

BOARD OF HIGHER EDUCATION
REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 10-01

COMMITTEE DATE: September 29, 2009

BOARD DATE: October 6, 2009

**AMENDED GUIDELINES FOR THE GEAR UP SCHOLARSHIP PROGRAM
AS REQUIRED BY FEDERAL REGULATIONS (34 CFR, PART 694)**

MOVED: The Board of Higher Education hereby adopts the attached amended guidelines for the Gaining Early Awareness and Readiness for Undergraduate Programs Scholarship (GEAR UP).

Authority: Title 34 Code of Federal Regulations, Part 694

Contact: Dr. Clantha McCurdy, Senior Deputy Commissioner, Access and Student Financial Assistance

Motion Background

On average, 600 students receive GEAR UP Scholarships each year. Previously, federal regulations required that participants in the early intervention component of GEAR UP receive an annual scholarship that is equal to the student's maximum federal Pell Grant while enrolled full or part time in college. This requirement is no longer effective as federal regulations now permit flexible options, making the awarding of scholarships more affordable for states, given tough economic conditions.

The revised guidelines reflect the scholarship option that the Department of Higher Education has elected for awarding of GEAR UP Scholarships. The attached guidelines are required to regulate the awarding of the GEAR UP scholarship and to ensure compliance with federal regulations for GEAR UP Massachusetts.

General GEAR UP Background

The Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) initiative was funded by the U.S. Department of Education in 1999. The purpose of GEAR UP is to give more low-income students the skills, encouragement, and preparation needed to pursue postsecondary education. The Commonwealth of Massachusetts was one of 16 states to be awarded a competitive six-year grant (\$16.5 million) in the program's initial grant cycle. Massachusetts remains one of 47 states receiving grants through the current grant cycle. The statewide GEAR UP program is administered by the Department of Higher Education.

Beginning with its first cohort of 7th graders in 1999, GEAR UP Massachusetts has served an average of 6,200 middle and high school students annually from the communities of Boston, Holyoke, Lawrence, Lowell, New Bedford, Springfield and Worcester. Approximately 74 percent of the students participating in the early intervention component of GEAR UP are eligible for free and reduced lunch. In each year of the grant, a new class of 7th graders is added to the program. These students are tracked and provided a variety of academic support services that include science and mathematics tutoring, SAT preparation, college planning and visits, financial aid awareness and student leadership seminars.

The GEAR UP Scholarship helps to make college more affordable for program participants. GEAR UP Scholarships assist students with their educational expenses, including tuition and fees, room, board, and books. Since graduating its first class of participants in June 2005, GEAR UP Massachusetts has continued to provide financial assistance, helping students achieve their college aspirations through the scholarship program.

GEAR UP SCHOLARSHIP PROGRAM GUIDELINES

The Higher Education Amendments of 1998 launched GEAR UP, a national effort to encourage more young people to have high expectations, stay in school, study hard, and go to college. Through the Board of Higher Education, the Commonwealth of Massachusetts received a GEAR UP State Grant to provide early college awareness activities, improved academic support, information on paying for college, and scholarship. These guidelines establish the terms and criteria for awarding scholarships to GEAR UP participants as required by the United States Department of Education.

DEFINITIONS:

ELIGIBLE INSTITUTION:

An eligible institution is defined as a state-approved public, private, independent, for-profit or nonprofit institution in the Commonwealth of Massachusetts authorized to offer undergraduate degrees, certificates or diploma programs and that is also approved by the U.S. Department of Education to administer Title IV programs. Massachusetts state-approved public, private, independent and non-profit institutions located in states (New Hampshire, Maine, Connecticut, Vermont, Rhode Island, Pennsylvania and the District of Columbia) that have reciprocity agreements with and approved by the Commonwealth and award associate and bachelor's degrees are also eligible to participate.

ELIGIBLE PROGRAM:

An eligible degree or certificate program offered by an eligible institution.

ELIGIBLE STUDENT:

An undergraduate student who has been admitted to an eligible institution and meets the following requirements:

- a) is fewer than 22 years of age at time of first scholarship award;
- b) participated in the Early Intervention component of GEAR UP Massachusetts;
- c) has received a secondary school diploma or its recognized equivalent from a Massachusetts public high school participating in GEAR UP Massachusetts, beginning in 2005;
- d) is a permanent legal resident of Massachusetts for at least one year prior to the start of the academic year;
- e) is a United States citizen or a non-citizen eligible under Federal Title IV;
- f) is enrolled full or part time in an eligible program at an eligible institution;
- g) annually files the Free Application for Federal Student Aid (FAFSA);
- h) maintains Satisfactory Academic Progress in accordance with institutional standards;
- i) is in compliance with applicable laws regarding Selective Service Registration; and

- j) is not in default of any federal or state student education loan for attendance at any institution nor owes a refund for any previous financial aid received.

AWARD VALUE:

- a) The award under this program shall be equal to the minimum required under federal guidelines for eligible students who enroll full time, three-quarter time, half time or less, during an academic year.
- b) GEAR UP scholarships shall not be considered for the purpose of awarding other Federal grant assistance, except in no case shall the total amount of the student financial assistance awarded to a student exceed such student's total cost of attendance.
- c) GEAR UP scholarships may be awarded to eligible students for a maximum of four years or eight semesters, based on available funds.

AWARD PROCEDURE:

Beginning with the Class of 2005, the Department of Higher Education will annually identify participating GEAR UP Massachusetts students.

- a) Institutions are required to certify the attendance of GEAR UP Massachusetts students in each fall and spring and provide information regarding the amount of financial aid awarded to these students from all sources.
- b) GEAR UP scholarship funds are disbursed to the institution in two payments for the fall and spring semesters for students for whom eligibility has been certified by the institution.
- c) Payment of GEAR UP funds is sent directly to the institution from the Commonwealth's Comptroller's Office. One hundred percent of the GEAR UP Scholarship shall be used to credit the student's account.
- d) All refunds shall be sent to the Office of Student Financial Assistance and checks made payable to the Commonwealth of Massachusetts GEAR UP Scholarship Fund.

PARTICIPATION AGREEMENT:

All institutions participating in the GEAR UP Scholarship Program must file a State Financial Aid Program Participation Agreement to be maintained on file in the Department of Higher Education's Office of Student Financial Assistance.

AUDIT REQUIREMENTS:

- a) It shall be the responsibility of each college and university to maintain adequate documentation of a recipient student's eligibility for the GEAR UP Scholarship Program.
- b) The Commissioner shall require each campus to furnish annually to the Board of Higher Education a report detailing specific information regarding recipients of

the GEAR UP Scholarship Program. The Office of Student Financial Assistance will coordinate specification and procedures for this report to Financial Assistance.

- c) All financial books, records and documents pertaining to this program shall at all times be open to discussion, review and audit by the Commissioner, the State Auditor or their authorized representatives who shall have access to the premises wherever such books, records and documents are located. The institution shall retain such financial books, records and documents for seven years. An institution may retain such records for a period of five years if approval is received from the Records Conservation Board in accordance with General Laws, Chapter 30, Section 42.