006–07 (Figure 28). Among first-year Pell Grant recipients in 2006–07, just over one-half (56 percent) of those who received a Pell Grant only received another Pell Grant the next year (Appendix Table D-17).[27] In comparison, three-fourths (75 percent) of those who had received an ACG as first-year students received another Pell Grant the next year.[28]

Figure 28. Percentage of Pell Grant–only and ACG or SMART Grant recipients who received another Pell Grant in 2007–08, by class level in 2006–07



NOTE: Pell Grant renewals include students also receiving ACGs or SMART Grants. Based on Appendix Tables D-16 and D-17.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

[27] This includes about 1 percent who received an ACG or National SMART Grant in 2007–08 but had not received one in 2006–07.
[28] This includes the 27 percent who received an ACG and 1 percent who received National SMART Grant in addition to their Pell Grant.

The Pell Grant renewal rates for 2006–07 first-year students at public and private nonprofit institutions were 10–13 percentage points higher among ACG recipients than among those who had received a Pell Grant only (Appendix Table D-17). At for-profit institutions, they were 23–30 percent higher.

The Pell Grant renewal rates for third-year students who had also qualified for a National SMART Grant in 2006–07 were nearly 10 percentage points higher than for their counterparts who had received a Pell Grant only that year (Figure 28). Among third-year Pell Grant recipients in 2006–07, 69 percent of those who had received Pell Grants only received another Pell Grant the next year. In comparison, 78 percent of their counterparts who had also qualified for a National SMART Grant received another Pell Grant the next year (including the 57 percent who met the requirements to renew their National SMART Grant [Figure 26]). Appendix Tables D-17 and D-18 show details by class level, program, and type of institution.

Fourth-year Pell Grant renewal rates are not comparable to those of third-year students. The Pell Grant renewal rates of fourth-year students indicate that about one-third of the Pell and National SMART Grant seniors required more than four years to complete their degree programs (Figure 28).

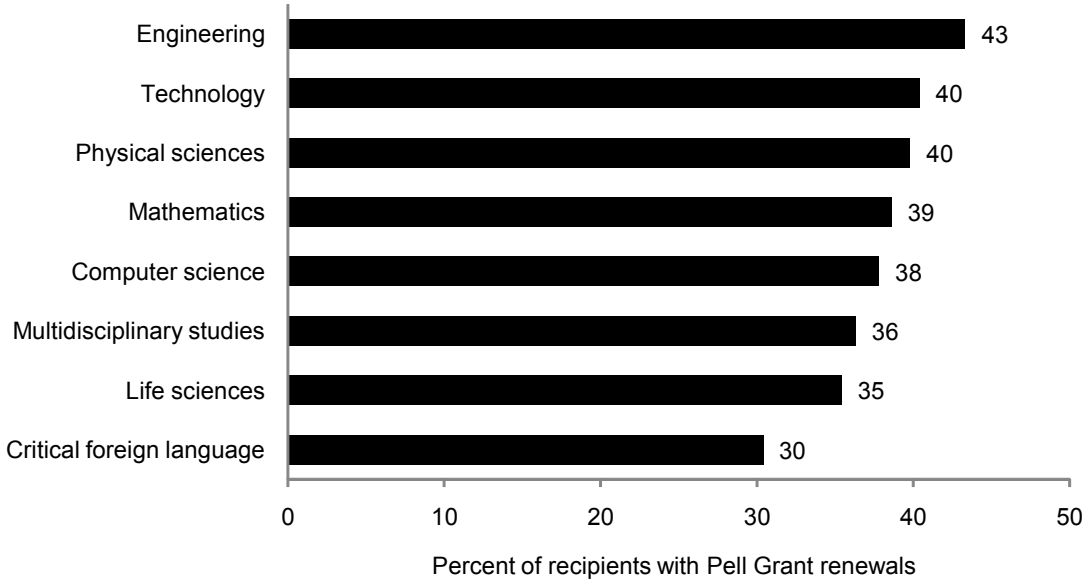
Approximately one-half of the third- and fourth-year National SMART and Pell Grant-only recipients were college seniors who received grants in their fourth year (Appendix Tables D-17 and D-18). In general, the fourth-year National SMART Grant students could not receive an additional National SMART Grant, because the regulations in effect at the time limited these grants to two academic years and two class levels. Students who were in programs that usually take five years (e.g., engineering) and those who needed to take additional courses to meet all requirements for graduation could be eligible for an additional Pell Grant in order to complete their degrees, but they could not get an additional National SMART Grant.

The Pell Grant renewal rates of fourth-year students reflect the amount of time needed to complete their degree programs.

The Pell Grant renewal rates of fourth-year students indicate that about 30 percent of those with Pell Grants only and nearly 40 percent of those with National SMART Grants in 2006–07 required more than four years to complete their degree programs. At public and for-profit institutions, Pell Grant renewal rates among fourth-year National SMART Grant recipients were about 10 percentage points higher than among Pell Grant-only recipients (42 vs. 33 percent at public institutions and 37 vs. 27 percent at for-profit institutions) (Appendix Table D-17). That is, National SMART Grant students were taking longer to finish their degrees at public and for-profit institutions than Pell Grant–only students. At private nonprofit institutions, the renewal rates for the two groups were about the same (28 and 27 percent, respectively).

Pell Grant renewal rates for fourth-year National SMART Grant recipients in 2006–07 by field of study ranged from a low of 30 percent in critical foreign languages to a high of 43 percent in engineering (Figure 29). As noted above, the Pell Grant renewal rates of fourth-year National SMART Grant students are an indicator of the time it takes them to complete their degrees. National SMART Grant students majoring in engineering were the most likely to receive another Pell Grant in the fifth year because their programs usually take longer to finish. In the other science and technical fields, the typical Pell Grant renewal rate for fourth-year students was between 35 and 40 percent (Appendix Table D-16). Information on college majors is only available for students with National SMART Grants.

Figure 29. Percentage of 2006–07 fourth-year SMART Grant recipients who received a Pell Grant in 2007–08, by field of study



NOTE: Based on Appendix Table D-16.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

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APPENDIX A

National SMART Grant–Eligible Majors

Prior to the implementation of the National Science and Mathematics Access to Retain Talent (SMART) Grant program, the secretary of education designated the eligible fields of study. This list was expanded for 2007–08 to include additional fields of study in Agriculture, Natural Resources and Conservation, Psychology, and Multidisciplinary Studies. Fields added for 2007–08 are shown below in bolded italics.

Computer Science: The branch of knowledge or study of computers, including such fields of knowledge or study as computer hardware, computer software, computer engineering, information systems, and robotics.
Associated NCES CIP CODES: 11.xxxx

Engineering: The science by which the properties of matter and the sources of energy in nature are made useful to humanity in structures, machines, and products, as in the construction of engines, bridges, buildings, mines, and chemical plants, including such fields of knowledge or study as aeronautical engineering, chemical engineering, civil engineering, electrical engineering, industrial engineering, materials engineering, manufacturing engineering, and mechanical engineering.
Associated NCES CIP CODES: 14.xxxx

Foreign Language: Instructional programs that focus on foreign languages and literatures, the humanistic and scientific study of linguistics, and the provision of professional interpretation and translation services.
Associated NCES CIP CODES: 16.xxxx

Life Sciences: The branch of knowledge or study of living things, including such fields of knowledge or study as biology, biochemistry, biophysics, microbiology, genetics, physiology, botany, zoology, ecology, and behavioral biology, except that the term does not encompass the health professions. This category also includes agriculture, agricultural operations, and related sciences.
Associated NCES CIP CODES: 26.xxxx; 01.xxxx

Natural Resources and Conservation: Instructional programs that focus on the various natural resources and conservation fields and prepare individuals for related occupations.
Associated NCES CIP CODES: 03.xxxx

Psychology: Instructional programs that focus on the scientific study of the behavior of individuals, independently or collectively, and the physical and environmental bases of mental, emotional, and neurological activity.
Associated NCES CIP CODES: 42.xxxx

Mathematics: The branch of knowledge or study of numbers and the systematic treatment of magnitude, relationships between figures and forms, and relations between quantities expressed symbolically, including such fields of knowledge or study as statistics, applied mathematics, and operations research.
Associated NCES CIP CODES: 27.xxxx

Physical Sciences: The branch of knowledge or study of the material universe, including such fields of knowledge or study as astronomy, atmospheric sciences, chemistry, earth sciences, ocean sciences, physics, and planetary sciences.
Associated NCES CIP CODES: 40.xxxx

Technology: The application of mechanical or scientific knowledge, for example, applied science.
Related NCES CIP CODES: 41.xxxx; 29.xxxx 15.xxxx

Several **Multidisciplinary Studies** are also considered eligible for National SMART Grants.
Associated NCES CIP CODES: 30.xxxx

Computer Science

11.01 Computer and Information Sciences, General
- 11.0101 Computer and Information Sciences, General
- 11.0102 Artificial Intelligence and Robotics
- 11.0103 Information Technology
- 11.0199 Computer and Information Sciences, Other

11.02 Computer Programming
- 11.0201 Computer Programming/Programmer, General
- 11.0202 Computer Programming, Specific Applications
- 11.0203 Computer Programming, Vendor/Product Certification
- 11.0299 Computer Programming, Other

11.03 Data Processing
- 11.0301 Data Processing and Data Processing Technology/Technician

11.04 Information Science/Studies
- 11.0401 Information Science/Studies

11.05 Computer Systems Analysis
- 11.0501 Computer Systems Analysis/Analyst

11.07 Computer Science
- 11.0701 Computer Science

11.08 Computer Software and Media Applications
- 11.0801 Web Page, Digital/Multimedia and Information Resources Design
- 11.0802 Data Modeling/Warehousing and Database Administration
- 11.0803 Computer Graphics
- 11.0899 Computer Software and Media Applications, Other

11.09 Computer Systems Networking and Telecommunications
- 11.0901 Computer Systems Networking and Telecommunications

11.10 Computer/Information Technology Administration and Management
- 11.1001 System Administration/Administrator
- 11.1002 System, Networking, and LAN/WAN Management/Manager
- 11.1003 Computer and Information Systems Security
- 11.1004 Web/Multimedia Management and Webmaster
- 11.1099 Computer/Information Technology Services Administration and Management, Other

11.99 Computer and Information Sciences and Support Services, Other
- 11.9999 Computer and Information Sciences and Support Services, Other

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Engineering

14.01 Engineering, General
- 14.0101 Engineering, General

14.02 Aerospace, Aeronautical and Astronautical Engineering
- 14.0201 Aerospace, Aeronautical and Astronautical Engineering

14.03 Agricultural/Biological Engineering and Bioengineering
- 14.0301 Agricultural/Biological Engineering and Bioengineering

14.04 Architectural Engineering
- 14.0401 Architectural Engineering

14.05 Biomedical/Medical Engineering
- 14.0501 Biomedical/Medical Engineering

14.06 Ceramic Sciences and Engineering
- 14.0601 Ceramic Sciences and Engineering

14.07 Chemical Engineering
- 14.0701 Chemical Engineering

14.08 Civil Engineering
- 14.0801 Civil Engineering, General
- 14.0802 Geotechnical Engineering
- 14.0803 Structural Engineering
- 14.0804 Transportation and Highway Engineering
- 14.0805 Water Resources Engineering
- 14.0899 Civil Engineering, Other

14.09 Computer Engineering, General
- 14.0901 Computer Engineering, General
- 14.0902 Computer Hardware Engineering
- 14.0903 Computer Software Engineering
- 14.0999 Computer Engineering, Other

14.10 Electrical, Electronics and Communications Engineering
- 14.1001 Electrical, Electronics and Communications Engineering

14.11 Engineering Mechanics
- 14.1101 Engineering Mechanics

14.12 Engineering Physics
- 14.1201 Engineering Physics

14.13 Engineering Science
- 14.1301 Engineering Science

14.14 Environmental/Environmental Health Engineering
- 14.1401 Environmental/Environmental Health Engineering

14.18 Materials Engineering
- 14.1801 Materials Engineering

14.19 Mechanical Engineering
- 14.1901 Mechanical Engineering

14.20 Metallurgical Engineering
- 14.2001 Metallurgical Engineering

14.21 Mining and Mineral Engineering
- 14.2101 Mining and Mineral Engineering

14.22 Naval Architecture and Marine Engineering
- 14.2201 Naval Architecture and Marine Engineering

14.23 Nuclear Engineering
- 14.2301 Nuclear Engineering

14.24 Ocean Engineering
- 14.2401 Ocean Engineering

14.25 Petroleum Engineering
- 14.2501 Petroleum Engineering

14.27 Systems Engineering
- 14.2701 Systems Engineering

14.28 Textile Sciences and Engineering
- 14.2801 Textile Sciences and Engineering

14.31 Materials Science
- 14.3101 Materials Science

14.32 Polymer/Plastics Engineering
- 14.3201 Polymer/Plastics Engineering

14.33 Construction Engineering
- 14.3301 Construction Engineering

14.34 Forest Engineering
- 14.3401 Forest Engineering

14.35 Industrial Engineering
- 14.3501 Industrial Engineering

14.36 Manufacturing Engineering
- 14.3601 Manufacturing Engineering

14.37 Operations Research
- 14.3701 Operations Research

14.38 Surveying Engineering
- 14.3801 Surveying Engineering

14.39 Geological/Geophysical Engineering
- 14.3901 Geological/Geophysical Engineering

14.99 Engineering, Other
- 14.9999 Engineering, Other

Critical Foreign Language

- 16.0201 African Languages, Literatures, and Linguistics
- 16.0301 Chinese Language and Literature
- 16.0302 Japanese Language and Literature
- 16.0303 Korean Language and Literature
- 16.0402 Russian Language and Literature
- 16.0701 Hindi Language and Literature
- 16.0704 Bengali Language and Literature
- 16.0705 Panjabi Language and Literature
- 16.0707 Urdu Language and Literature
- 16.0801 Iranian/Persian Languages, Literatures, and Linguistics
- 16.0904 Portuguese Language and Literature
- 16.1101 Arabic Language and Literature
- 16.1102 Hebrew Language and Literature
- 16.1402 Bahasa Indonesian/Bahasa Malay Languages and Literatures
- 16.1404 Filipino/Tagalog Language and Literature
- 16.1501 Turkish Language and Literature
- 16.1599 Turkic, Ural-Altaic, Caucasian, and Central Asian Languages, Literatures, and Linguistics, Other

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Life Sciences

26. BIOLOGICAL AND BIOMEDICAL SCIENCES

26.01 Biology, General
- 26.0101 Biology/Biological Sciences, General
- 26.0102 Biomedical Sciences, General

26.02 Biochemistry, Biophysics and Molecular Biology
- 26.0202 Biochemistry
- 26.0203 Biophysics
- 26.0204 Molecular Biology
- 26.0205 Molecular Biochemistry
- 26.0206 Molecular Biophysics
- 26.0207 Structural Biology
- 26.0208 Photobiology
- 26.0209 Radiation Biology/Radiobiology
- 26.0210 Biochemistry/Biophysics and Molecular Biology
- 26.0299 Biochemistry, Biophysics and Molecular Biology, Other

26.03 Botany/Plant Biology
- 26.0301 Botany/Plant Biology
- 26.0305 Plant Pathology/Phytopathology
- 26.0307 Plant Physiology
- 26.0308 Plant Molecular Biology
- 26.0399 Botany/Plant Biology, Other

26.04 Cell/Cellular Biology and Anatomical Sciences
- 26.0401 Cell/Cellular Biology and Histology
- 26.0403 Anatomy
- 26.0404 Developmental Biology and Embryology
- 26.0405 Neuroanatomy
- 26.0406 Cell/Cellular and Molecular Biology
- 26.0407 Cell Biology and Anatomy

- 26.0499 Cell/Cellular Biology and Anatomical Sciences, Other

26.05 Microbiological Sciences and Immunology
- 26.0502 Microbiology, General
- 26.0503 Medical Microbiology and Bacteriology
- 26.0504 Virology
- 26.0505 Parasitology
- 26.0506 Mycology
- 26.0507 Immunology
- 26.0599 Microbiological Sciences and Immunology, Other

26.07 Zoology/Animal Biology
- 26.0701 Zoology/Animal Biology
- 26.0702 Entomology
- 26.0707 Animal Physiology
- 26.0708 Animal Behavior and Ethology
- 26.0709 Wildlife Biology
- 26.0799 Zoology/Animal Biology, Other

26.08 Genetics
- 26.0801 Genetics, General
- 26.0802 Molecular Genetics
- 26.0803 Microbial and Eukaryotic Genetics
- 26.0804 Animal Genetics
- 26.0805 Plant Genetics
- 26.0806 Human/Medical Genetics
- 26.0899 Genetics, Other

26.09 Physiology, Pathology and Related Sciences
- 26.0901 Physiology, General
- 26.0902 Molecular Physiology
- 26.0903 Cell Physiology
- 26.0904 Endocrinology
- 26.0905 Reproductive Biology
- 26.0906 Neurobiology and Neurophysiology
- 26.0907 Cardiovascular Science
- 26.0908 Exercise Physiology
- 26.0909 Vision Science/Physiological Optics
- 26.0910 Pathology/Experimental Pathology
- 26.0911 Oncology and Cancer Biology
- 26.0999 Physiology, Pathology, and Related Sciences, Other

26.10 Pharmacology and Toxicology
- 26.1001 Pharmacology
- 26.1002 Molecular Pharmacology
- 26.1003 Neuropharmacology
- 26.1004 Toxicology
- 26.1005 Molecular Toxicology
- 26.1006 Environmental Toxicology
- 26.1007 Pharmacology and Toxicology
- 26.1099 Pharmacology and Toxicology, Other

26.11 Biomathematics and Bioinformatics
- 26.1101 Biometry/Biometrics
- 26.1102 Biostatistics
- 26.1103 Bioinformatics
- 26.1199 Biomathematics and Bioinformatics, Other

26.12 Biotechnology
- 26.1201 Biotechnology

26.13 Ecology, Evolution, Systematics and Population Biology
- 26.1301 Ecology
- 26.1302 Marine Biology and Biological Oceanography
- 26.1303 Evolutionary Biology
- 26.1304 Aquatic Biology/Limnology
- 26.1305 Environmental Biology
- 26.1306 Population Biology
- 26.1307 Conservation Biology
- 26.1308 Systematic Biology/Biological Systematics
- 26.1309 Epidemiology
- 26.1399 Ecology, Evolution, Systematics and Population Biology, Other

26.99 Biological and Biomedical Sciences, Other
- 26.9999 Biological and Biomedical Sciences, Other

01. AGRICULTURE, AGRICULTURE OPERATIONS, AND RELATED SCIENCES

01.09 Animal Sciences
- 01.0901 Animal Sciences, General
- 01.0902 Agricultural Animal Breeding
- 01.0903 Animal Health
- 01.0904 Animal Nutrition
- 01.0905 Dairy Science
- 01.0906 Livestock Management
- 01.0907 Poultry Science
- 01.0999 Animal Sciences, Other

01.10 Food Science and Technology (2007–08)
- ***01.1001 Food Science***
- ***01.1002 Food Technology and Processing***

01.11 Plant Sciences
- 01.1101 Plant Sciences, General
- 01.1102 Agronomy and Crop Science
- 01.1103 Horticultural Science
- 01.1104 Agricultural and Horticultural Plant Breeding
- 01.1105 Plant Protection and Integrated Pest Management
- 01.1106 Range Science and Management
- 01.1199 Plant Sciences, Other

01.12 Soil Sciences
- 01.1201 Soil Science and Agronomy, General
- 01.1202 Soil Chemistry and Physics
- 01.1203 Soil Microbiology
- 01.1299 Soil Sciences, Other

Natural Resources and Conservation (2007–08)

03. NATURAL RESOURCES AND CONSERVATION

03.01 Natural Resources and Conservation Research
03.0104 Environmental Science

03.03 Fishing and Fisheries Sciences and Management
03.0301 Fishing and Fisheries Science and Management

03.05 Forestry
03.0502 Forest Sciences and Biology
03.0509 Wood Science and Wood Products/Pulp and Paper Technology

03.06 Wildlife and Wildlands Science and Management
03.0601 Wildlife and Wildlands Science and Management

Psychology (2007–08)

42. PSYCHOLOGY

42.11 Physiological Psychology/Psychobiology
42.1101 Physiological Psychology/Psychobiology

Mathematics

27.01 Mathematics
27.0101 Mathematics, General
27.0102 Algebra and Number Theory
27.0103 Analysis and Functional Analysis
27.0104 Geometry/Geometric Analysis
27.0105 Topology and Foundations
27.0199 Mathematics, Other

27.03 Applied Mathematics
27.0301 Applied Mathematics
27.0303 Computational Mathematics
27.0399 Applied Mathematics, Other

27.05 Statistics
27.0501 Statistics, General
27.0502 Mathematical Statistics and Probability
27.0599 Statistics, Other

27.99 Mathematics and Statistics, Other
27.9999 Mathematics and Statistics, Other

Physical Sciences

40.01 Physical Sciences
40.0101 Physical Sciences

40.02 Astronomy and Astrophysics
40.0201 Astronomy
40.0202 Astrophysics
40.0203 Planetary Astronomy and Science
40.0299 Astronomy and Astrophysics, Other

40.04 Atmospheric Sciences and Meteorology
40.0401 Atmospheric Sciences and Meteorology, General
40.0402 Atmospheric Chemistry and Climatology
40.0403 Atmospheric Physics and Dynamics
40.0404 Meteorology
40.0499 Atmospheric Sciences and Meteorology, Other

40.05 Chemistry
40.0501 Chemistry, General
40.0502 Analytical Chemistry
40.0503 Inorganic Chemistry
40.0504 Organic Chemistry
40.0506 Physical and Theoretical Chemistry
40.0507 Polymer Chemistry
40.0508 Chemical Physics
40.0599 Chemistry, Other

40.06 Geological and Earth Sciences/Geosciences
40.0601 Geology/Earth Science, General
40.0602 Geochemistry
40.0603 Geophysics and Seismology
40.0604 Paleontology
40.0605 Hydrology and Water Resources Science
40.0606 Geochemistry and Petrology
40.0607 Oceanography, Chemical and Physical
40.0699 Geological and Earth Sciences/Geosciences, Other

40.08 Physics
40.0801 Physics, General

40.0802 Atomic/Molecular Physics
40.0804 Elementary Particle Physics
40.0805 Plasma and High-Temperature Physics
40.0806 Nuclear Physics
40.0807 Optics/Optical Sciences
40.0808 Solid State and Low-Temperature Physics
40.0809 Acoustics
40.0810 Theoretical and Mathematical Physics
40.0899 Physics, Other

40.99 Physical Sciences, Other
40.9999 Physical Sciences, Other

Technology

15. ENGINEERING TECHNOLOGIES/TECHNICIANS

15.00 Engineering Technology, General
15.0000 Engineering Technology, General

15.01 Architectural Engineering Technologies/Technicians
15.0101 Architectural Engineering Technology/Technician

15.02 Civil Engineering Technologies/Technicians
15.0201 Civil Engineering Technology/Technician

15.03 Electrical Engineering Technologies/Technicians
15.0303 Electrical, Electronic and Communications Engineering Technology/Technician
15.0304 Laser and Optical Technology/Technician
15.0305 Telecommunications Technology/Technician
15.0399 Electrical and Electronic Engineering Technologies/Technicians, Other

15.04 Electromechanical Instrumentation and Maintenance Technologies/Technicians
15.0401 Biomedical Technology/Technician
15.0403 Electromechanical Technology/ Electromechanical Engineering Technology
15.0404 Instrumentation Technology/Technician
15.0405 Robotics Technology/Technician
15.0499 Electromechanical and Instrumentation and Maintenance Technologies/Technicians, Other

15.05 Environmental Control Technologies/Technicians
15.0503 Energy Management and Systems Technology/Technician
15.0505 Solar Energy Technology/Technician
15.0506 Water Quality and Wastewater Treatment Management and Recycling Technology/Technician
15.0507 Environmental Engineering Technology/ Environmental Technology
15.0508 Hazardous Materials Management and Waste Technology/Technician
15.0599 Environmental Control Technologies/Technicians, Other

15.06 Industrial Production Technologies/Technicians
15.0607 Plastics Engineering Technology/Technician
15.0611 Metallurgical Technology/Technician
15.0612 Industrial Technology/Technician
15.0613 Manufacturing Technology/Technician
15.0699 Industrial Production Technologies/Technicians, Other

15.07 Quality Control and Safety Technologies/Technicians
15.0701 Occupational Safety and Health Technology/Technician
15.0702 Quality Control Technology/Technician
15.0703 Industrial Safety Technology/Technician
15.0704 Hazardous Materials Information Systems Technology/Technician
15.0799 Quality Control and Safety Technologies/ Technicians, Other

15.08 Mechanical Engineering Related Technologies/Technicians
15.0801 Aeronautical/Aerospace Engineering Technology/Technician
15.0803 Automotive Engineering Technology/Technician
15.0805 Mechanical Engineering/Mechanical Technology/Technician
15.0899 Mechanical Engineering Related Technologies/Technicians, Other

15.09 Mining and Petroleum Technologies/Technicians
15.0901 Mining Technology/Technician
15.0903 Petroleum Technology/Technician
15.0999 Mining and Petroleum Technologies/Technicians, Other

15.10 Construction Engineering Technologies
15.1001 Construction Engineering Technology/ Technician

15.11 Engineering-Related Technologies
15.1102 Surveying Technology/Surveying
15.1103 Hydraulics and Fluid Power Technology/ Technician
15.1199 Engineering-Related Technologies, Other

15.12 Computer Engineering Technologies/Technicians
15.1201 Computer Engineering Technology/ Technician
15.1202 Computer Technology/Computer Systems Technology
15.1203 Computer Hardware Technology/Technician
15.1204 Computer Software Technology/Technician
15.1299 Computer Engineering Technologies/ Technicians, Other

15.13 Drafting/Design Engineering Technologies/Technicians
- 15.1301 Drafting and Design Technology/Technician, General
- 15.1302 CAD/CADD Drafting and/or Design Technology/Technician
- 15.1303 Architectural Drafting and Architectural CAD/CADD
- 15.1304 Civil Drafting and Civil Engineering CAD/CADD
- 15.1305 Electrical/Electronics Drafting and Electrical/Electronics CAD/CADD
- 15.1306 Mechanical Drafting and Mechanical Drafting CAD/CADD
- 15.1399 Drafting/Design Engineering Technologies/Technicians, Other

15.14 Nuclear Engineering Technologies/Technicians
- 15.1401 Nuclear Engineering Technology/Technician

15.15 Engineering-Related Fields
- 15.1501 Engineering/Industrial Management

15.99 Engineering Technologies/Technicians, Other
- 15.9999 Engineering Technologies/Technicians, Other

29. MILITARY TECHNOLOGIES

29.01 Military Technologies
- 29.0101 Military Technologies

41. SCIENCE TECHNOLOGIES/TECHNICIANS

41.01 Biology Technician/Biotechnology Laboratory Technician
- 41.0101 Biology Technician/Biotechnology Laboratory Technician

41.02 Nuclear and Industrial Radiologic Technologies/Technicians
- 41.0204 Industrial Radiologic Technology/Technician
- 41.0205 Nuclear/Nuclear Power Technology/Technician
- 41.0299 Nuclear and Industrial Radiologic Technologies/Technicians, Other

41.03 Physical Science Technologies/Technicians
- 41.0301 Chemical Technology/Technician
- 41.0399 Physical Science Technologies/Technicians, Other

41.99 Science Technologies/Technicians, Other
- 41.9999 Science Technologies/Technicians, Other

Multidisciplinary Studies

30. MULTI/INTERDISCIPLINARY STUDIES

30.01 Biological and Physical Sciences
- 30.0101 Biological and Physical Sciences

30.06 Systems Science and Theory
- 30.0601 Systems Science and Theory

30.08 Mathematics and Computer Science
- 30.0801 Mathematics and Computer Science

30.10 Biopsychology (2007–08)
- ***30.1001 Biopsychology***

30.15 Science, Technology and Society
- 30.1501 Science, Technology, and Society

30.16 Accounting and Computer Science
- 30.1601 Accounting and Computer Science

30.18 Natural Sciences
- 30.1801 Natural Sciences

30.19 Nutrition Sciences (2007–08)
- ***30.1901 Nutrition Sciences***

30.24 Neuroscience
- 30.2401 Neuroscience

30.25 Cognitive Science
- 30.2501 Cognitive Science

APPENDIX B

Recognized Rigorous High School Programs

To be eligible for an Academic Competitiveness Grant (ACG), a student must have completed a rigorous high school program of study after Jan. 1, 2006, if enrolled as a first-year student and after Jan. 1, 2005, if enrolled as a second-year student. The secretary of education provided three options (described below) for the first two years of the program (2006–07 and 2007–08) and accepted all existing state-established advanced and honors diploma programs as "rigorous." In addition, states may request recognition of other programs. For the first year of the ACG program, the secretary approved at least one advanced, honors, or other program in 40 states, and more than one program in 22 states.[29]

In every state, students potentially had at least two ways to meet the rigorous high school curriculum: the Department of Education course-based curriculum and passing Advanced Placement (AP) or International Baccalaureate (IB) courses with sufficiently high scores (assuming their schools offered all the required courses and that they had access to AP or IB courses). Students in states participating in the State Scholars Initiative (SSI) had a third option, and those in states with approved state programs had at least one additional option and sometimes several.

1. Participating in the State Scholars Initiative (SSI) (offered in selected districts in 22 states in 2006–07 and 24 states in 2007–08). The SSI is a national initiative funded by the U.S. Department of Education's Office of Vocational and Adult Education (OVAE) and administered by the Western Interstate Commission for Higher Education (WICHE). It is designed to motivate high school students to complete a rigorous course of study that prepares them for success in postsecondary education or training and in their future careers.[30] To achieve recognition, students in participating states must complete all state-mandated high school graduation requirements and also the following course work: four years of English; three years of mathematics (including algebra I, algebra II, and geometry); three years of laboratory science (biology, chemistry, and physics); three and a half years of social studies (chosen from U.S. and world history, world geography, economics, and government); and two years of a language other than English.

[29] A description of the requirements in each state is available at: http://www.ed.gov/admins/finaid/about/ac-smart/state-programs.html (accessed July, 2010).

[30] More information on this initiative and a current list of participating states is available at: http://www.wiche.edu/statescholars/ (accessed July, 2010).

2. Completing a curriculum similar to the State Scholars Initiative (SSI). This option is available to high school students in all states and within each state to students attending high schools that offer the courses. The requirements are slightly less demanding than those of the SSI, with more flexibility in meeting the mathematics, science, and social science requirements and a reduced language requirement. To qualify under this option, students must earn passing grades in the following: four years of English; three years of mathematics (including algebra I and a higher-level course such as algebra II, geometry, or data analysis and statistics); three years of science (including at least two courses chosen from biology, chemistry, or physics); three years of social studies; and one year of a language other than English.

3. Completing at least two Advanced Placement (AP) or International Baccalaureate (IB) courses. Students are required to pass these two courses with a score of 3.0 or higher (out of 5.0) on the AP exams or 4.0 or higher (out of 7.0) on the IB exams. This option is available to students in all states but not necessarily in all schools. In 2002–03, 67 percent of public high schools offered AP courses, and 2 percent offered IB courses (Waits, Setzer, and Lewis 2005). However, students can take AP courses through independent study (or online in some states).[31]

4. Completing an existing advanced, honors, or other approved program. In most cases, the approved programs were unique to a state. Some of the state programs were based solely on completing specific courses, while others had additional or different requirements.[32]

Seven states were approved to use the *High Schools That Work (HSTW)* Award of Educational Achievement in 2006–07 and 2007–08. To earn this award, students must complete the curriculum recommended by the *High Schools That Work (HSTW)* initiative in at least two of the three subject areas (English, mathematics, and science); complete a concentration in a career and technical field, mathematics and science, or the humanities; and meet all three of the performance goals on the HSTW assessment.

The recommended curriculum consists of the following:

> English: four credits in college-preparatory level courses.
>
> Mathematics: four credits in college-preparatory level courses, including algebra I, geometry, algebra II, and a higher-level mathematics course such as trigonometry, statistics, precalculus, calculus, or AP mathematics.

[31] Available at: http://www.collegeboard.com (accessed July, 2010).
[32] These included, for example, passing a state or local assessment test, achieving a minimum GPA or score on a PSAT, SAT, or ACT test, completing AP or IB courses or exams or dual-enrollment courses, or completing a senior project.

Science: three or more credits in science, including at least two credits in college-preparatory biology, chemistry, anatomy and physiology, or physics and applied physics.

The concentrations consist of the following:

Career and Technical: four or more credits in a coherent sequence in a career and technical field or major.

Mathematics and Science: four college-preparatory courses each in mathematics and science. At least one higher-level course in either mathematics or science must be at the AP level.

Humanities: four college-preparatory courses each in English or language arts and social studies and four courses in an area of the humanities, such as foreign language, fine arts, or additional English and social studies courses. At least one course in either English or social studies must be at the AP level.

Performance goals:

The performance goals on the HSTW assessment are a score of 279 in reading, a score of 297 in mathematics, and a score of 299 in science on a scale of 0–500.

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APPENDIX C

Data Sources

ACG and National SMART Grant Data

The Office of Student Financial Aid, U.S. Department of Education provided the data used in this report. The files contain student-level records of all Pell Grant recipients in 2006–07 and 2007–08, merged with information on Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent (SMART) Grant awards and information from the Free Application for Federal Student Aid (FAFSA). MPR Associates merged the files for the two years to determine renewal rates. The files contain data on all students who received a Pell Grant at one of the institutions eligible to participate in the ACG or National SMART Grant programs—4.9 million students in 2006–07 and 5.4 million students in 2007–08. The final analysis file identified those who received an ACG, a National SMART Grant, or only a Pell Grant. Only those records that indicated that the award had been disbursed to the student were included.

Because data on disbursements and cancellations are added to the files on an ongoing basis, other published reports based on earlier or later versions of the files may show slightly different numbers of grants. The file used for 2006–07 was dated Sept. 21, 2007, and the file used for 2007–08 was dated Nov. 25, 2008. By September, most financial aid data for the previous academic year have been finalized. Changes after that are typically minor.

Although ACGs and National SMART Grants are awarded only to students with Pell Grants, a small number of ACG or National SMART Grant records could not be matched to a Pell Grant record in this file (about 450 each year). These records were dropped.

Some of the student-reported fields from the FAFSA were missing. Consequently, the student totals on tables using these variables may differ slightly from the totals on other tables.

Some ACG or National SMART Grant recipients transferred during the academic year and received these grants at two different colleges (about 2,000 in 2006–07 and about 3,000 in 2007–08). The tables that show the number of students by type of institution or state include these students at both institutions and, therefore, have slightly higher totals than the tables based on unduplicated, unique student records. Notes on the tables indicate whether the counts are duplicated or unduplicated.

Finally, some students received an ACG in the first term (as a second-year student) and a National SMART Grant in the second term (as a third-year student). These students are shown in both the ACG and the National SMART Grant totals in all tables.

Survey Data

The data sources used for the analyses of national data are described briefly here. Additional details, such as sample size, sample design, and survey methodology, are available for these sources on the NCES website (http://nces.ed.gov/surveys/).

The *National Postsecondary Student Aid Studies (NPSAS)* are nationally representative, cross-sectional studies of students enrolled in postsecondary education, regardless of age or level. These studies have been conducted every three to four years since 1990, most recently in 2007–08.

The *Beginning Postsecondary Student Longitudinal Studies (BPS:96/01 and BPS:04/06)* follow cohorts of students who enrolled in postsecondary education for the first time in 1995–96 or 2003–04. The first cohort (1995–96) was followed up in 1998 and 2001, and the second cohort (2003–04) in 2006. The students in these studies are drawn from NPSAS and the base-year NPSAS data.

APPENDIX D

Supplemental Tables on ACG and National SMART Grant Program Participation by Type of Institution: 2007–08

Table D-1. Number and percentage of eligible institutions participating in the ACG and SMART Grant programs by type of institution: 2007–08

Type of institution	Number of institutions					Number of Pell Grants in these institutions			
	Total number	Number participating in ACG	Percent participating in ACG	Number participating in SMART Grant	Percent participating in SMART Grant	Total Pell Grant number	Pell Grants in participating colleges	Pell Grants in nonparticipating colleges	Percent of Pell Grants in participating colleges
Total	4,084	2,970	72.7	1,478	36.2	5,439,552	4,918,100	521,452	90.4
Two-year									
Total	1,958	1,129	57.7	†	†	2,285,993	1,917,064	368,929	83.9
Public two-year	1,111	909	81.8	†	†	1,853,587	1,771,089	82,498	95.5
Private nonprofit two-year	183	54	29.5	†	†	33,019	13,907	19,112	42.1
For-profit two-year	664	166	25.0	†	†	399,387	132,068	267,319	33.1
Four-year									
Total	2,126	1,841	86.6	1,478	69.5	3,153,559	2,751,997	401,562	87.3
Public four-year	619	586	94.7	528	85.3	1,757,221	1,607,606	149,615	91.5
Private nonprofit four-year	1,281	1,091	85.2	854	66.7	771,320	677,670	93,650	87.9
For-profit four-year	226	164	72.6	96	42.5	625,018	466,721	158,297	74.7

† Not applicable.

NOTE: This table includes duplicate records for students who received grants at more than one college in 2007–08. Participating colleges are those that disbursed at least one ACG or SMART Grant. Institutions with multiple branches are counted separately when the information was reported by the campus. Many community college systems and for-profit institutions with multiple campuses did not provide information at the campus level.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-2. Number and percentage of Pell Grant recipients with ACGs or SMART Grants at participating institutions: 2007–08

Program participation and type of institution	Pell Grant recipients			ACG recipients			SMART Grant recipients			ACG or SMART Grant recipients	
	Total number	First- and second-year students	Third- and fourth-year students	Total number	As percent of all Pell Grants	As percent of first- and second-year Pell Grants	Total number	As percent of all Pell Grants	As percent of third- and fourth-year Pell Grants	Total number	As percent of all Pell Grants
Participated in ACG program	4,918,100	3,382,326	1,325,364	398,720	8.1	11.8	64,892	1.3	4.9	463,611	9.4
Participated in ACG program only											
Total	2,252,328	1,982,721	61,957	81,367	3.6	4.1	†	†	†	81,367	3.6
Public four-year	144,466	122,554	21,661	7,323	5.1	6.0	†	†	†	7,323	5.1
Private nonprofit four-year	71,395	40,760	30,576	6,844	9.6	16.8	†	†	†	6,844	9.6
For-profit four-year	119,403	109,424	9,720	1,588	1.3	1.5	†	†	†	1,588	1.3
Public two-year	1,771,089	1,567,693	0	61,872	3.5	3.9	†	†	†	61,872	3.5
Private nonprofit two-year	13,907	13,149	0	1,368	9.8	10.4	†	†	†	1,368	9.8
For-profit two-year	132,068	129,141	0	2,372	1.8	1.8	†	†	†	2,372	1.8
Participated in SMART Grant program											
Total	2,751,997	1,460,231	1,288,910	317,353	11.5	21.7	65,384	2.4	5.1	382,737	13.9
Public four-year	1,607,606	730,438	875,269	217,867	13.6	29.8	43,877	2.7	5.0	261,744	16.3
Private nonprofit four-year	677,670	354,838	322,471	93,882	13.9	26.5	16,952	2.5	5.3	110,834	16.4
For-profit four-year	466,721	374,955	91,170	5,604	1.2	1.5	4,555	1.0	5.0	10,159	2.2

† Not applicable.

NOTE: This table includes duplicate records for students who received grants at more than one college in 2007–08. Participating colleges are those that disbursed at least one ACG or SMART Grant. Class level is institution-reported for ACGs and SMART Grants but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions and greater than 5 at four-year institutions were excluded from the numbers presented by class level but included in the totals.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-3. Average number of Pell Grants, ACGs, and SMART Grants at participating institutions: 2007–08

Program participation and type of institution	Pell Grants	First- and second-year students with Pell Grants	Third- and fourth-year students with Pell Grants	ACGs	SMART Grants	ACGs and SMART Grants
Participated in ACG program	1,656	1,139	446	134	22	156
Participated in ACG program only						
Total	1,472	1,296	40	53	0	53
Public four-year	2,156	1,829	323	109	0	109
Private nonprofit four-year	282	161	121	27	0	27
For-profit four-year	1,474	1,351	120	20	0	20
Public two-year	1,948	1,725	0	68	0	68
Private nonprofit two-year	258	244	0	25	0	25
For-profit two-year	796	778	0	14	0	14
Participated in SMART Grant program						
Total	1,862	988	872	215	44	259
Public four-year	3,045	1,383	1,658	413	83	496
Private nonprofit four-year	794	416	378	110	20	130
For-profit four-year	4,862	3,906	950	58	47	106

NOTE: This table includes duplicate records for students who received grants at more than one college in 2007–08. Participating colleges are those that disbursed at least one ACG or SMART grant. Class level is institution-reported for ACGs and SMART Grants but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions and greater than 5 at four-year institutions were excluded from the numbers presented by class level but included in the totals.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-4. Number and percentage distribution of institutions participating in ACG and SMART Grant programs by the number of grant recipients: 2007–08

Type of institution	Number of ACG recipients in the college							Total colleges with ACGs
	1–10	11–50	51–100	101–200	201–500	501–1,000	More than 1,000	
Number of ACG-participating colleges by number of ACGs in the college								
Total	513	865	616	477	315	136	48	2,970
Public four-year	19	54	70	96	189	115	43	586
Private nonprofit four-year	124	316	309	245	81	13	3	1,091
For-profit four-year	68	54	21	17	3	1	0	164
Public two-year	159	386	202	111	42	7	2	909
Private nonprofit two-year	30	13	8	3	0	0	0	54
For-profit two-year	113	42	6	5	0	0	0	166
Percentage distribution of ACG-participating colleges by number of ACGs in the college								
Total	17.3	29.1	20.7	16.1	10.6	4.6	1.6	100.0
Public four-year	3.2	9.2	11.9	16.4	32.3	19.6	7.3	100.0
Private nonprofit four-year	11.4	29.0	28.3	22.5	7.4	1.2	0.3	100.0
For-profit four-year	41.5	32.9	12.8	10.4	1.8	0.6	0.0	100.0
Public two-year	17.5	42.5	22.2	12.2	4.6	0.8	0.2	100.0
Private nonprofit two-year	55.6	24.1	14.8	5.6	0.0	0.0	0.0	100.0
For-profit two-year	68.1	25.3	3.6	3.0	0.0	0.0	0.0	100.0

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Table D-4. Number and percentage distribution of institutions participating in ACG and SMART Grant programs by the number of grant recipients: 2007–08—Continued

Type of institution	Number of SMART Grant recipients in the college							Total colleges with SMART Grants
	1–10	11–50	51–100	101–200	201–500	501–1,000	More than 1,000	
Number of SMART Grant-participating colleges by number of SMART Grants in the college								
Total	561	619	150	88	46	12	2	1478
Public four-year	73	226	104	73	42	10	0	528
Private nonprofit four-year	451	350	34	15	2	1	1	854
For-profit four-year	37	43	12	0	2	1	1	96
Percentage distribution of SMART Grant-participating colleges by number of SMART Grants in the college								
Total	38.0	41.9	10.1	6.0	3.1	0.8	0.1	100.0
Public four-year	13.8	42.8	19.7	13.8	8.0	1.9	0.0	100.0
Private nonprofit four-year	52.8	41.0	4.0	1.8	0.2	0.1	0.1	100.0
For-profit four-year	38.5	44.8	12.5	0.0	2.1	1.0	1.0	100.0

NOTE: This table includes duplicate records for students who received grants at more than one college in 2007–08. Participating colleges are those that disbursed at least one ACG or SMART Grant. Institutions with multiple branches are counted separately when the information was reported by the campus. Many community college systems and for-profit institutions with multiple campuses did not provide information at the campus level. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-5. Number and percentage distribution of institutions participating in ACG and SMART Grant programs by the percentage of Pell Grant recipients who also received ACGs or SMART Grants: 2007–08

Type of institution	Percent of first- and second-year Pell Grant students with ACGs							Total colleges with ACGs
	Less than 2 percent	2–4.9 percent	5–9.9 percent	10–19.9 percent	20–29.9 percent	30–39.9 percent	40 percent or more	
Number of ACG-participating colleges by percent of first- and second-year Pell Grant students receiving ACGs								
Total	567	438	395	386	296	248	639	2,970
Public four-year	18	36	54	102	100	101	175	586
Private nonprofit four-year	32	44	71	171	178	136	458	1,091
For-profit four-year	82	32	24	16	5	4	1	164
Public two-year	318	293	217	76	3	1	1	909
Private nonprofit two-year	11	9	9	11	5	6	3	54
For-profit two-year	106	24	20	10	5	0	1	166
Percentage distribution of ACG-participating colleges by percent of first- and second-year Pell Grant students receiving ACGs								
Total	19.1	14.7	13.3	13.0	10.0	8.4	21.5	100.0
Public four-year	3.1	6.1	9.2	17.4	17.1	17.2	29.9	100.0
Private nonprofit four-year	2.9	4.0	6.5	15.7	16.3	12.5	42.0	100.0
For-profit four-year	50.0	19.5	14.6	9.8	3.0	2.4	0.6	100.0
Public two-year	35.0	32.2	23.9	8.4	0.3	0.1	0.1	100.0
Private nonprofit two-year	20.4	16.7	16.7	20.4	9.3	11.1	5.6	100.0
For-profit two-year	63.9	14.5	12.0	6.0	3.0	0.0	0.6	100.0

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Table D-5. Number and percentage distribution of institutions participating in ACG and SMART Grant programs by the percentage of Pell Grant recipients who also received ACGs or SMART Grants: 2007–08—Continued

Type of institution	Percent of third- and fourth-year Pell Grant students with SMART Grants							Total colleges with SMART Grants
	Less than 2 percent	2–4.9 percent	5–9.9 percent	10–19.9 percent	20–29.9 percent	30–39.9 percent	40 percent or more	
Number of SMART Grant-participating colleges by percent of third- and fourth-year Pell Grant students receiving SMART Grants								
Total	333	555	341	180	38	14	16	1,478
Public four-year	120	235	112	52	7	2	0	528
Private nonprofit four-year	196	296	213	107	23	6	12	854
For-profit four-year	17	24	16	21	8	6	4	96
Percentage distribution of SMART Grant-participating colleges by percent of third- and fourth-year Pell Grant students receiving SMART Grants								
Total	22.5	37.6	23.1	12.2	2.6	0.9	1.1	100.0
Public four-year	22.7	44.5	21.2	9.8	1.3	0.4	0.0	100.0
Private nonprofit four-year	23.0	34.7	24.9	12.5	2.7	0.7	1.4	100.0
For-profit four-year	17.7	25.0	16.7	21.9	8.3	6.3	4.2	100.0

NOTE: This table includes duplicate records for students who received grants at more than one college in 2007–08. Participating colleges are those that disbursed at least one ACG or SMART Grant. Institutions with multiple branches are counted separately when the information was reported by the campus. Many community college systems and for-profit institutions with multiple campuses did not provide information at the campus level. Class level is institution-reported for ACGs and SMART Grants but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions and greater than 5 at four-year institutions were excluded from the numbers presented by class level. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-6. Number and percentage distribution of ACGs and Pell Grants by class level and percentage of first- and second-year Pell Grant recipients with ACGs: 2007–08

Type of grant and institution	First-time, first-year	Other first-year	Second-year	Total first- and second-year
Number of grants				
ACG	191,328	115,130	89,325	395,783
Public four-year	111,460	62,083	50,131	223,674
Private nonprofit four-year	43,218	29,831	27,075	100,124
For-profit four-year	3,818	2,004	1,285	7,107
Public two-year	30,893	20,187	10,092	61,172
Private nonprofit two-year	717	400	242	1,359
For-profit two-year	1,222	625	500	2,347
Pell Grant only, no ACG	1,005,032	923,114	1,041,926	2,970,072
Pell Grant (with or without ACG)	1,279,333	945,969	1,133,094	3,358,396
Public four-year	339,599	142,010	352,440	834,049
Private nonprofit four-year	153,352	74,372	159,838	387,562
For-profit four-year	188,568	178,761	101,256	468,585
Public two-year	539,346	495,329	495,433	1,530,108
Private nonprofit two-year	4,361	4,295	4,183	12,839
For-profit two-year	54,107	51,202	19,944	125,253
Percentage distribution of grants				
ACG	48.3	29.1	22.6	100.0
Public four-year	49.8	27.8	22.4	100.0
Private nonprofit four-year	43.2	29.8	27.0	100.0
For-profit four-year	53.7	28.2	18.1	100.0
Public two-year	50.5	33.0	16.5	100.0
Private nonprofit two-year	52.8	29.4	17.8	100.0
For-profit two-year	52.1	26.6	21.3	100.0
Pell Grant only, no ACG	33.8	31.1	35.1	100.0
Pell Grant (with or without ACG)	38.1	28.2	33.7	100.0
Percent of Pell Grant recipients with ACGs				
Total	15.0	12.2	7.9	11.8
Public four-year	32.8	43.7	14.2	26.8
Private nonprofit four-year	28.2	40.1	16.9	25.8
For-profit four-year	2.0	1.1	1.3	1.5
Public two-year	5.7	4.1	2.0	4.0
Private nonprofit two-year	16.4	9.3	5.8	10.6
For-profit two-year	2.3	1.2	2.5	1.9

NOTE: This table includes duplicate records for students who received grants at more than one college in 2007–08. Participating colleges are those that disbursed at least one ACG. Class level is institution-reported for ACG recipients but student-reported for Pell Grant recipients. Student-reported class levels greater than 2 at two-year institutions were excluded. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-7. Number and percentage distribution of SMART Grants and total Pell Grants by class level and percentage of third- and fourth-year Pell Grant recipients with SMART Grants: 2007–08

Type of grant and institution	Third-year	Fourth-year	Total third- and fourth-year
Number of grants			
SMART	32,550	32,769	65,319
Public four-year	21,101	22,728	43,829
Private nonprofit four-year	8,495	8,441	16,936
For-profit four-year	2,954	1,600	4,554
Pell Grant only, no SMART	644,240	634,440	1,278,680
Pell Grant (with or without SMART)	678,204	661,237	1,339,441
Public four-year	433,898	456,663	890,561
Private nonprofit four-year	177,303	173,118	350,421
For-profit four-year	67,003	31,456	98,459
Percentage distribution of grants			
SMART	49.8	50.2	100.0
Public four-year	48.1	51.9	100.0
Private nonprofit four-year	50.2	49.8	100.0
For-profit four-year	64.9	35.1	100.0
Pell Grant only, no SMART	50.4	49.6	100.0
Pell Grant (with or without SMART)	50.6	49.4	100.0
Percent of Pell Grant recipients with SMART Grants			
Total	4.8	5.0	4.9
Public four-year	4.9	5.0	4.9
Private nonprofit four-year	4.8	4.9	4.8
For-profit four-year	4.4	5.1	4.6

NOTE: This table includes duplicate records for students who received grants at more than one college in 2007–08. Participating colleges are those that disbursed at least one SMART Grant. Class level is institution-reported for SMART Grant recipients but student-reported for Pell Grant recipients. Student-reported class levels greater than 5 at four-year institutions were excluded from the numbers presented by class level. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-8. Number and percentage distribution of ACG, SMART Grant, and Pell Grant recipients by gender, citizenship, and age and percentage of Pell Grant recipients with ACGs or SMART Grants: 2007–08

Class level and type of grant	Gender		Citizenship		Age		
	Male	Female	U.S. citizen	Eligible noncitizen	18 or younger	19–23	24 or older
Number of grants							
First- and second-year students							
ACG recipients	150,342	242,047	395,783	0	202,788	192,521	289
Pell Grant-only recipients	979,257	1,970,344	2,741,041	225,842	329,477	1,208,991	1,431,518
Total Pell Grant recipients	1,128,704	2,206,086	3,129,365	225,842	527,743	1,396,166	1,434,396
Third- and fourth-year students							
SMART Grant recipients	37,985	27,216	65,319	0	315	44,979	19,996
Pell Grant-only recipients	485,393	789,381	1,196,454	76,970	1,098	634,026	643,545
Total Pell Grant recipients	519,566	815,881	1,257,215	76,970	1,468	677,269	660,693
Percentage distribution of grants							
First- and second-year students							
ACG recipients	38.3	61.7	100.0	0.0	51.3	48.7	0.1
Pell Grant-only recipients	33.2	66.8	92.4	7.6	11.1	40.7	48.2
Total Pell Grant recipients	33.8	66.2	93.3	6.7	15.7	41.6	42.7
Third- and fourth-year students							
SMART Grant recipients	58.3	41.7	100.0	0.0	0.5	68.9	30.6
Pell Grant-only recipients	38.1	61.9	94.0	6.0	0.1	49.6	50.3
Total Pell Grant recipients	38.9	61.1	94.2	5.8	0.1	50.6	49.3
Percent of Pell Grant recipients with ACGs or SMART Grants							
First- and second-year students with ACGs	13.3	11.0	12.6	0.0	38.4	13.8	0.0
Third- and fourth-year students with SMART Grants	7.3	3.3	5.2	0.0	21.5	6.6	3.0

NOTE: This table is based on unduplicated records. Class level is institution-reported for ACGs and SMART Grants but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions and greater than 5 at four-year institutions were excluded from the numbers presented by class level. Missing values are excluded, so there will be small differences in the totals for gender, citizenship, and age. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-9. Number and percentage distribution of ACG, SMART Grant, and Pell Grant recipients by dependency and income and percentage of Pell Grant recipients with ACGs or SMART Grants: 2007–08

Class level and type of grant	Dependency		Income of dependent students' parents		
	Inde-pendent	Dependent	Less than $15,000	$15,000–30,000	More than $30,000
Number of grants					
First- and second-year students					
ACG recipients	17,861	377,742	106,762	123,654	147,278
Pell Grant-only recipients	1,801,804	1,168,268	458,830	390,464	318,930
Total Pell Grant recipients	1,821,868	1,536,528	562,548	510,917	462,971
Third- and fourth-year students					
SMART Grant recipients	24,828	40,462	11,848	12,364	16,247
Pell Grant-only recipients	739,949	538,731	178,873	175,888	183,921
Total Pell Grant recipients	761,649	577,792	190,405	187,830	199,505
Percentage distribution of grants					
First- and second-year students					
ACG recipients	4.5	95.5	28.3	32.7	39.0
Pell Grant-only recipients	60.7	39.3	39.3	33.4	27.3
Total Pell Grant recipients	54.2	45.8	36.6	33.3	30.1
Third- and fourth-year students					
SMART Grant recipients	38.0	62.0	29.3	30.6	40.2
Pell Grant-only recipients	57.9	42.1	33.2	32.7	34.1
Total Pell Grant recipients	56.9	43.1	33.0	32.5	34.5
Percent of Pell Grant recipients with ACGs or SMART Grants					
First- and second-year students with ACGs	1.0	24.6	19.0	24.2	31.8
Third- and fourth-year students with SMART Grants	3.3	7.0	6.2	6.6	8.1

NOTE: This table is based on unduplicated records. Class level is institution-reported for ACGs and SMART Grants but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions and greater than 5 at four-year institutions were excluded from the numbers presented by class level. Missing values are excluded, so there will be small differences in the totals for dependency and income. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-10. Number and percentage distribution of ACG, SMART Grant, and Pell Grant recipients by Expected Family Contribution and percentage of Pell Grant recipients with ACGs or SMART Grants: 2007–08

Class level and type of grant	EFC of dependent students					EFC of independent students				
	Zero	1–999	1,000–1,999	2,000–2,999	3,000 or more	Zero	1–999	1,000–1,999	2,000–2,999	3,000 or more
Number of grants										
First- and second-year students										
ACG recipients	144,784	69,317	57,706	53,554	52,381	14,354	1,576	934	604	393
Pell Grant-only recipients	613,371	190,331	138,435	118,011	108,120	1,138,828	229,098	201,671	137,054	95,153
Total Pell Grant recipients	754,107	257,963	194,748	170,304	159,406	1,154,082	231,020	202,963	137,962	95,841
Third- and fourth-year students										
SMART Grant recipients	12,687	8,993	6,195	6,055	6,532	13,112	3,631	3,201	2,629	2,255
Pell Grant-only recipients	207,346	112,132	73,660	70,832	74,761	407,142	102,694	94,506	75,330	60,277
Total Pell Grant recipients	219,648	120,787	79,581	76,683	81,093	418,687	105,890	97,270	77,597	62,205
Percentage distribution of grants										
First- and second-year students										
ACG recipients	38.3	18.4	15.3	14.2	13.9	80.4	8.8	5.2	3.4	2.2
Pell Grant-only recipients	52.5	16.3	11.8	10.1	9.3	63.2	12.7	11.2	7.6	5.3
Total Pell Grant recipients	49.1	16.8	12.7	11.1	10.4	63.3	12.7	11.1	7.6	5.3
Third- and fourth-year students										
SMART Grant recipients	31.4	22.2	15.3	15.0	16.1	52.8	14.6	12.9	10.6	9.1
Pell Grant-only recipients	38.5	20.8	13.7	13.1	13.9	55.0	13.9	12.8	10.2	8.1
Total Pell Grant recipients	38.0	20.9	13.8	13.3	14.0	55.0	13.9	12.8	10.2	8.2
Percent of Pell Grant recipients with ACGs or SMART Grants										
First- and second-year students with ACGs	19.2	26.9	29.6	31.4	32.9	1.2	0.7	0.5	0.4	0.4
Third- and fourth-year students with SMART Grants	5.8	7.4	7.8	7.9	8.1	3.1	3.4	3.3	3.4	3.6

NOTE: This table is based on unduplicated records. Class level is institution-reported for ACGs and SMART Grants but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions and greater than 5 at four-year institutions were excluded from the numbers presented by class level. The federal Expected Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine Pell Grant amount. Missing values are excluded, so there will be small differences in the totals compared with other tables. Detail may not sum to totals because of rounding.
SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-11. Average amounts of Expected Family Contribution, income of dependent students' parents, and average Pell Grant, ACG, and SMART Grant amounts: 2007–08

Class level and type of grant	EFC of independent students	EFC of dependent students	Income of dependent students' parents	Pell Grant amount	ACG/ SMART Grant amount	Combined total grant amount
First- and second-year students						
ACG recipients	277	1,148	$25,745	$3,002	$774	$3,775
Pell Grant-only recipients	602	816	20,811	2,479	†	2,479
Third- and fourth-year students						
SMART Grant recipients	848	1,259	25,997	3,059	3,133	6,192
Pell Grant-only recipients	798	1,095	23,665	2,770	†	2,770

† Not applicable.

NOTE: This table is based on unduplicated records. Class level is institution-reported for ACGs and SMART Grants but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions and greater than 5 at four-year institutions were excluded from the numbers presented by class level. The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-12. Number of grants, total dollar amounts, and average grant amounts awarded to dependent students with ACGs or SMART Grants, by Expected Family Contribution of the students: 2007–08

	ACGs									
EFC	Number of ACGs	Total Pell Grant amount	Total ACG amount	Combined total Pell Grant and ACG amount	Percent of total Pell Grant amount	Percent of total ACG amount	Percent of combined total Pell Grant and ACG amount	Average Pell Grant amount	Average ACG amount	Average combined amount
Total dependent students	380,603	$1,131,048,894	$295,344,229	$1,426,393,123	100.0	100.0	100.0	$2,973	$776	$3,748
Zero	145,800	586,488,501	109,299,873	695,788,374	51.9	37.0	48.8	4,025	750	4,772
1–999	69,809	257,399,997	55,733,798	313,133,795	22.8	18.9	22.0	3,689	798	4,486
1,000–1,999	58,170	154,378,716	45,668,118	200,046,834	13.6	15.5	14.0	2,655	785	3,439
2,000–2,999	54,039	92,842,224	42,738,697	135,580,921	8.2	14.5	9.5	1,719	791	2,509
3,000 or more	52,785	39,939,456	41,903,743	81,843,199	3.5	14.2	5.7	757	794	1,551

	SMART Grants									
EFC	Number of SMART Grants	Total Pell Grant amount	Total SMART Grant amount	Combined total Pell Grant and SMART Grant amount	Percent of total Pell Grant amount	Percent of total SMART Grant amount	Percent of combined total Pell Grant and SMART Grant amount	Average Pell Grant amount	Average SMART Grant amount	Average combined amount
Total dependent students	40,498	$119,800,116	$129,734,215	$249,534,331	100.0	100.0	100.0	$2,960	$3,203	$6,162
Zero	12,699	52,942,829	39,843,686	92,786,515	44.2	30.7	37.2	4,173	3,138	7,307
1–999	8,999	34,368,610	28,845,424	63,214,034	28.7	22.2	25.3	3,820	3,205	7,025
1,000–1,999	6,201	16,906,336	19,960,221	36,866,557	14.1	15.4	14.8	2,728	3,219	5,945
2,000–2,999	6,060	10,626,930	19,589,547	30,216,477	8.9	15.1	12.1	1,754	3,233	4,986
3,000 or more	6,539	4,955,411	21,495,337	26,450,748	4.1	16.6	10.6	758	3,287	4,045

NOTE: The federal Expected Family Contribution (EFC) is a measure of a family's financial strength and indicates how much of a student's and family's financial resources (for dependent students) should be available to help pay for his or her education. The EFC is an index number used to determine the Pell Grant amount. Detail may not sum to totals because of rounding.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-13. Number and percentage distribution of SMART Grant recipients by field of study: 2007–08

Type of institution	Total	Field of study							
		Life sciences*	Engineering	Computer science	Physical sciences	Mathematics	Technology	Multi-disciplinary studies	Foreign language
Number									
Total	65,384	25,975	13,594	10,005	6,160	4,034	3,053	1,731	832
Public four-year	43,877	18,455	10,365	3,958	4,528	2,809	2,166	1,202	394
Private nonprofit four-year	16,952	7,503	3,087	2,241	1,629	1,225	300	529	438
For-profit four-year	4,555	17	142	3,806	3	0	587	0	0
Percentage distribution within type of institution									
Total	100.0	39.7	20.8	15.3	9.4	6.2	4.7	2.6	1.3
Public four-year	100.0	42.1	23.6	9.0	10.3	6.4	4.9	2.7	0.9
Private nonprofit four-year	100.0	44.3	18.2	13.2	9.6	7.2	1.8	3.1	2.6
For-profit four-year	100.0	0.4	3.1	83.6	0.1	0.0	12.9	0.0	0.0
Percentage distribution by type of institution									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Public four-year	67.1	71.0	76.2	39.6	73.5	69.6	70.9	69.4	47.4
Private nonprofit four-year	25.9	28.9	22.7	22.4	26.4	30.4	9.8	30.6	52.6
For-profit four-year	7.0	0.1	1.0	38.0	0.0	0.0	19.2	0.0	0.0

* Life sciences includes biological and biomedical sciences, agriculture, natural resources and conservation, and psychology (physiological psychology and psychobiology only).

NOTE: Detail may not sum to totals because of rounding.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

Table D-14. Among students who received an ACG in 2006–07, number and percentage who received an ACG, SMART Grant, or Pell Grant one year later in 2007–08

		Status in 2007–08							
	ACG recipients by class level in 2006–07	Received ACG in 2007–08		Received SMART Grant in 2007–08		Received Pell Grant in 2007–08 (no ACG or SMART Grant)		No Pell Grant, ACG, or SMART Grant in 2007–08 (including those not enrolled and graduates)	
Base-year 2006–07 cohorts		Number	Percent	Number	Percent	Number	Percent	Number	Percent
First-year students in 2006–07									
Total	230,883	61,285	26.5	1,824	0.8	110,041	47.7	58,990	25.5
Public four-year	138,012	34,465	25.0	1,357	1.0	68,393	49.6	34,758	25.2
Private nonprofit four-year	58,825	19,469	33.1	427	0.7	25,931	44.1	13,275	22.6
For-profit four-year	2,225	711	32.0	23	1.0	913	41.0	596	26.8
Public two-year	30,062	6,097	20.3	17	0.1	14,039	46.7	9,910	33.0
Private nonprofit two-year	894	219	24.5	0	0.0	407	45.5	268	30.0
For-profit two-year	865	324	37.5	0	0.0	358	41.4	183	21.2
Second-year students in 2006–07									
Total	68,818	2,619	3.8	8,365	12.2	43,804	63.7	14,233	20.7
Public four-year	40,033	1,996	5.0	5,429	13.6	25,076	62.6	7,714	19.3
Private nonprofit four-year	22,363	309	1.4	2,722	12.2	14,820	66.3	4,530	20.3
For-profit four-year	475	25	5.3	24	5.1	288	60.6	139	29.3
Public two-year	5,540	277	5.0	179	3.2	3,427	61.9	1,659	29.9
Private nonprofit two-year	203	6	3.0	10	4.9	121	59.6	66	32.5
For-profit two-year	204	6	2.9	1	0.5	72	35.3	125	61.3

NOTE: Class level is based on "academic year," which may change during the year. A student with an ACG as a freshman may receive another ACG as a first-term sophomore and have enough credits to be a junior eligible for a SMART Grant in the second term. A student classified as a sophomore in the second term of the first year can receive a second ACG as a sophomore in the first term of the second year. Less than 1 percent receive both an ACG and SMART Grant in the same academic year (about 1,500). They have been included in both the ACG and the SMART Grant cohorts in 2006–07 and included in both the ACG and SMART Grant columns for 2007–08. Therefore, the 2007–08 percentages add up to a little more than 100 percent. ACG students enrolled at two-year institutions in 2006–07 may receive SMART Grants in 2007–08 if they transfer to a four-year institution. Students whose records did not match to those in the 2007–08 Pell Grant file may have lost Pell Grant eligibility, completed a degree, or not been enrolled that year. Enrollment and degree completion status is not available.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Table D-15. Among students who received a SMART Grant in 2006–07, number and percentage who received a SMART or Pell Grant one year later in 2007–08

Base-year 2006–07 cohorts	SMART Grant recipients by class level in 2006–07	Received SMART Grant in 2007–08		Received Pell Grant in 2007–08 (no ACG or SMART Grant)		No Pell Grant, ACG, or SMART Grant in 2007–08 (including those not enrolled and graduates)		Pell Grant renewal rate (including SMART Grant)
		Number	Percent	Number	Percent	Number	Percent	Percent
Third-year students in 2006–07								
Total	29,746	16,840	56.6	6,432	21.6	6,471	21.8	78.2
Public four-year	19,658	11,178	56.9	4,568	23.2	3,909	19.9	80.1
Private nonprofit four-year	7,795	4,665	59.8	1,380	17.7	1,750	22.5	77.5
For-profit four-year	2,293	997	43.5	484	21.1	812	35.4	64.6
Fourth-year students in 2006–07								
Total	32,584	2,125	6.5	10,388	31.9	20,071	61.6	38.4
Public four-year	22,499	1,519	6.8	8,010	35.6	12,970	57.6	42.4
Private nonprofit four-year	8,469	436	5.1	1,943	22.9	6,090	71.9	28.1
For-profit four-year	1,616	170	10.5	435	26.9	1,011	62.6	37.4

NOTE: Fourth-year students who had received the maximum SMART Grant amount ($8,000 for two years) may still continue to receive Pell Grants if they have not completed all credits required to graduate. Students who did not receive a Pell Grant in 2007–08 may have graduated, lost Pell Grant eligibility, or not been enrolled that year. Enrollment and degree completion status is not available.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Table D-16. Among students who received a SMART Grant in 2006–07, number and percentage who received a SMART or Pell Grant one year later in 2007–08, by class level and field of study in 2006–07

Base-year 2006–07 cohorts	SMART Grant recipients by class level in 2006–07	Received SMART Grant in 2007–08		Received Pell Grant in 2007–08 (no ACG or SMART Grant)		No Pell Grant, ACG, or SMART Grant in 2007–08 (including those not enrolled and graduates)		Pell Grant renewal rate (including SMART Grant)
		Number	Percent	Number	Percent	Number	Percent	Percent
Third-year students in 2006–07, by field of study								
Total	29,746	16,840	56.6	6,432	21.6	6,471	21.8	78.2
Life sciences	11,653	6,836	58.7	2,526	21.7	2,290	19.7	80.3
Engineering	5,931	3,511	59.2	1,169	19.7	1,249	21.1	78.9
Computer science	4,816	2,335	48.5	1,091	22.7	1,390	28.9	71.1
Physical sciences	2,929	1,718	58.7	651	22.2	560	19.1	80.9
Mathematics	2,014	1,160	57.6	420	20.9	434	21.5	78.5
Technology	1,408	732	52.0	317	22.5	359	25.5	74.5
Multidisciplinary studies	725	369	50.9	219	30.2	137	18.9	81.1
Critical foreign language	270	179	66.3	39	14.4	52	19.3	80.7
Fourth-year students in 2006–07, by field of study								
Total	32,584	2,125	6.5	10,388	31.9	20,071	61.6	38.4
Life sciences	12,099	702	5.8	3,583	29.6	7,814	64.6	35.4
Engineering	7,261	529	7.3	2,617	36.0	4,115	56.7	43.3
Computer science	4,968	396	8.0	1,482	29.8	3,090	62.2	37.8
Physical sciences	3,110	195	6.3	1,043	33.5	1,872	60.2	39.8
Mathematics	2,199	140	6.4	709	32.2	1,350	61.4	38.6
Technology	1,636	102	6.2	559	34.2	975	59.6	40.4
Multidisciplinary studies	972	35	3.6	318	32.7	619	63.7	36.3
Critical foreign language	339	26	7.7	77	22.7	236	69.6	30.4

NOTE: Fourth-year students who had received the maximum SMART Grant amount ($8,000 for two years) may still continue to receive Pell Grants if they have not completed all credits required to graduate. Students who did not receive a Pell Grant in 2007–08 may have graduated, lost Pell Grant eligibility, or not been enrolled that year. Enrollment and degree completion status is not available.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Table D-17. Among students at ACG- or SMART Grant–participating institutions who received Pell Grants only in 2006–07, number and percentage who received a Pell Grant one year later in 2007–08, by ACG or SMART Grant status in 2006–07

	Received Pell Grant only in 2006–07			Received Pell Grant and ACG or SMART Grant in 2006–07		
Base-year 2006–07 cohorts	Pell Grant-only recipients in 2006–07 (no ACG or SMART Grant)	Number of Pell Grant renewals in 2007–08*	Pell Grant renewal rate	Number of students with ACG or SMART Grant in 2006–07	Number of ACG, SMART, or Pell Grant renewals in 2007–08	Pell Grant renewal rate
Total	3,872,197	2,157,243	55.7	362,031	262,266	72.4
First-year students in 2006–07						
Total	1,698,092	956,912	56.4	230,883	171,893	74.5
Public four-year	288,504	185,844	64.4	138,012	103,254	74.8
Private nonprofit four-year	155,689	100,868	64.8	58,825	45,550	77.4
For-profit four-year	250,598	125,550	50.1	2,225	1,629	73.2
Public two-year	930,683	508,568	54.6	30,062	20,152	67.0
Private nonprofit two-year	8,176	4,796	58.7	894	626	70.0
For-profit two-year	64,442	31,286	48.5	865	682	78.8
Second-year students in 2006–07						
Total	969,140	595,947	61.5	68,818	54,585	79.3
Public four-year	280,325	198,504	70.8	40,033	32,319	80.7
Private nonprofit four-year	128,622	91,563	71.2	22,363	17,833	79.7
For-profit four-year	74,587	38,302	51.4	475	336	70.7
Public two-year	467,148	261,522	56.0	5,540	3,881	70.1
Private nonprofit two-year	3,928	1,815	46.2	203	137	67.5
For-profit two-year	14,530	4,241	29.2	204	79	38.7
Third-year students in 2006–07						
Total	601,827	416,205	69.2	29,746	23,275	78.2
Public four-year	390,423	277,138	71.0	19,658	15,749	80.1
Private nonprofit four-year	161,325	113,035	70.1	7,795	6,045	77.5
For-profit four-year	50,079	26,032	52.0	2,293	1,481	64.6
Fourth-year students in 2006–07						
Total	603,138	188,179	31.2	32,584	12,513	38.4
Public four-year	421,547	138,870	32.9	22,499	9,529	42.4
Private nonprofit four-year	157,099	42,678	27.2	8,469	2,379	28.1
For-profit four-year	24,492	6,631	27.1	1,616	605	37.4

* Includes about 1 percent who also received ACGs or SMART Grants in 2007–08. See Table D-18.

NOTE: Class level for ACGs and SMART Grants is institution-reported and based on credits. Class level for Pell Grant-only students is student-reported. Renewals include all 2006–07 Pell Grant recipients who also received a Pell Grant in 2007–08 (including an ACG or SMART Grant). Those who were not renewals may have lost Pell Grant eligibility, completed a program, or not been enrolled. Enrollment and degree completion status is not available.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

Table D-18. Number and percentage of students at ACG- or SMART Grant–participating institutions who received Pell Grants only in 2006–07 and their ACG, SMART, or Pell Grant status one year later in 2007–08

		Status in 2007–08							
Base-year 2006–07 cohorts	Pell Grant recipients by class level in 2006–07	Received ACG in 2007–08		Received SMART Grant in 2007–08		Received Pell Grant in 2007–08 (no ACG or SMART)		No Pell Grant, ACG, or SMART Grant in 2007–08 (including those not enrolled and graduated)	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total	3,872,197	25,075	0.6	19,371	0.5	2,113,053	54.6	1,714,954	44.3
First-year students in 2006–07									
Total	1,698,092	22,724	1.3	2,730	0.2	931,639	54.9	741,180	43.6
Public four-year	288,504	10,050	3.5	1,103	0.4	174,820	60.6	102,660	35.6
Private nonprofit four-year	155,689	3,858	2.5	463	0.3	96,581	62.0	54,821	35.2
For-profit four-year	250,598	821	0.3	922	0.4	123,823	49.4	125,048	49.9
Public two-year	930,683	7,718	0.8	237	0.0	500,615	53.8	422,115	45.4
Private nonprofit two-year	8,176	50	0.6	1	0.0	4,745	58.0	3,380	41.3
For-profit two-year	64,442	227	0.4	4	0.0	31,055	48.2	33,156	51.5
Second-year students in 2006–07									
Total	969,140	2,248	0.2	8,607	0.9	585,165	60.4	373,193	38.5
Public four-year	280,325	1,155	0.4	4,294	1.5	193,108	68.9	81,821	29.2
Private nonprofit four-year	128,622	264	0.2	1,876	1.5	89,431	69.5	37,059	28.8
For-profit four-year	74,587	47	0.1	640	0.9	37,618	50.4	36,285	48.6
Public two-year	467,148	767	0.2	1,781	0.4	258,983	55.4	205,626	44.0
Private nonprofit two-year	3,928	8	0.2	8	0.2	1,799	45.8	2,113	53.8
For-profit two-year	14,530	7	0.0	8	0.1	4,226	29.1	10,289	70.8
Third-year students in 2006–07									
Total	601,827	†	†	6,372	1.1	409,801	68.1	185,622	30.8
Public four-year	390,423	†	†	4,573	1.2	272,543	69.8	113,285	29.0
Private nonprofit four-year	161,325	†	†	1,506	0.9	111,520	69.1	48,290	29.9
For-profit four-year	50,079	†	†	293	0.6	25,738	51.4	24,047	48.0
Fourth-year students in 2006–07									
Total	603,138	†	†	1,662	0.3	186,448	30.9	414,959	68.8
Public four-year	421,547	†	†	1,257	0.3	137,558	32.6	282,677	67.1
Private nonprofit four-year	157,099	†	†	349	0.2	42,317	26.9	114,421	72.8
For-profit four-year	24,492	†	†	56	0.2	6,573	26.8	17,861	72.9

† Not applicable.

NOTE: Class level for Pell Grant–only students is student-reported. Students without Pell Grants in 2007–08 may have lost Pell Grant eligibility, completed a program, or not been enrolled. Enrollment and degree completion status is not available.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient Files AY0607 (Sept. 21, 2007) and AY0708 (Nov. 25, 2008).

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APPENDIX E

Supplemental Tables on ACG and National SMART Grant Program Participation by State: 2007–08

Table E-1. Number of first- and second-year students at ACG-participating institutions with Pell Grants and number and percentage of Pell Grant recipients with ACGs, by state of student's residence: 2006–07 and 2007–08

State of student's residence	Number of first- and second-year students with Pell Grants 2007–08	Number of Pell Grant recipients with ACGs 2007–08	Percent of first- and second-year Pell Grant recipients with ACGs		
			2006–07	2007–08	Change
Total	3,301,579	395,783	10.2	12.0	1.8
Alabama	60,318	4,585	6.6	7.6	1.0
Alaska	4,215	261	3.3	6.2	2.9
Arizona	51,438	2,581	2.9	5.0	2.1
Arkansas	42,212	4,389	9.8	10.4	0.6
California	354,502	39,803	9.8	11.2	1.5
Colorado	42,899	4,046	8.5	9.4	0.9
Connecticut	24,687	3,363	10.1	13.6	3.5
Delaware	6,795	583	6.1	8.6	2.5
District of Columbia	3,480	464	10.7	13.3	2.6
Florida	196,280	20,239	9.3	10.3	1.0
Georgia	110,030	12,199	9.9	11.1	1.2
Hawaii	8,719	886	8.8	10.2	1.4
Idaho	16,010	2,060	10.1	12.9	2.7
Illinois	134,097	14,168	8.5	10.6	2.1
Indiana	77,565	10,541	10.7	13.6	2.9
Iowa	36,111	5,033	10.5	13.9	3.4
Kansas	27,839	3,471	10.6	12.5	1.9
Kentucky	59,352	6,426	8.8	10.8	2.1
Louisiana	47,358	7,266	13.9	15.3	1.4
Maine	13,237	2,713	17.0	20.5	3.5
Maryland	47,080	5,289	9.7	11.2	1.5
Massachusetts	46,592	8,917	15.9	19.1	3.2
Michigan	136,503	9,211	5.1	6.7	1.6
Minnesota	55,575	7,659	11.6	13.8	2.1
Mississippi	56,481	5,441	6.8	9.6	2.8
Missouri	70,865	7,147	8.8	10.1	1.2
Montana	10,278	1,339	11.0	13.0	2.0
Nebraska	20,530	3,777	15.6	18.4	2.8
Nevada	13,890	725	8.5	5.2	-3.3
New Hampshire	8,702	1,611	14.0	18.5	4.5
New Jersey	74,050	9,687	12.2	13.1	0.8
New Mexico	28,702	1,744	4.2	6.1	1.9
New York	214,325	30,882	12.1	14.4	2.3
North Carolina	107,993	13,257	10.9	12.3	1.4
North Dakota	7,235	1,228	15.2	17.0	1.8
Ohio	151,237	18,720	10.9	12.4	1.5
Oklahoma	39,269	5,231	11.3	13.3	2.0
Oregon	35,129	3,041	7.4	8.7	1.2
Pennsylvania	115,371	20,814	15.9	18.0	2.1

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Table E-1. Number of first- and second-year students at ACG-participating institutions with Pell Grants and number and percentage of Pell Grant recipients with ACGs, by state of student's residence: 2006–07 and 2007–08—Continued

State of student's residence	Number of first- and second-year students with Pell Grants 2007–08	Number of Pell Grant recipients with ACGs 2007–08	Percent of first- and second-year Pell Grant recipients with ACGs		
			2006–07	2007–08	Change
Rhode Island	9,532	1,208	10.2	12.7	2.4
South Carolina	55,054	7,309	10.4	13.3	2.8
South Dakota	9,275	1,587	14.5	17.1	2.6
Tennessee	69,311	8,382	9.9	12.1	2.2
Texas	267,460	36,430	11.2	13.6	2.4
Utah	21,327	1,043	3.2	4.9	1.7
Vermont	5,314	1,076	15.3	20.2	4.9
Virginia	64,969	6,503	9.9	10.0	0.1
Washington	52,310	4,668	7.1	8.9	1.8
West Virginia	18,312	1,992	9.1	10.9	1.8
Wisconsin	53,765	8,621	12.9	16.0	3.1
Wyoming	4,192	400	8.9	9.5	0.7
Puerto Rico	102,667	14,672	11.8	14.3	2.5
All others*	6,332	993	12.0	15.7	3.7

* Including all other U.S. jurisdictions other than Puerto Rico (i.e., American Samoa, the Federated States of Micronesia, Guam, the Marshall Islands, the Northern Marianas, Palau, and the Virgin Islands). Also included are ACG-eligible students from other countries and those with an unknown residence state.

NOTE: This table is based on unduplicated records. Class level is institution-reported for ACGs and SMART Grants, but student-reported for Pell Grants. Student-reported class levels greater than 2 at two-year institutions or greater than 5 at four-year institutions were excluded.

SOURCE: U.S. Department of Education, Office of Federal Student Aid, COD-CPS Interface Grant Recipient File AY0708 (Nov. 25, 2008).

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APPENDIX F

Change in STEM Majors From 2003–04 to 2007–08

Table F-1. Total number of undergraduates and the number and percentage of them who were in STEM majors, by student and institutional characteristics: 2003–04 and 2007–08

Student and institutional characteristics	2003–04			2007–08			Change between 2003–04 and 2007–08		
		All STEM majors			All STEM majors			All STEM majors	
	All undergraduates	Total	Percent of all undergraduates	All undergraduates	Total	Percent of all undergraduates	All undergraduates	Total	Percent of all undergraduates
Total	19,044,000	2,588,000	13.6	20,928,000	2,905,000	13.9	1,884,000	317,000	0.3
Type of institution									
Public four-year	6,091,000	1,113,000	18.3	6,690,000	1,331,000	19.9	599,000	218,000	1.6 *
Private nonprofit four-year	2,744,000	408,000	14.9	2,949,000	425,000	14.4	205,000	17,000	-0.4
Public two-year	8,473,000	800,000	9.4	9,112,000	874,000	9.6	639,000	74,000	0.1
Private for-profit	1,026,000	216,000	21.0	1,550,000	232,000	15.0	524,000	16,000	-6.0
Other	710,000	52,000	7.3	628,000	42,000	6.7	-82,000	-10,000	-0.7
Class level									
First-year	7,012,000	800,000	11.4	8,517,000	976,000	11.5	1,505,000	176,000	0.0
Second-year	4,940,000	688,000	13.9	5,724,000	778,000	13.6	784,000	90,000	-0.3
Third-year	2,631,000	436,000	16.6	2,729,000	480,000	17.6	98,000	44,000	1.0
Fourth-year	2,483,000	469,000	18.9	2,760,000	534,000	19.3	277,000	65,000	0.4
Fifth-year	542,000	115,000	21.2	396,000	86,000	21.7	-146,000	-29,000	0.6
Unclassified	1,436,000	81,000	5.6	802,000	52,000	6.5	-634,000	-29,000	0.9
Gender									
Male	8,076,000	1,768,000	21.9	9,013,000	1,949,000	21.6	937,000	181,000	-0.3
Female	10,969,000	820,000	7.5	11,915,000	955,000	8.0	946,000	135,000	0.5 *
Race/ethnicity									
White	11,977,000	1,610,000	13.4	12,924,000	1,826,000	14.1	947,000	216,000	0.7
Black	2,674,000	350,000	13.1	2,925,000	339,000	11.6	251,000	-11,000	-1.5 *
Hispanic	2,456,000	303,000	12.3	2,960,000	367,000	12.4	504,000	64,000	0.1
Asian	1,028,000	199,000	19.4	1,236,000	241,000	19.5	208,000	42,000	0.2
Other[a]	910,000	127,000	14.0	883,000	132,000	14.9	-27,000	5,000	1.0

Cont'd. next page. See notes at end of table.

Table F-1. Total number of undergraduates and the number and percentage of them who were in STEM majors, by student and institutional characteristics: 2003–04 and 2007–08—Continued

Student and institutional characteristics	2003–04			2007–08			Change between 2003–04 and 2007–08		
		All STEM majors			All STEM majors			All STEM majors	
	All undergraduates	Total	Percent of all undergraduates	All undergraduates	Total	Percent of all undergraduates	All undergraduates	Total	Percent of all undergraduates
Dependency status									
Dependent	9,622,000	1,504,000	15.6	11,081,000	1,787,000	16.1	1,459,000	283,000	0.5
Independent	9,422,000	1,084,000	11.5	9,846,000	1,118,000	11.4	424,000	34,000	-0.2
Total income level									
Dependent									
Less than $30,000	2,215,000	341,000	15.4	2,183,000	317,000	14.5	-32,000	-24,000	-0.9
$30,000–$59,999	2,698,000	416,000	15.4	2,784,000	415,000	14.9	86,000	-1,000	-0.5
$60,000–$99,999	2,762,000	435,000	15.7	3,044,000	511,000	16.8	282,000	76,000	1.0
$100,000 or more	1,947,000	312,000	16.0	3,070,000	544,000	17.7	1,123,000	232,000	1.7 *
Independent									
Less than $10,000	2,155,000	276,000	12.8	2,268,000	301,000	13.3	113,000	25,000	0.5
$10,000–$29,999	3,214,000	368,000	11.5	3,216,000	344,000	10.7	2,000	-24,000	-0.8
$30,000 or more	4,053,000	440,000	10.9	4,363,000	472,000	10.8	310,000	32,000	0.0
Received Pell Grant									
No	13,865,000	1,874,000	13.5	15,208,000	2,155,000	14.2	1,343,000	281,000	0.7
Yes	5,180,000	714,000	13.8	5,720,000	750,000	13.1	540,000	36,000	-0.7
Grade point average (GPA)									
Less than 3.00	8,436,000	1,184,000	14.0	9,387,000	1,308,000	13.9	951,000	124,000	-0.1
3.00 or more	10,599,000	1,403,000	13.2	11,471,000	1,590,000	13.9	872,000	187,000	0.6

* Indicates that the change was statistically significant at the .05 level.

[a] "Other" includes American Indian or Alaska Native, Native Hawaiian/other Pacific Islander, more than one race, and other.

SOURCE: U.S. Department of Education, National Center for Education Statistics, 2003–04 and 2007–08 National Postsecondary Student Aid Studies (NPSAS:04 and NPSAS:08).

Table F-2. Total number of Pell Grant recipients and the number and percentage of them who were in STEM majors, by student and institutional characteristics: 2003–04 and 2007–08

Student and institutional characteristics	2003–04			2007–08			Change between 2003–04 and 2007–08		
		All Pell Grant STEM majors			All Pell Grant STEM majors			All Pell Grant STEM majors	
	All Pell Grant undergraduates	Total	Percent of all Pell Grant undergraduates	All Pell Grant undergraduates	Total	Percent of all Pell Grant undergraduates	All Pell Grant undergraduates	Total	Percent of all Pell Grant undergraduates
Total	5,180,000	714,000	13.8	5,720,000	750,000	13.1	540,000	36,000	-0.7
Type of institution									
Public four-year	1,606,000	283,000	17.6	1,697,000	322,000	18.9	91,000	39,000	1.3
Private nonprofit four-year	762,000	110,000	14.5	757,000	104,000	13.7	-5,000	-6,000	-0.8
Public two-year	1,887,000	178,000	9.4	1,932,000	169,000	8.7	45,000	-9,000	-0.7
Private for-profit	575,000	119,000	20.7	968,000	133,000	13.7	393,000	14,000	-7.0 *
Other	349,000	24,000	6.9	366,000	23,000	6.3	17,000	-1,000	-0.6
Class level									
First-year	2,321,000	271,000	11.7	2,629,000	287,000	10.9	308,000	16,000	-0.7
Second-year	1,362,000	181,000	13.3	1,554,000	190,000	12.2	192,000	9,000	-1.1
Third-year	683,000	111,000	16.3	766,000	128,000	16.7	83,000	17,000	0.4
Fourth-year	641,000	114,000	17.8	647,000	124,000	19.2	6,000	10,000	1.5
Fifth-year	143,000	32,000	22.6	105,000	20,000	18.9	-38,000	-12,000	-3.7
Unclassified	30,000	5,000	15.6	19,000	1,000	3.5	-11,000	-4,000	-12.0 *
Gender									
Male	1,803,000	450,000	24.9	1,934,000	463,000	24.0	131,000	13,000	-1.0
Female	3,376,000	264,000	7.8	3,786,000	287,000	7.6	410,000	23,000	-0.3
Race/ethnicity									
White	2,484,000	332,000	13.4	2,648,000	356,000	13.4	164,000	24,000	0.1
Black	1,281,000	168,000	13.1	1,353,000	139,000	10.3	72,000	-29,000	-2.8 *
Hispanic	922,000	126,000	13.6	1,166,000	156,000	13.4	244,000	30,000	-0.3
Asian	227,000	48,000	21.1	277,000	63,000	22.6	50,000	15,000	1.5
Other[a]	266,000	40,000	15.2	276,000	37,000	13.4	10,000	-3,000	-1.8

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Table F-2. Total number of Pell Grant recipients and the number and percentage of them who were in STEM majors, by student and institutional characteristics: 2003–04 and 2007–08—Continued

Student and institutional characteristics	2003–04			2007–08			Change between 2003–04 and 2007–08		
	All Pell Grant undergraduates	All Pell Grant STEM majors		All Pell Grant undergraduates	All Pell Grant STEM majors		All Pell Grant undergraduates	All Pell Grant STEM majors	
		Total	Percent of all Pell Grant undergraduates		Total	Percent of all Pell Grant undergraduates		Total	Percent of all Pell Grant undergraduates
Dependency status									
Dependent	2,166,000	354,000	16.3	2,410,000	379,000	15.7	244,000	25,000	-0.6
Independent	3,014,000	360,000	12.0	3,309,000	371,000	11.2	295,000	11,000	-0.7
Total income level									
Dependent									
Less than $30,000	1,408,000	229,000	16.3	1,458,000	225,000	15.4	50,000	-4,000	-0.9
$30,000–$59,999	722,000	117,000	16.3	933,000	152,000	16.3	211,000	35,000	0.0
$60,000–$99,999	36,000	7,000	19.1	20,000	2,000	12.4	-16,000	-5,000	-6.7
Independent									
Less than $10,000	1,200,000	160,000	13.4	1,322,000	175,000	13.3	122,000	15,000	-0.1
$10,000–$29,999	1,389,000	150,000	10.8	1,418,000	142,000	10.0	29,000	-8,000	-0.8
$30,000 or more	424,000	50,000	11.8	569,000	54,000	9.5	145,000	4,000	-2.4
Grade point average									
Less than 3.00	2,550,000	368,000	14.4	2,755,000	359,000	13.0	206,000	-8,000	-1.4 *
3.00 or more	2,628,000	346,000	13.2	2,944,000	389,000	13.2	316,000	43,000	0.0

* Indicates that the change was statistically significant at the .05 level.

[a] "Other" includes American Indian or Alaska Native, Native Hawaiian/other Pacific Islander, more than one race, and other.

SOURCE: U.S. Department of Education, National Center for Education Statistics, 2003–04 and 2007–08 National Postsecondary Student Aid Studies (NPSAS:04 and NPSAS:08).

Table F-3. Total number of beginning postsecondary students at four- and two-year institutions who were recent high school graduates and number and the percentage of them who were Pell Grant recipients, by student and institutional characteristics: 2003–04 and 2007–08

Student and institutional characteristics	2003–04 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			2007–08 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			Change between 2003–04 and 2007–08 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			
		Pell Grant recipients			Pell Grant recipients		Total		Pell Grant recipients	
	Total	Total	Percent of all BPS	Total	Total	Percent of all BPS	Total	Percent increase	Total	Percent increase
Total	2,270,000	642,000	28.3	2,883,000	751,000	26.0	613,000	27.0	109,000	17.0 *
Type of institution										
Public four-year	879,000	228,000	25.9	1,081,000	278,000	25.8	202,000	23.0	50,000	21.9
Private nonprofit four-year	449,000	124,000	27.5	528,000	114,000	21.6	79,000	17.6	-10,000	-8.1 *
Public two-year	819,000	205,000	25.0	1,175,000	299,000	25.4	356,000	43.5	94,000	45.9
Private for-profit	107,000	76,000	70.7	96,000	59,000	61.2	-11,000	-10.3	-17,000	-22.4
Other	16,000	10,000	62.0	4,000	1,000	40.0	-12,000	-75.0	-9,000	-90.0
Gender										
Male	1,032,000	268,000	26.0	1,353,000	308,000	22.7	321,000	31.1	40,000	14.9 *
Female	1,239,000	374,000	30.2	1,531,000	443,000	29.0	292,000	23.6	69,000	18.4
Race/ethnicity										
White	1,527,000	303,000	19.9	1,841,000	327,000	17.8	314,000	20.6	24,000	7.9 *
Black	233,000	135,000	58.2	329,000	181,000	55.2	96,000	41.2	46,000	34.1
Hispanic	274,000	127,000	46.3	420,000	167,000	39.7	146,000	53.3	40,000	31.5 *
Asian	123,000	40,000	33.0	160,000	39,000	24.3	37,000	30.1	-1,000	-2.5 *
Other[a]	114,000	36,000	31.9	133,000	37,000	27.5	19,000	16.7	1,000	2.8
Dependency status										
Dependent	2,189,000	603,000	27.5	2,764,000	685,000	24.8	575,000	26.3	82,000	13.6 *
Independent	81,000	39,000	48.5	119,000	66,000	54.9	38,000	46.9	27,000	69.2

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Table F-3. Total number of beginning postsecondary students at four- and two-year institutions who were recent high school graduates and number and the percentage of them who were Pell Grant recipients, by student and institutional characteristics: 2003–04 and 2007–08—Continued

Student and institutional characteristics	2003–04 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			2007–08 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			Change between 2003–04 and 2007–08 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			
		Pell Grant recipients			Pell Grant recipients		Total		Pell Grant recipients	
	Total	Total	Percent of all BPS	Total	Total	Percent of all BPS	Total	Percent increase	Total	Percent increase
Total income level										
Dependent										
Less than $30,000	448,000	341,000	76.1	532,000	384,000	72.3	84,000	18.8	43,000	12.6 *
$30,000–$59,999	614,000	250,000	40.7	697,000	296,000	42.4	83,000	13.5	46,000	18.4
$60,000–$99,999	665,000	12,000	1.8	757,000	6,000	0.8	92,000	13.8	-6,000	-50.0 *
$100,000 or more	462,000	0	0.0	779,000	0	0.0	317,000	68.6	0	—
Independent										
Less than $10,000	38,000	20,000	54.1	90,000	55,000	61.2	52,000	136.8	35,000	175.0
$10,000–$29,999	36,000	19,000	52.0	21,000	10,000	46.4	-15,000	-41.7	-9,000	-47.4
Rigor of high school academic course-taking										
Completed higher than algebra II	1,377,000	341,000	24.7	1,991,000	469,000	23.5	614,000	44.6	128,000	37.5
Two or more years of										
Mathematics	2,111,000	590,000	28.0	2,751,000	707,000	25.7	640,000	30.3	117,000	19.8 *
Science	2,188,000	606,000	27.7	2,624,000	666,000	25.4	436,000	19.9	60,000	9.9 *
Social studies	2,220,000	622,000	28.0	2,784,000	718,000	25.8	564,000	25.4	96,000	15.4 *
English	2,243,000	633,000	28.2	2,842,000	738,000	26.0	599,000	26.7	105,000	16.6 *
Foreign language	1,911,000	505,000	26.4	2,324,000	524,000	22.6	413,000	21.6	19,000	3.8 *
Earned college-level credits while in high school	797,000	183,000	23.0	1,119,000	244,000	21.8	322,000	40.4	61,000	33.3

Cont'd. next page. See notes at end of table.

Table F-3. Total number of beginning postsecondary students at four- and two-year institutions who were recent high school graduates and number and the percentage of them who were Pell Grant recipients, by student and institutional characteristics: 2003–04 and 2007–08—Continued

Student and institutional characteristics	2003–04 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			2007–08 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			Change between 2003–04 and 2007–08 Beginning postsecondary students at four- and two-year institutions who were recent high school graduates			
		Pell Grant recipients			Pell Grant recipients		Total		Pell Grant recipients	
	Total	Total	Percent of all BPS	Total	Total	Percent of all BPS	Total	Percent increase	Total	Percent increase
High school curriculum rigor										
Met ACG requirements	1,412,000	369,000	26.1	1,811,000	479,000	26.4	399,000	28.3	110,000	29.8
Did not meet ACG requirements	858,000	273,000	31.8	1,072,000	272,000	25.4	214,000	24.9	-1,000	-0.4 *
High school grade point average										
Less than 3.0	586,000	194,000	33.1	811,000	264,000	32.5	225,000	38.4	70,000	36.1
3.0 or more	1,584,000	417,000	26.3	2,072,000	487,000	23.5	488,000	30.8	70,000	16.8 *
College (cumulative) grade point average										
Less than 3.00	1,078,000	332,000	30.8	1,479,000	436,000	29.5	401,000	37.2	104,000	31.3
3.00 or more	1,189,000	310,000	26.1	1,392,000	313,000	22.5	203,000	17.1	3,000	1.0 *

— Not applicable.

* Indicates that the change was statistically significant at the .05 level.

[a] "Other" includes American Indian or Alaska Native, Native Hawaiian/other Pacific Islander, more than one race, and other.

NOTE: High school graduates refers to those who graduated from high school in 2003 for BPS:06 and in 2007 for NPSAS:08 and who were age 23 or younger.

SOURCE: U.S. Department of Education, National Center for Education Statistics, 2003–04 Beginning Postsecondary Study (BPS:04/06) and 2007–08 National Postsecondary Student Aid Study (NPSAS:08).

APPENDIX G

Program Participation, Department of Education Goals, and Estimates of Eligibility

This appendix compares actual participation in the ACG and National SMART Grant programs with Department goals and estimates of eligibility. Participation rates were well below the targets originally set by the Department of Education, and also below estimates of the numbers that might be eligible based on analysis of survey data from nationally representative samples of postsecondary students. However, eligibility criteria for the grant programs are very specific and impossible to match exactly to these data. Therefore, these estimates of eligibility are likely to overstate actual eligibility somewhat.

Because these grants are limited to Pell Grant recipients, the number of students eligible for them is sensitive to changes in Pell Grant eligibility. Therefore, goals and assessments of program success might best be tied to the percentage of Pell Grant recipients who receive grants rather than simply the number of awards.

Program Participation

Participation during the first two years of the programs was as follows:

	ACGs		National SMART Grants	
	2006–07	2007–08	2006–07	2007–08
Number of awards	301,700	398,700	62,400	65,400
Percent of first- and second-year Pell Grant recipients	10.0	11.8	—	—
Percent of third- and fourth-year Pell Grant recipients	—	—	5.2	5.1

—Not applicable.
SOURCE: Appendix Table D-2 and Choy et al. 2009, Appendix Table E-2.

The 33 percent increase in the number of ACG awards in the second year reflects, in part, a 13 percent increase in the number of first- and second-year Pell Grant recipients. The modest

increase in the number of National SMART Grant awards reflects, in part, the addition of new eligible majors, which accounted for 1,800 new awards, and a 7 percent increase in the number of third- and fourth-year Pell recipients (see Chapter 3 for more detail).

Department of Education Goals

The Department's FY 2009 Performance Budget contains three strategic goals, one of which calls for increasing the academic achievement of high school students.[33] One of the objectives associated with this goal is to increase the proportion of high school students taking a rigorous curriculum, and one of the strategies is to "Leverage the Academic Competitiveness Grant Program, rewarding high school students who increase the rigor of their studies." One of the performance measures is the percentage of low-income students who qualify for ACGs. The targets for this measure were set as follows:

2006–07	35 percent
2007–08	42 percent
2008–09	49 percent
2009–10	56 percent
2010–11	63 percent

As indicated above, actual participation rates for the first two years of the program were lower than the targets. Following the first year, the Department set a goal of doubling the number of ACG awards by 2010–11. In conjunction with this goal, the Department asked states to promote the participation of low-income students in rigorous courses (especially those that prepare them for National SMART Grant–eligible majors) and to support efforts to increase program awareness.[34]

Estimates of Eligibility

Chapter 5 of the report on the first year of the ACG and National SMART Grant programs (U.S. Department of Education 2009) presents baseline information on the number of students who would have been eligible for these grants had they existed in 2003–04. This information can be used as context for interpreting data on actual participation.

Academic Competitiveness Grants

Data from the Beginning Postsecondary Longitudinal Study (BPS)—based on a nationally representative sample of students enrolling in postsecondary education for the first time in

[33] Available at: http://www.ed.gov/about/reports/annual/2009plan/fy09perfplan.pdf (accessed July, 2010). The other two goals address bringing students up to grade level in reading and mathematics and ensuring access, affordability, and accountability in higher education.
[34] http://www.ed.gov/programs/smart/performance.html (accessed July, 2010).

2003–04—suggest that approximately 282,000 first-year students would have been eligible for an ACG had the program existed at that time (Table G-1). This is likely an overestimate, however, because data on the courses that students took in high school includes only the number of courses in each field (English, mathematics, etc.), not the level. As the table indicates, barely half of the students meeting all of the other criteria also met the academic requirements. BPS data do not allow estimates of the number of second-year students who might have been eligible.

Table G-1. Beginning postsecondary students who met various ACG requirements: 2003–04

Beginning postsecondary students who were recent high school graduates in degree programs[a]	2003–04
Total number	2,129,800
Percent who:	
Were U.S. citizens	96.0
Received Pell Grants	29.2
Enrolled full-time	83.6
Completed the ED course-based high school curriculum[b]	60.0
Percent who:	
Were U.S. citizens	96.0
And received Pell Grants	27.5
And attended full-time	24.4
And completed the ED course-based curriculum	13.3
Number of potential ACG recipients	282,300

[a] Excluded from this table are beginning postsecondary students who graduated from high school before January 2003 or who were in certificate or unknown programs.

[b] Refers to a high school curriculum that includes at least four years of English; three years each of mathematics, science, and social studies; and one year of a language other than English. The levels of these courses are unknown. This definition corresponds as closely as possible to the requirements under the ED course-based high school program, but because it does not take into account the level of the courses, these percentages will be overestimates.

SOURCE: U.S. Department of Education, National Center for Education Statistics, 2003/04 Beginning Postsecondary Students Longitudinal Studies (BPS:03/04).

For the purposes of estimating the required appropriations at the start of the program, the Department estimated that 310,000 first-year students and 110,000 second-year students would receive ACGs in 2006–07.[35] The numbers of awards were expected to increase to 330,000 for first-year students and 130,000 for second-year students in 2007–08.

National SMART Grants

The 2003–04 National Postsecondary Student Aid Study (NPSAS), based on a nationally representative sample of all postsecondary students, can be used to estimate the number of students who would have been eligible for National SMART Grants. These data suggest that

[35] *Federal Register*, Vol. 71, No. 127 (Monday, July 3, 2006/Rules and Regulations).

approximately 80,000 students would have been eligible for a National SMART Grant had the program existed then, although it was not possible to match the NPSAS major codes exactly to the National SMART Grant–eligible majors.

These numbers match the estimates made by the Department at the start of the program: 40,000 third-year students and 40,000 fourth-year students in both 2006–07 and 2007–08.

APPENDIX H

History of the ACG and National SMART Grant Programs

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
Feb. 1, 2006. Effective as of July 1, 2006, for the 2006–07 academic year.	Congress passes the *Higher Education Reconciliation Act of 2005* as part of the *Deficit Reduction Act of 2005*. http://www.govtrack.us/congress/billtext.xpd?bill=s109-1932	An eligible student may receive an Academic Competitiveness Grant (ACG) of up to $750 for the first academic year of study and up to $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 established by a state or local education agency and recognized as such by the secretary (after Jan. 1, 2006, if a first-year student, and after Jan. 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 for the first academic year. An eligible student may receive a National Science and Mathematics Access to Retain Talent (National SMART) Grant of up to $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 in course work required for the major. Sunset provision: The authority to make grants under this section shall expire at the end of academic year 2010–11.
Feb. 8, 2006	President Bush signs *Deficit Reduction Act of 2005/Higher Education Reconciliation Act (HERA) of 2005* into law. http://www.govtrack.us/congress/billtext.xpd?bill=s109-1932	Improving federal student loan programs and increasing benefits to students. The *Deficit Reduction Act* cuts excess government subsidies to lenders and makes other reforms that will help reduce overall student loan costs by about $22 billion. This will save taxpayers $12 billion

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
		and increase student aid by $10 billion.
March 10, 2006	Dear Colleague Letter (GEN-06-02) from the assistant secretary for postsecondary education and the chief operating officer, Federal Student Aid, explaining changes to the *HEA* Title IV loan programs. http://ifap.ed.gov/dpcletters/GEN0602.html	The Department explains the effects of the *Higher Education Act* on the federal loan programs: the William D. Ford Federal Direct Loan Program, the Federal Perkins Loan Program, and the Federal Family Education Loan (FFEL) Program.
March 14, 2006	Dear Colleague Letter (GEN-06-03) issued as a correction to GEN-06-02. http://ifap.ed.gov/dpcletters/GEN0603.html	Corrects loan limits on page 7 of the GEN-06-02 attachment.
April 5, 2006	Dear Colleague Letter (GEN-06-04) from the assistant secretary for postsecondary education and the chief operating officer, Federal Student Aid, on ACG and National SMART Grant programs. http://www.ifap.ed.gov/dpcletters/GEN0604.html	The Department explains the process for administering grants to institutions of higher education through a letter posted on the Department's website.
April 27, 2006	Dear Colleague Letter (GEN-06-05) from the assistant secretary for postsecondary education and the chief operating officer, Federal Student Aid, on changes made by the *Higher Education Reconciliation Act of 2005 (HERA).* http://www.ifap.ed.gov/dpcletters/attachments/GEN0605.pdf	The Department explains that *HERA* amends the definition of an "academic year" to require a minimum of 30 hours of instructional time for a program that measures its length in credit hours or a minimum of 24 weeks of instruction for a program that measures its length in clock hours, and for an undergraduate program at least 24 semester or trimester hours (or 36 quarter hours) for a course that measures time in credit hours, or 900 clock hours for a course of study that measures its program length in clock hours.
May 2006	Fact Sheet on student eligibility options. http://www.ed.gov/about/inits/ed/competitiveness/ac-smart.html	
May 2, 2006	Press Release—The Department of Education Announces Student Eligibility Options for New Academic Grants. http://www.ed.gov/news/pressreleases/2006/05/05022006.html	
May 2, 2006	Dear Colleague Letter (GEN-06-06) from the Office of Postsecondary Education and Federal Student Aid providing the list of academic majors eligible for the National SMART Grants for the 2006–07 award year. http://www.ifap.ed.gov/dpcletters/GEN0606.html	The Department announces guidelines on how students will qualify as having successfully completed a rigorous secondary school program of study. This letter provides the list of the instructional programs that qualify as eligible majors, including critical foreign language majors, for the National SMART Grant program. These fields of study qualify as eligible majors for the National SMART Grant program to the extent a student is enrolled in a bachelor's degree or a graduate degree program that includes at least three

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
		academic years of undergraduate education.
May 2, 2006	Dear Colleague Letter (GEN-06-08) from Secretary Spellings describing plans for implementation. http://www.ifap.ed.gov/dpcletters/GEN0608.html	Secretary Spellings outlines the initial eligibility requirements for ACGs and National SMART Grants and the Department's options for meeting the "rigorous curriculum" requirement in 2006–07, including recognizing all existing advanced or honors diploma programs, the State Scholars Initiative (SSI), a set of courses similar to the SSI, and an Advanced Placement (AP) or International Baccalaureate (IB) course and test option.
May 24, 2006	Guidance on dual enrollment questions	In establishing the ACG program, Congress restricted eligibility for students to receive a first-year ACG to a student who "has not been previously enrolled in a program of undergraduate education." See §401A(c)(3)(A)(ii) of the *Higher Education Act*. This restriction does not apply when a student enrolled in one or more college level undergraduate courses while still in high school, as long as the student was not admitted into a formal program of study at the postsecondary education institution.
June 1, 2006	Deadline for states to establish and submit to the secretary of education an alternate rigorous secondary school program of study for recognition in the 2006–07 academic year.	
June 20, 2006	Dear Colleague Letter (GEN-06-10) from Secretary Spellings on implementation guidance related to *HERA* changes. http://www.ifap.ed.gov/dpcletters/attachments/GEN0610.pdf	As processing of the 2006–07 Free Application for Federal Student Aid (FAFSA) began in January 2006, forms, systems, and processes at the Department and Institutions did not account for 2006–07 changes to *HERA*—additional guidance is issued (e.g., re: increased maximum Adjusted Gross Income for an applicant to be eligible for an auto-zero estimated family contribution (EFC).
June 21, 2006	Press Release—Secretary Spellings announces July 1 availability of $790 million in new grants for higher education. http://www.ed.gov/news/pressreleases/2006/06/06212006.html	
June 29, 2006	Department posts information online for students reviewing the eligibility requirements for the ACG and National SMART Grant programs. http://www.ed.gov/about/inits/ed/competitiveness/ac-smart2.html	
Late June 2006	States, colleges, and students will receive notice of programs that have been	

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
	recognized as rigorous for grant purposes by the secretary of education for the 2006–07 academic year.	
July 1, 2006	Beginning July 1, 2006, potentially eligible students are notified via e-mail and regular mail that they should submit additional information to the Department to determine ACG eligibility.	
July 3, 2006 Effective Aug. 2, 2006, for the 2006–07 academic year.	Interim Final Regulations are posted in the *Federal Register* (Vol. 71, No. 127) and comments are requested on or before Aug. 17, 2006. http://www.ed.gov/legislation/FedRegister/proprule/2006-3/070306a.html	The secretary amends Title 34 to establish regulations for the ACG and National SMART Grant programs. The ACG and National SMART Grant programs specify the eligibility requirements for a student to apply for and receive an award under these programs for the 2006–07 award year. These Interim Final Regulations also identify the roles of institutions of higher education (institutions), state education agencies (SEAs), and local education agencies (LEAs) in administering the programs. [These Interim Final Regulations will be effective for the 2006–07 award year. The secretary is, however, soliciting comments on all aspects of these Interim Final Regulations and may, for the 2007–08 award year, amend and finalize them as appropriate in response to comments received. For regulations that would take effect for the 2008–09 award year and subsequent award years, the secretary intends to conduct negotiated rulemaking, as required under section 492 of the *HEA*.] The ACG and National SMART Grant program Interim Final Regulations duplicate those of the Federal Pell Grant program to the extent practicable given the similar nature of these programs. Like the Federal Pell Grant program, the ACG and National SMART Grant programs provide for direct grants from the federal government to students to assist in paying their college expenses. In addition, a student must be receiving a Federal Pell Grant to be eligible for an ACG or National SMART Grant. The secretary will be administering the ACG and National SMART Grant programs using the same delivery system that the secretary uses for the Federal Pell Grant program. The secretary expects that this coordination of administrative requirements will assist participating institutions in administering these programs, reduce the amount of additional institutional administrative burden and paperwork, and simplify the process for students to apply for assistance under these programs.

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
July 3, 2006–Aug. 17, 2006	Comments received from institutions and other organizations	
Aug. 18, 2006	Announcement in *Federal Register* (Vol. 71, No. 160) of negotiated rulemaking sessions on the changes to the *HEA*, and nominations of speakers solicited on or before Nov. 9, 2006. Announcement of four regional hearings to be held in fall 2006 to help determine an agenda for the upcoming sessions. http://www.ed.gov/legislation/FedRegister/proprule/2006-3/081806a.html	
Aug. 25, 2006	Dear Colleague Letter (GEN-06-15) from Acting Asst. Secretary Manning, Office of Postsecondary Education, on revised list of eligible academic majors. http://www.ifap.ed.gov/dpcletters/Gen0615.html	Revised the list of eligible academic majors previously provided (GEN-06-06) to include certain majors that were inadvertently omitted.
Fall 2006	Institutions of higher education will verify student eligibility using records of high school performance. Student aid will be disbursed.	
Sept. 19, 2006–Nov. 8, 2006	Regional hearings on upcoming agenda for negotiated rulemaking sessions for revised regulations for the 2008–09 award year	
Oct. 20, 2006	Dear Colleague Letter (GEN-06-18) from the acting assistant secretary for postsecondary education providing guidance to institutions concerning implementation of the "academic year" definition within the ACG and National SMART Grant programs for the 2006–07 and 2007–08 award years. http://www.ifap.ed.gov/dpcletters/GEN0618.html	The Department offered two approaches to determining “academic year,” assuming that there were 30 weeks of instructional time for each increment of credit hours that comprises the institution’s Title IV academic year (e.g., 24 credit hours equals 30 weeks of instruction, or 30 credit hours equals 30 weeks of instruction) OR determine the actual number of weeks of instruction by reviewing the student’s record to see how many weeks it took the student to complete the credit hours earned (subtracting credits for AP or IB course work, testing out, life experience). Also addressed fourth-year students who had exceeded four times the number of academic credits in an academic program that required more than that for completion.
Nov. 1, 2006	Deadline for states to establish and submit to the secretary of education additional rigorous secondary school programs of study for recognition in the 2007–08 academic year.	
Nov. 1, 2006 Effective 2007–08 award year	Final Regulations published in the *Federal Register* (Vol. 71, No. 211) with responses to the 80 comments received between July 3, 2006, and Aug. 17, 2006.	Revisions to regulations, developed through the analysis of comments received on the Interim Final Regulations published on July 3, 2006. The secretary invited comments on the interim Final Regulations

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
	http://www.ed.gov/legislation/FedRegister/finrule/2006-4/110106a.html	and received 80 comments. The ACG regulations respond to the growing number of states and local education agencies that are trying to increase students' access to rigorous classes in high school. The package includes a new provision that allows state and local education agencies to submit rigorous curriculum for approval beyond the following year. Other provisions clarify how to account for Advanced Placement (AP), International Baccalaureate (IB) and dual enrollment credits, and how to determine GPAs for students who attend schools or institutions that do not issue numeric or letter grades. The National SMART Grant regulations include a new provision explaining how an institution can submit petitions to have additional majors included as National SMART–eligible majors. Other provisions clarify the existing regulations that require National SMART recipients to be enrolled in and making progress toward a National SMART–eligible major.
Jan. 2007	States receive notice of rigorous secondary school programs of study that have been recognized by the secretary of education for the 2007–08 academic year.	
Feb. 5–7, 2007	ACG/National SMART Negotiated Rulemaking, First Session http://www.ed.gov/policy/highered/reg/hearulemaking/2007/acg.html	Negotiators discussed: Rigorous secondary school programs; Mandatory institutional participation; Eligibility of certificate programs for ACGs; Requirement that Pell Grants and ACGs/National SMART Grants be dispersed at the same institution when awarded within the same term; Grade point average Transfer students Course work Timing of calculation Eligibility for disbursement. Interpretation of previously enrolled for student eligibility College credits earned in high school Treatment of AP/IB courses and credits. Majors Additional majors and CIP codes Institutional flexibility in determining majors. Clarify successful completion of rigorous secondary school program of study;

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
		Departmental monitoring disbursements of awards.
March 5–7, 2007	ACG/National SMART Negotiated Rulemaking, Second Session http://www.ed.gov/policy/highered/reg/hearulemaking/2007/acg.html	Negotiators discussed: • Recognition of rigorous secondary school programs; • Mandatory participation by postsecondary institutions; • Eligibility of certificate programs for ACGs; • Requirement that Federal Pell Grants and ACGs or National SMART Grants be disbursed at the same institution; • Grade Point Average (GPA)—transfer students; • GPA—course work, timing of calculation, and eligibility for disbursement; • Academic year progression; • Interpreting prior enrollment—dual-enrollment and early college programs; • Eligible majors and CIP codes expansion; • Institutional flexibility in determining timing of student declaration of eligible major; • Completion of a Rigorous Secondary School Program of Study.
April 16–18, 2007	ACG/National SMART Negotiated Rulemaking, Third Session	
Regularly updated	Information for students and parents. http://www.ed.gov/about/offices/list/ope/ac-smart-families.html	Provides overview of the programs, outlines eligibility requirements, and lists options for meeting the rigorous curriculum requirement.
Aug. 7, 2007	Notice of Proposed Rulemaking (NPRM) for the ACG and National SMART Grant programs in the *Federal Register* (Vol. 72, No. 151). http://www.ed.gov/legislation/FedRegister/proprule/2007-3/080707a.html	The secretary proposed to amend the regulations for the ACG and National SMART Grant programs. The secretary amended these regulations to reduce administrative burden for program participants and to clarify program requirements.
Sept. 6, 2007	Comments on NPRM due to the Department.	
Sept. 24, 2007	Dear Colleague letter (GEN-07-06) from the assistant secretary for postsecondary education, providing a revised list of eligible majors for the 2007–08 academic year.	Additional eligible majors include: Food Science, Food Technology and Processing, Environmental Science, Fishing and Fisheries Sciences and Management, Forest Sciences and Biology, Wood

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
	http://www.ifap.ed.gov/dpcletters/GEN0706.html	Science and Wood Products/Pulp and Paper Technology, Wildlife and Wildlands Science and Management, Biopsychology, Nutrition Sciences, and Physiological Psychology/Psychobiology.
Oct. 9, 2007	Dear Colleague letter (GEN-07-06) from the assistant secretary for postsecondary education, on course enrollment requirements for payment in the National SMART Grant program. http://www.ifap.ed.gov/dpcletters/GEN0707.html	An otherwise eligible student can receive a National 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.
Oct. 26, 2007	Press release announcing ACG/National SMART Grant data results from 2006–07 academic year: http://www.ed.gov/news/pressreleases/2007/10/10262007.html Office of Postsecondary Education, Year 1 results by state: http://www.ed.gov/programs/smart/performance.html	The secretary announced the first-year national data results from the ACGs and National SMART Grants. Results show that in the first year, $233,038,410 in ACGs were awarded to 299,089 students nationwide, and $195,544,735 in National SMART Grants were awarded to 60,976 students. Also announced was the goal to double the number of students receiving ACGs and National SMART Grants by 2010–11 and to continue to work with states, colleges and high schools to raise awareness about ACGs and National SMART Grants.
Oct. 29, 2007 Effective July 1, 2008. [Institutions that administer the ACG and National SMART Grant programs may, at their discretion, choose to implement these Final Regulations in their entirety, or by section, on or after Nov. 1, 2007.]	Final Regulations published in *Federal Register* (Vol. 72, No. 208). http://www.ed.gov/legislation/FedRegister/finrule/2007-4/102907a.html	The secretary amends the regulations for the ACG and National SMART Grant programs to reduce administrative burden for program participants and to clarify program requirements.
Feb. 6, 2008	Dear Colleague letter (GEN-08-02) from the assistant secretary for postsecondary education, on the process for adding eligible majors for 2008–09.	Explains the process by which postsecondary institutions can request additional majors to be included on the list of eligible majors for the National SMART Grant program for the 2008–09 award year.
April 17, 2008	H.R. 5715: *Ensuring Continued Access to Student Loans Act of 2008 (ECASLA)* passed by House of Representatives http://thomas.loc.gov	
April 30, 2008	*H.R. 5715* passed by Senate http://thomas.loc.gov	

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
May 7, 2008 Effective Jan. 1, 2009	*H.R. 5715* signed into law by President Bush http://thomas.loc.gov	Strikes reference to "academic year" in current law that ties first-, second-, third-, and fourth-year eligibility for, as applicable, ACGs and National SMART Grants to the student's academic year standing. Removes the stipulation that ACG- and National SMART Grant-eligible students must be U.S. citizens, and applies the same citizenship criteria as for the Federal Pell Grant program (permitting certain eligible noncitizens to qualify) Authorizes ACG and National SMART Grant eligibility for students enrolled no less than half-time, and provides for a ratable reduction in the award for a student attending less than full-time in the same manner as for Pell-eligible students who attend on less than a full-time basis. Authorizes ACG eligibility for students attending a postsecondary certificate program that is no less than one year in length, or no less than two years in length, at a two- or four-year degree-granting institution. Authorizes an additional $4,000 National SMART Grant award for the fifth year of a baccalaureate degree program in one of the requisite majors that requires students to complete a full five years of course work. Directs all surplus funds from the programs back into the ACG/National SMART Grant programs.
June 19, 2008	Dear Colleague Letter (GEN-08-09) from the principal deputy assistant secretary, Office of Postsecondary Education, summarizing H.R. 5715.	
June 20, 2008	Dear Colleague letter (GEN-08-09) from the principal deputy assistant secretary, on the list of eligible majors for 2008–09.	The list of eligible academic majors as published in Dear Colleague letter GEN-07-06 carry over unchanged to the 2008–09 award year.
Aug. 1, 2008	The Department of Education's Office of Inspector General publishes its *Audit of the Department's Process for Disbursing Academic Competitiveness Grants and National Science and Mathematics Access to Retain Talent Grants.* http://www.ed.gov/about/offices/list/oig/auditreports/fy2008/a19h0011.pdf	

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
Aug. 14, 2008	H.R. 4137: *The Higher Education Opportunity Act of 2008 (HEOA)* enacted and reauthorized the *Higher Education Act of 1965 (HEA)*.	• Changes the effective date for all program-related revisions made in H.R. 5715 from Jan. 1, 2009, to July 1, 2009. • States given increased control over defining rigorous secondary school programs of study.
Jan. 19, 2009	The Department of Education releases the *Academic Competitiveness and National SMART Grant Programs: First-Year Lessons Learned* report. http://www.ed.gov/rschstat/eval/highered/acsmartyear1/index.html	
March 25, 2009	The Government Accountability Office releases its *Recent Changes to Eligibility Requirements and Additional Efforts to Promote Awareness Could Increase Academic Competitiveness and SMART Grant Participation* report. http://www.gao.gov/products/GAO-09-343	
March 26, 2009	Dear Colleague letter (GEN-09-03) from the assistant secretary designee on the process of adding eligible majors for 2009–10 National SMART Grants.	Explains the process by which postsecondary institutions can request additional majors or add a liberal arts curriculum to the list of eligible majors for the National SMART Grant program for the 2009–10 award year.
May 1, 2009	Interim Final Rules are posted in the *Federal Register*. Comments are requested by June 1, 2009. http://edocket.access.gpo.gov/2009/pdf/E9-10094.pdf	
May 12, 2009	The Department's Office of Postsecondary Education releases its *Academic Competitiveness Grant and National SMART Grant Programs End-of-Year Report* for the 2007–08 academic year. http://www.ed.gov/finaid/prof/resources/data/pell-2007-08/ac-smart-eoy-07-08.pdf	
June 1, 2009	Comments on Interim Final Rules due to the Department. Two stakeholder organizations responded.	
June 30, 2009	Correction to Interim Final Rules published in the *Federal Register*.	

Date Passed or Issued/Date Effective	Legislation, Regulation, or Guidance	Purpose and Key Provisions
July 7, 2009	Dear Colleague letter (GEN-09-09) from the assistant secretary designee on the list of eligible majors for 2009–10.	The list of eligible academic majors and two liberal arts curricula newly designated for National SMART Grant eligibility in 2009–10 award year.
Nov. 23, 2009	Publication of the Final Regulations in the *Federal Register* (Vol. 74, No. 224).	Implements H.R. 5715 (see May 7, 2008) and H.R. 4137 (see Aug. 14, 2009).
April 2, 2010	Dear Colleague letter (GEN-10-04) from the assistant secretary designee on the process of adding eligible majors for 2010–11 National SMART Grants.	The process by which institutions can request that an additional major be included for 2010–11.

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

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