

## Federal Discretionary Grant Programs

A discretionary grant awards funds on the basis of a competitive process. The department reviews applications through a formal review process in light of the legislative and regulatory requirements and published selection criteria established for a program. The review process gives the department discretion to determine which applications best address the program requirements and are, therefore, most worthy of funding. GEAR UP is a discretionary grant first authorized in the *Higher Education Act of 1965*, as amended in 1998 and thereafter reauthorized in the *2008 Higher Education Opportunity Act*.

### The GEAR UP Program - Description

This discretionary grant program is designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. GEAR UP provides six-year grants to states and partnerships to provide services at high-poverty middle and high schools. GEAR UP grantees serve an entire cohort of students beginning no later than the seventh grade and follow the cohort through high school. GEAR UP funds are also used to provide college scholarships to low-income students.

**Administered by:** Office of Postsecondary Education

**Program Office:** Student Services

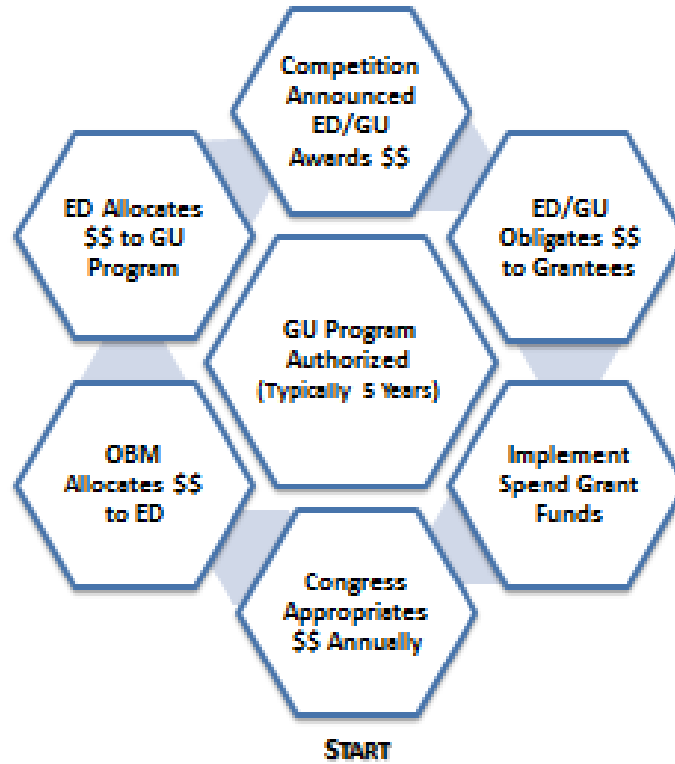
**Administrative Information:**

- **CFDA Number:** 84.334A; 84.334S
- **Regulations:** CFR Part 694
- **Legislative Authority:** PL 105-244 IV Higher Education Act of 1965, as Amended by P.L. 105-244

### Primary Features of GEAR UP Program

| Characteristics        | Description  |
|------------------------|--|
| Cost Reimbursement     | <ul style="list-style-type: none"> <li>• Grantees must document expenditures; then draw down funds</li> </ul>  |
| Cost Share             | <ul style="list-style-type: none"> <li>• 50-50 split between federal and nonfederal funds for expenditures</li> <li>• Grantee accountable for matching contributions</li> </ul>  |
| Matching Contributions | <ul style="list-style-type: none"> <li>• Types of match—in kind, scholarships and tuition assistance, or cash contributions</li> <li>• Cash contributions must be made as unilateral, irrevocable documented transfers from the donor</li> </ul> |
| Documented Match       | <ul style="list-style-type: none"> <li>• Evidence of receipt of goods, services—document amount, purpose, date</li> </ul>  |

## THE FLOW OF GEAR UP FUNDING



### Types of GEAR UP Projects: State vs. Partnership Grants

| State | Partnership | Requirements   |
|-------|-------------|--|
| ✓     |             | Must award scholarships to GU students—unless waiver requested/approved. (Partnerships may provide scholarships but are not required)                          |
| ✓     |             | May provide services to students using a priority rather than, or in addition to, a cohort approach  |
|       | ✓           | May apply for a reduced match percentage   |
| ✓     | ✓           | Distribute GEAR UP students a 21 <sup>st</sup> Century Scholar Certificate with a summary of how much Federal aid may be available to students based on income |