

§691.64

paragraph (d)(1)(ii)(B) of this section for that term;

(2) Based upon that full-time enrollment status, determining his or her ACG or National SMART Grant Scheduled Award; and

(3) Multiplying his or her ACG or National SMART Grant Scheduled Award determined under paragraph (d)(2) of this section by the following fraction:

$$\frac{\text{The number of weeks of instructional time in the term}}{\text{The number of weeks of instructional time in the program's academic year}}$$

(e) *Programs using clock hours or credit hours without terms.* The payment for a payment period for a student in a program using credit hours without terms or using clock hours is calculated by—

(1) Determining that the student is attending at least full-time;

(2) Determining the student's ACG or National SMART Grant Scheduled Award;

(3) Multiplying the amount determined under paragraph (e)(2) of this section by the lesser of—

(i)

$$\frac{\text{The number of weeks of instructional time required for a full-time student to complete the lesser of the clock or credit hours in the program or the academic year}}{\text{The number of weeks of instructional time in the program's academic year}}$$

; or

(ii) One; and

(4) Multiplying the amount determined under paragraph (e)(3) of this section by—

$$\frac{\text{The number of credit or clock hours in the payment period}}{\text{The number of credit or clock hours in the program's academic year}}$$

(f) *Maximum disbursement.* A single disbursement may not exceed 50 percent of any award determined under paragraph (d) or (e) of this section. If a payment for a payment period calculated under paragraphs (d) or (e) of this section would require the disburse-

ment of more than 50 percent of a student's ACG or National SMART Grant Scheduled Award in that payment period, the institution shall make at least two disbursements to the student in that payment period. The institution may not disburse an amount that exceeds 50 percent of the student's ACG or National SMART Grant Scheduled Award until the student has completed the period of time in the payment period that equals, in terms of weeks of instructional time, 50 percent of the weeks of instructional time in the program's academic year.

(g) *Definition of academic year.* For purposes of this section, an institution must define an academic year for each of its eligible programs in terms of the number of credit or clock hours and weeks of instructional time in accordance with the requirements of 34 CFR 668.3.

(h) *Payment period with two academic years.* In a payment period, if a student is completing the remaining portion of the first academic year or second academic year for an ACG or the third academic year for a National SMART Grant Scheduled Award, the student's payment for the payment period—

(1) Is from the ACG or National SMART Grant Scheduled Award of the academic year being completed; and

(2) Is calculated based on the total credit or clock hours, and, for a credit-hour program, weeks of instructional time, in the payment period.

(Authority: 20 U.S.C. 1070a-1)

**§691.64 Calculation of a grant for a payment period which occurs in two award years.**

(a) If a student enrolls in a payment period that is scheduled to occur in two award years—

(1) The entire payment period must be considered to occur within one award year;

(2) The institution shall determine for each ACG or National SMART Grant recipient the award year in which the payment period will be placed subject to the restrictions set forth in paragraphs (a)(3) and (a)(6) of this section;

(3) The institution shall place a payment period with more than six

months scheduled to occur within one award year in that award year;

(4) If the institution places the payment period in the first award year, it shall pay a student with funds from the first award year;

(5) If the institution places the payment period in the second award year, it shall pay a student with funds from the second award year; and

(6) The institution must assign the payment period for both the ACG or National SMART Grant and the Federal Pell Grant to the same award year.

(b) An institution may not make a payment that results in the student receiving more than his or her ACG or National SMART Grant Scheduled Award for an academic year of the student's eligible program.

(Authority: 20 U.S.C. 1070a-1)

**§ 691.65 Transfer student: Attendance at more than one institution during an academic year.**

(a) If a student who receives a grant under this part at one institution subsequently enrolls at a second institution in the same award year, the student may receive a grant at the second institution only if—

(1)(i) The student submits a valid SAR to the second institution; or

(ii) The second institution obtains a valid ISIR; and

(2) The student is receiving a Federal Pell Grant in the same award year.

(b) The second institution shall calculate the student's award according to § 691.63.

(c) The second institution may pay a grant only for that portion of the academic year of the student's eligible program in which a student is enrolled at that institution. The grant amount must be adjusted, if necessary, to ensure that the grant does not exceed the student's ACG or National SMART Grant Scheduled Award for that academic year.

(d) If a student transfers between award years and the student's ACG or National SMART Grant Scheduled Award at the second institution differs from the ACG or National SMART Grant Scheduled Award at the first institution for that academic year of the student's eligible program, the grant

amount at the second institution is calculated as follows—

(1) The amount received at the first institution is compared to the ACG or National SMART Grant Scheduled Award at the first institution to determine the percentage of the ACG or National SMART Grant Scheduled Award that the student has received.

(2) That percentage is subtracted from 100 percent.

(3) The remaining percentage is the percentage of the ACG or National SMART Grant Scheduled Award at the second institution to which the student is entitled.

(e) The student's ACG or National SMART Grant payment for each payment period is calculated according to the procedures in § 691.63 unless the remaining percentage of the ACG or National SMART Grant Scheduled Award at the second institution, referred to in paragraph (d)(3) of this section, is less than the amount the student would normally receive for that payment period. In that case, the student's payment is equal to that remaining percentage.

(f) A transfer student shall repay any amount received that exceeds his or her ACG or National SMART Grant Scheduled Award for an academic year in accordance with § 691.79.

(Authority: 20 U.S.C. 1070a-1)

[71 FR 38004, July 3, 2006, as amended at 71 FR 64419, Nov. 1, 2006]

**Subpart G—Administration of Grant Payments**

**§ 691.71 Scope.**

This subpart deals with program administration by an eligible institution.

(Authority: 20 U.S.C. 1070a-1)

**§§ 691.72–691.74 [Reserved]**

**§ 691.75 Determination of eligibility for payment.**

(a) For each payment period, an institution may pay a grant under this part to a student only after it determines that the student—

(1) Qualifies as a student who is eligible under § 691.15;

(2) Is enrolled as an undergraduate student in an eligible program;