

ARKANSAS WORKFORCE CHALLENGE SCHOLARSHIP

Policy Statement

These rules shall be known as the Arkansas Department of Higher Education Rules Governing the Arkansas Workforce Challenge Scholarship. This policy addresses the student eligibility criteria, method for recipient selection, continuing eligibility requirements, procedures for making payments to an approved institution of higher education, and other administrative procedures necessary for operation of the program.

Applicable Arkansas Code

Ark. Code Ann. 6-85-302 ET. Seq.

Definitions

(1) "Approved institution of higher education" means an institution of higher education approved by the Department of Higher Education to participate in the Arkansas Workforce Challenge Scholarship Program and that is:

(A) A state-supported two-year or four-year college or university;

A private, nonprofit two-year or four year college or university with its primary headquarters located in Arkansas that is eligible to receive Title IV federal students aid funds; and

(2) (A) "Certificate program" means a program that is offered or made available to a student by an approved institution of higher education that leads to the obtainment of a certification license, including without limitation a program operated or sponsored by a third party.

(B) The credit hours or contact hours awarded for a certificate program may include may include credit hours or contact hours that are not creditable toward an associate or a baccalaureate degree.

Funding

(1) For an academic year, the following shall be used to fund Arkansas Workforce Challenge Scholarships under this subchapter:

(A) Excess funding returned to the Office of the Arkansas Lottery under § 6-85-212(e)(2)(B)(i) from the previous academic year; and

(B) Net proceeds remaining from the previous academic year after the office:

- (i) Transfers the funds requested by the Department of Higher Education under § 23-115-801(c)(2); and
- (ii) Deposits the amount necessary to maintain the Scholarship Shortfall Reserve Trust Account under § 23-115-802 in an amount equal to twenty million dollars (\$20,000,000).

(2) A scholarship under this subchapter shall not be awarded for an academic year if:

- (A) Less than two hundred fifty thousand dollars (\$250,000) is available under subsection (a) of this section; or
- (B) The department received a loan from the Scholarship Shortfall Reserve Trust Account under § 23-115-802 for the Arkansas Academic Challenge Scholarship Program -- Part 2, § 6-85-201 et seq., for the previous academic year.

(3) Any funds under subsection (a) of this section that are not disbursed for scholarships under this subchapter shall be carried over to the next academic year to be used for scholarships under this subchapter.

Procedures

Eligibility Requirements.

(1) A student is eligible to receive an Arkansas Workforce Challenge Scholarship for an academic year if the student applies to the Department of Higher Education by a date determined by the Department of Higher Education preceding the academic year and:

(A) Is an Arkansas resident or, if the student is less than twenty-one (21) years of age, either the parent or the student is an Arkansas resident;

(B) Meets either of the following requirements:

- (i) Graduated from a:
 - (a) Public high school in Arkansas or another state;
 - (b) Private high school in Arkansas or another state; or
 - (c) Home school under § 6-15-501 et seq. or recognized by another state; or
- (ii) Received a high school equivalency diploma approved by the Department of Career Education; or

(C) Is not receiving a scholarship under the Arkansas Academic Challenge Scholarship Program -- Part 2, § 6-85-201 et seq.;

(D) Is accepted for admission in a program of study at an approved institution of higher education that leads to an associate degree or a certificate program in one (1) of the following high-demand fields:

- (i) Industry;

- (ii) Health care; and
- (iii) Information technology; and

(E) (i) Whose program of study or certificate program will result in the student's being qualified to work in an occupation identified by the Department of Workforce Services under subdivision (1)(E)(ii)(a) of this section.

(ii) (a) The Department of Workforce Services shall provide annually to the Department of Higher Education by March 1 a list that identifies the five (5) most in-demand occupations in this state in each high-demand field under subdivision (1)(D) of this section that require the completion of a program of study that leads to an associate degree or a certificate program.

(b) The Department of Workforce Services shall publish on its website the list under subdivision (1)(E)(ii)(a) of this section and data supporting the list.

(2) A student who received a scholarship under this subchapter and successfully completed a program of study or certificate program that meets the requirements under subdivision (1)(D) of this section is eligible to reapply for a scholarship under this subchapter if the student is accepted for admission in a different program of study or certificate program that meets the requirements under subdivision (1)(D) of this section.

(3) A student who received a scholarship under this subchapter and does not successfully complete the program of study or certificate program is eligible to reapply for and receive a scholarship one (1) time only.

Distribution – Award Amounts.

(1) If funds are available, the Department of Higher Education shall distribute Arkansas Workforce Challenge Scholarships to all students who meet the eligibility requirements

(2) (A) The department shall distribute scholarships from the funds available in an equal amount to every student eligible to receive a scholarship.

(B) Except as provided in subsection (3) of this section, the maximum scholarship award a student may receive in an academic year shall be the lesser of:

(i) Eight hundred dollars (\$800); or

(ii) (a) The cost of the certificate program or program of study.

(b) The cost of a certificate program or program of study shall include:

- 1) Tuition, fees, or other charges;
- 2) Textbooks or other course materials; and
- 3) Equipment needed for a course.

(3) (A) If the department has funds remaining after making the distributions under subsection (2) of this section, the department shall distribute scholarships to students for the summer term of the academic year.

(B) If funds are available under subdivision (3)(A) of this section, a student shall apply for a scholarship for a summer term by a date determined by the department preceding the summer term.

(C)(i) The department shall distribute scholarships for a summer term in the same manner as under subsection (2) of this section.

(ii) Scholarships for a summer term may be used in the same manner as under subsection (2) of this section.

(D) A student who received a scholarship under subsection (2) of this section may also receive a scholarship for a summer term.

(4) The department shall disburse scholarship awards on behalf of an eligible student directly to the approved institution of higher education.

Institutional Responsibilities.

(1) College/University Responsibilities

(A) Administrative Agreement

The chief executive officer of the eligible institution is responsible for appointing one representative from the financial aid office to act as administrator of the Arkansas Workforce Challenge Scholarship and to receive all communications, forms, etc. This representative is responsible for verification, data and compliance with all program rules and regulations. The institution must comply with all rules and regulations in order to maintain continued eligibility status.

(B) Disbursement Records

The institution shall maintain information on the student indicating disbursement of scholarship funds.

(C) Institutional Verification

The institution shall provide certification of enrollment in eligible program of study and enrollment in courses that will meet satisfactory academic progress standards, as of the eleventh day of classes, by completing a Verification Roster each semester after registration. The Verification Roster is an alphabetical listing by institution of all persons receiving the award for a given academic term. The certifying official is responsible for completing the verification rosters each semester or trimester. The Arkansas Department of Higher Education shall provide electronic Verification Rosters to the Financial Aid Administrator for each semester or trimester as needed. The electronic Verification Rosters shall be returned to the Arkansas Department of Higher Education by November 1 for the fall term and by March 15 for the spring term. The Arkansas Department of Higher Education shall also provide electronic

continuing eligibility rosters to the Financial Aid Administrator before the end of the fall and spring term. The continuing eligibility rosters shall be returned to the Arkansas Department of Higher Education no later than January 15 based on the Fall semester and June 1 based on the Spring semester to ensure that adequate time is provided to notify students of their status in the program.

(D) Deadlines for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after receipt of funds. Any outstanding funds not disbursed by these dates must be returned to the Arkansas Department of Higher Education. For those students whose applications are received by ADHE too late to allow disbursement by these dates, disbursement will be made within 10 working days of receipt of the verification roster and electronic transfer of funds.

(E) Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on any Arkansas Workforce Challenge Scholarship recipient or former recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Arkansas Workforce Challenge Scholarship. The Arkansas Department of Higher Education shall periodically review the institution's records concerning this program in an effort to exercise its due diligence requirements as a steward of state funds.

Approved: Agenda Item No. 4
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