# ARKANSAS HIGHER EDUCATION COORDINATING BOARD SPECIAL MEETING

# Thursday, August 26, 2021 12:00 p.m.

## Via Zoom

## AGENDA

- \*1. Policy Amendment: Arkansas Academic Challenge Scholarship (Dr. Maria Markham)
- \*2. Policy Amendment: Arkansas Future Grant Scholarship (Dr. Markham)
- \*3. Policy Amendment: Arkansas Governor's Scholars Program (Dr. Markham)
- \*4. Policy Amendment: Arkansas Workforce Challenge Program (Dr. Markham)
- \*5. Policy Amendment: Arkansas Concurrent Challenge Scholarship Program (Dr. Markham)
- \*6. Policy Amendment: Law Enforcement Officers' Dependents Scholarship Program (Dr. Markham)
- \*7. Policy Amendment: Military Dependents' Scholarship Program (Dr. Markham)
- \*8. Policy Amendment: Out-of-State Veterinary Medical Education Loan Repayment Program (Dr. Markham)
- \*9. Recognition of Online Campus as an Organizational Unit by the University of Arkansas System (Dr. Markham)

Agenda Item No. 1 Higher Education Coordinating Board August 26, 2021

## ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM RULES AND REGULATIONS

In compliance with Acts 80, 81, and 636 of 2021, the proposed amendments to the Arkansas Academic Challenge Scholarship Program rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Academic Challenge Scholarship Program to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Academic Challenge Scholarship Program.

### Financial Aid

## Arkansas Division of Higher Education Rules Governing Arkansas Academic Challenge Scholarship Program

## **Policy Statement**

These rules shall be known as the Arkansas Division of Higher Education Rules Governing the Arkansas Academic Challenge Scholarship Program. 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. 6-85-202 ET. Seq.

## **Applicability**

This rule is applicable to students who apply for a scholarship under the Arkansas Academic Challenge Scholarship Program for the academic year 2010-2011 and each academic year thereafter. Recipients of Arkansas Governor's Distinguished Scholarships are prohibited from receiving Arkansas Academic Challenge Scholarships under this subchapter.

## **Definitions**

- (1) "Academic Year" means fall, spring, first and second summer semesters in that order, or as defined by the Division of Higher Education;
- (2) "ACT" means the ACT Assessment administered by ACT, Inc.;
- (3) "ACT equivalent" means the Scholastic Aptitude Test (SAT), COMPASS, Accuplacer ACCUPLACER, Asset or other nationally normed test that is correlated with the ACT and approved by the Division of Higher Education for use by institutions of higher education to assess a person's college readiness;
- (4) "Approved institution of higher education" means an institution of higher education approved by the Division of Higher Education to participate in the Arkansas Academic Challenge Scholarship Program Part 2 and that is:
  - (a) A state-supported two-year or four-year college or university;
  - (b) 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 student

aid funds; or

- (c) An approved school of nursing, subject to the provisions of § 6-85-213(c);
- (5) "Approved school of nursing" means a school of nursing with its primary headquarter located in Arkansas that:
  - (a) Prepares students as registered nurses;
  - **(b)** Grants nursing diplomas;
  - (c) Is eligible to participate in the Higher Education Act of 1965, Title IV federal student aid programs;
  - (d) Is approved by the Arkansas State Board of Nursing;
  - (e) Has been approved by the Division of Higher Education as eligible to participate in the Arkansas Academic Challenge Scholarship Program; and
  - (f) Is not a two-year or four-year college or university;
- (6) "Arkansas resident" means a natural person who provides evidence deemed sufficient by the Division of Higher Education that:
  - (a) For the twelve-month period required under basic eligibility requirements the person:
    - (i) Maintained a permanent home in Arkansas where the person resides for an average of no less than four (4) days and nights per calendar week; and
    - (ii) Either:
      - (a) Is an Arkansas registered voter;
      - (b) Holds a valid Arkansas motor vehicle driver's license;
      - (c) Receives benefits under an Arkansas public assistance program;
      - (d) Uses an Arkansas residence address for federal or state tax purposes; or
      - (e) Claims Arkansas as a residence to hold public office or for judicial actions; or
  - (b) Before the deadline for filing a scholarship application under this rule the applicant:
    - (i) Is on active military status;

- (ii) Qualifies for in-state tuition and fees if the student is a:
  - (1) Veteran who was <u>honorably</u> discharged or released from a period of not less than ninety (90) days of active duty in the military, naval, or air service within three (3) years before the date of enrollment in a program of study;
  - (2) Dependent of a veteran under subdivision (1) of this section;
  - (3) Member of the armed forces; or
  - (4) Spouse of a member of the armed forces and,
- (iii) Meets one (1) of the conditions under subdivision (6)(A)(ii) of this section:

## (7) "Continuously enrolled" means:

- (a) For a traditional student, he or she successfully completes at an approved institution of higher education twenty-seven (27) semester hours in the first academic year as a recipient and, except while the recipient is enrolled as a part-time student if the recipient is enrolled in the number of credit hours necessary to complete the recipient's degree program, successfully completes thirty (30) semester hours each academic year thereafter;
- **(b)** For a full-time nontraditional student, he or she successfully completes at an approved institution of higher education at least fifteen (15) semester hours of courses in consecutive semesters:
- (c) For a part-time nontraditional student, he or she successfully completes at an approved institution of higher education at least six (6) semester hours of courses in consecutive semesters; and
- (d) For a student who is enrolled in a degree plan that has a maximum number of semester hours in a semester that is less than the requirements of subdivisions (7)(A)-(C) of this section, he or she successfully completes at an approved institution of higher education the maximum number of hours required by the degree plan for the semester;
- (8) "Cost of attendance" means the recognized cost of attendance of an institution of higher education calculated under rules established by the Division of Higher Education;
- (9) "Full Time Student" means a student enrolled in at least twenty-seven (27) semester hours the first academic year and thirty (30) semester hours per academic year thereafter or the equivalent, as described in this rule, or the equivalent as defined by the Division of Higher Education;
- (10) End-of-course assessment" means an examination taken at the completion of a course of study to determine whether a student demonstrates attainment of the knowledge and skills

### necessary for mastery of that subject;

- (10) "Enrolled" means that the approved institution of higher education where the student is attending class counts the student as enrolled for the hours claimed on the last day to add or drop a class at the approved institution of higher education;
- (11) "High school equivalency test" means a test measuring the knowledge and skills usually learned in high school that is administered by a state approved institution or organization;
- (13) (11) High school grade point average" means the numbered grade average on a student's high school transcript calculated:
  - a. For a traditional student, using the first seven (7) of the last eight (8) semesters the student completed prior to graduating high school; or
  - b. For a nontraditional student, using the last eight (8) semesters the student completed before graduating high school;
- (12) (14) "Incarcerated" means a person who has been convicted of a crime and is imprisoned for that crime or is being held in custody for trial or sentencing. Incarceration will result in applicant or recipient being ineligible for the Academic Challenge Scholarship;
- (13) (15) "Lawful permanent resident" means a non-United States citizen who resides in the United States under a legally recognized and lawfully recorded permanent residence and who may receive state public benefits under 8 U.S.C. § 1622;
- (15)"Nontraditional student" means a student who is not a traditional student;
- (16)"Personally identifiable student data" means any information that, alone or incombination with other available information, is linked or linkable to a specific student that would allow a reasonable person in the student's school community to identify the student with reasonable certainty;
- (17) Postsecondary grade point average means the cumulative numbered grade average for college credit courses as calculated using a 4.0 scale;
- (19) (14) "Qualified certificate program" means a program:
  - a. That is offered by an approved institution of higher education;
  - b. For which credit hours are awarded that are creditable toward an associate degree or baccalaureate degree; and
  - c. Recognized by the United States Division of Education for financial aid purposes;

- (20) (15) "Recipient" means an applicant awarded a scholarship funded through the program;
- (21) "Scholarship hold" means the temporary suspension of a scholarship award to a traditional student under this rule approved by the Division of Higher Education under § 6-85-221;
- (22) (16) "Semester" means one-half (1/2) of a traditional academic year at an institution of higher education, or an equivalent approved by the Division of Higher Education, in which a student enrolls for not less than:
  - a. Fifteen (15) credit hours as a full-time student, except that in the first semester as a first-time full-time freshman, a traditional student shall enroll in not less than twelve (12) credit hours; or
  - b. Six (6) credit hours as a part-time student;
- (23) "Smart Core" means:
  - c. The college and career readiness curriculum by that name under rules of the State Board of Education; or
  - d. A college and career readiness curriculum that is:
    - i.Established by rules of the state board in coordination with the Division of Higher Education; and
  - ii. Substituted for the curriculum named "Smart Core";
- (24) (17) "State-supported student financial assistance" means a state-supported scholarship, grant, tuition waiver, or tuition reimbursement funded with state funds or net proceeds from the state lottery awarded by:
  - a. The Division of Higher Education; or
  - b. A scholarship or grant awarded by an institution of higher education in this state in whole or in part by state funds, including without limitation:
    - i. Scholarships awarded on the basis of entrance exam scores or high school academic achievement;
    - ii. Tuition waivers based on age, military service, occupation, or other factors:
    - iii.Out-of-state tuition waivers for undergraduate students from contiguous states in close proximity to a college or university;
    - iv. Scholarships for transfers from two-year institutions;

- v. Performance scholarships for band, musical performing groups, arts, theater, forensics, and similar activities that are not awarded on the basis of entrance exam scores or high school academic achievement; and
- vi. Any other publicly funded program under which students are not charged or are reimbursed by the institution of higher education for tuition, fees, books, or other costs of attendance;
- (25) "Successfully completed" means that a student completed a course at an institution of higher education and received the equivalent of a minimum letter grade of "D";
- (26) (18) "Superscore" means the final composite score that is calculated according to a combination of the highest individual section scores across all of the ACT tests taken by an individual.

## (26) (A) (19)(A) "Traditional student" means a student who:

- (i) Will enter postsecondary education as a full-time first-time freshman on or before the fall semester of the academic year that begins immediately following:
  - (a) The student's graduation from high school; or
  - **(b)** The last day of the school year:
    - (1) That would have been the student's junior or senior year of high school; and
    - (2) In which the student completes the requirements for high school graduation and obtains a General Educational Development certificate instead of receiving a diploma; and
- (ii) Remains continuously enrolled as a full-time student;
- **(B)** "Traditional student" includes a student who otherwise meets this definition but delays entering postsecondary education under a scholarship hold approved by the Division of Higher Education.

### **Procedures**

## **Basic Eligibility Requirements.**

The basic requirements for an applicant to be eligible for an award from the Arkansas Academic Challenge Scholarship Program are:

- (1) (A) The applicant has been an Arkansas resident for at least the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education.
  - **(B)** If the applicant is less than twenty-one (21) years of age, either the applicant or a parent or guardian of the applicant shall have maintained Arkansas residency for at least

the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education.

- (C) (i) To be considered an Arkansas resident, an applicant shall demonstrate residency by evidence deemed sufficient to the Division of Higher Education.
  - (ii) Evidence of residency may include without limitation information provided by the applicant on the Free Application for Federal Student Aid or a subsequent application required by the United States Division of Education for federal financial aid.
- (**D**) During the twelve (12) months immediately preceding the date an applicant will enroll in an approved institution of higher education if the person for whom the twelvemonth period is calculated under subdivision (1)(A) or (1)(B) of this section is deployed outside of Arkansas under military orders, the Division of Higher Education shall calculate the twelve (12) months by:
  - (i) Excluding months of military deployment outside of Arkansas that are within the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education; and
  - (ii) Including months the person maintained Arkansas residency immediately preceding the military deployment outside of Arkansas;
- (2) The applicant is a citizen of the United States or is a lawful permanent resident;
- (3) (A) The applicant is accepted for admission as a full-time student or part-time student at an approved institution of higher education in a program of study that leads to or is creditable toward:
  - (a) A baccalaureate degree;
  - **(b)** An associate degree;
  - (c) A certificate from a qualified certificate program; or
  - (d) A graduate-level or professional degree; or
  - (ii) An approved school of nursing in a program of study that leads to a nursing diploma under § 6-85-213.
  - **(B)** A full-time student shall enroll in at least twenty-seven (27) semester hours the first academic year and thirty (30) semester hours per academic year thereafter or the equivalent, as described in this rule, or the equivalent as defined by the Division of Higher Education.
  - (C) A part-time student shall complete at least six (6) semester hours but less than the minimum number of semester hours for a full-time student, as defined by the Division of Higher Education.

- (4) The applicant has not met the maximum continuing education eligibility requirements under § 6-85-210;
- (5) The applicant does not owe a refund on a federal or state student financial aid grant for higher education;
- (6) The applicant is not in default on a state or federal student financial aid loan for higher education;
- (7) The applicant has not borrowed, as determined by the approved institution of higher education to be attended, in excess of the annual loan limits under the Federal Family Educational Loan Program Systems, William D. Ford Federal Direct Loan Program, Income Contingent Loan Demonstration Program, Stafford Loan Program, Parent Loan for Undergraduate Students Program, or Supplemental Loan for Students Program in the same academic year for which the student has applied for assistance under this rule;
- (8) The applicant is not incarcerated at the time of the application for or during the time the applicant receives a scholarship under this rule;
- (9) The applicant has complied with United States Selective Service System requirements for registration;
- (10) The applicant has completed and submitted to the United States Division of Education a Free Application for Federal Student Aid or a subsequent application required by the United States Division of Education for federal financial aid; and
- (11) The applicant certifies that he or she is drug-free and pledges in writing on the application form to refrain from the use or abuse of illegal substances in order to become eligible and maintain eligibility for this program.

### Additional Eligibility Requirements for Traditional Students.

In addition to the basic eligibility requirements an applicant is eligible as a traditional student if the applicant:

- (1) Graduated from an Arkansas public high school and has a minimum superscore of nineteen (19) on the ACT or the equivalent score on an ACT equivalent;
- (2) Has a disability identified under the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq., as it existed on July 1, 2009, and graduated from an Arkansas public high school, and either:
  - (A) Had a minimum superscore of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; or

- (B) Scored proficient or higher on all state-mandated end-of-course assessments, including without limitation end of course assessments on:
  - (i) Algebra I;
  - (ii) Geometry;
  - (iii) Biology; and
  - (iv) Literacy; or
- (3) Achieved a minimum superscore of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; and
  - (A) Graduated from a private high school, an out-of-state high school, or a home school high school; or
  - **(B)** In the year in which the student would have been a junior or senior in high school, completed the requirements for high school graduation and obtained a high school equivalency diploma approved by the Division of Career Education Division of Workforce Services instead of receiving a diploma; or
- (4) Meets the following criteria;
  - (A) Was enrolled at an institution of higher education in the immediately preceding academic year as a full-time, first-time freshman;
  - (**B**) Did not receive a scholarship under this rule as a first-time, full-time freshman;
  - (C) Successfully completed with the equivalent of a minimum letter grade of "D" at least twenty-seven (27) semester hours of courses as a full-time, first-time freshman; and
  - **(D)** Achieved a postsecondary grade point average of at least 2.5 on a 4.0 scale as a full-time, first –time freshman.

## Additional eligibility requirements for a nontraditional student.

In addition to the basic eligibility requirements an applicant is eligible as a nontraditional student if the applicant meets one (1) of the following requirements:

- (1) If the applicant has not been enrolled in an approved institution of higher education, has either:
  - (A) Graduated from an Arkansas public high school and achieved a 2.5 high school grade point average; or
  - **(B)** Graduated from an Arkansas public high school, a private high school, an out-of-state high school, a home school high school, or obtained a high school equivalency

diploma approved by the <u>Division of Career Education</u> <u>Division of Workforce</u> <u>Services</u> and had a minimum superscore of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; or

(2) If the applicant has been enrolled in an approved institution of higher education, has earned a postsecondary grade point average of at least 2.5 on a 4.0 scale.

### Continuing eligibility.

- (a) (1) (A) A recipient who meets continuing eligibility criteria under this rule shall receive a scholarship for one (1) academic year renewable annually until the recipient has earned one hundred twenty (120) semester credit hours.
  - (**B**) A recipient may continue to receive a scholarship after he or she has earned one hundred twenty (120) semester credit hours, but not more than one hundred thirty (130) semester credit hours, if the student is enrolled in a baccalaureate degree program that requires more than one hundred twenty (120) semester credit hours as provided under § 6-61-232.
  - (1) A semester in which a student withdraws or fails to complete the number of credit hours for which the student first enrolled is counted toward the maximum number of semesters for which the student may receive a scholarship award under this rule.
  - (2) The maximums under this subsection apply to any degree program, regardless of whether or not the degree program requires additional semesters.
  - (3) A recipient may attend summer terms at the student's own expense to earn credit hours necessary to maintain eligibility for a scholarship under this rule.
  - (4) For each eligible term, all required hours for continuing eligibility must be taken at one approved institution.
- (b) To maintain eligibility for an Arkansas Academic Challenge Scholarship under this rule, a recipient shall meet the following requirements:
  - (1) A recipient shall continue Continue to meet the <u>relevant</u> eligibility requirements of this rule while a recipient of a scholarship under this rule;
  - (2) (A) (i) A recipient shall meet Meet the satisfactory academic progress standards required to receive other financial aid at the approved institution of higher education where the recipient is enrolled, as determined by the Division of Higher Education in conjunction with the institution of higher education where the recipient is enrolled.
    - (ii) (a) (B)(i) A recipient who does not successfully complete any credit hours toward degree completion in a semester in which he or she received a scholarship under this rule immediately forfeits the remainder of the scholarship award for that

academic year.

- (b) (ii) The Division shall notify the recipient of the loss of eligibility under this subdivision.
- (iii) (C) By accepting scholarship funds under this rule, the receiving institution certifies that students will be enrolled in courses that will meet satisfactory academic progress standards leading toward a certificate, an associate degree, a nursing diploma, a baccalaureate degree, or a graduate-level or professional degree.
- (B) The Division may approve a leave of absence for a reason that includes without limitation:
  - (i) A medical condition of the student or a member of the student's immediate family that, on the basis of a physician's good-faith judgment, necessitates the student or the student's immediate family member to be hospitalized or receive outpatient or home based medical care or recuperation until released by the attending physician;
  - (ii) A personal or family emergency that requires the student to:
    - (a) Attend the funeral of an immediate family member; or
    - **(b)** Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;
  - (iii) Military service under § 6-61-112;
  - (iv) (a) A commitment for twelve (12) to twenty four (24) months of service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose.
    - (b) The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project;
    - (c) The Division shall release a scholarship hold if the Division determines that the student did not complete the commitment under the written agreement; or
    - (v) Any other reason approved by the Division;
- (3) A recipient who enrolls If enrolling in one (1) or more remedial courses, shall complete all remedial courses required by the approved institution of higher education by the time the student completes the first thirty (30) semester hours attempted after receiving the scholarship;
- (4) A recipient shall earn Earn a postsecondary grade point average of 2.5 or higher on a 4.0 scale at an approved institution of higher education;
- (5) A recipient shall enroll Enroll in courses that lead toward a baccalaureate degree or

graduate-level or professional degree after attempting the lesser of:

- (A) Five (5) semesters; or
- (B) The completion of an associate degree program; and
- **(6)** A recipient shall meet Meet any other continuing eligibility criteria established by the Division of Higher Education.
- (c) (1) A traditional student recipient who loses eligibility for a scholarship may apply as a first-time nontraditional student.
  - (2) A recipient under subdivision (c)(1) of this section who loses eligibility for the nontraditional student scholarship is not eligible to apply for a scholarship under any eligibility provision of this rule.
- (d) If a recipient is subject to losing a scholarship under subsection (c) of this section due to a catastrophic event experienced by the recipient or a family member of the recipient, the Division may waive the requirements of this section and determine the appropriate requirements for the recipient to either retain or regain the scholarship.

### Literacy tutoring.

- (a) As an additional component to the Arkansas Academic Challenge Scholarship Program:
  - (1) Each applicant for the scholarship shall agree that for each year the scholarship is awarded he or she may volunteer to serve as a literacy tutor for a minimum of twenty (20) clock hours each semester in a public school or a faith-based educational institution serving students in prekindergarten through grade six (preK-6);
  - (2) A recipient who agrees to volunteer as a literacy tutor:
    - (A) Shall complete the prerequisite training in literacy and college readiness skills-provided under this section before he or she begins tutoring; and
    - (B) May receive college credit for the tutoring as determined by the institution of higher education where the recipient is enrolled; and
  - (3) An enrolled college student who participates in the tutorial program and fails to meet the academic eligibility requirement under this rule for the fall or spring semester shall be given the probationary opportunity during the subsequent spring or summer term to continue his or her education and improve academic performance before losing scholarship funding in the subsequent semester.
- (b) A recipient who agrees to volunteer as a literacy tutor under this section shall receive the prerequisite training in literacy and college readiness from an approved institution of higher education based on training modules developed by the Division of Education.

## Scholarship award amounts.

- (a) The General Assembly may use net proceeds from the state lottery to fund the scholarships awarded under this rule and to supplement the state-supported student financial assistance that the General Assembly determines is necessary to meet the state's objective for broadening and increasing access of Arkansas citizens to higher education.
- (b) Net proceeds from the state lottery used to fund scholarships under this rule shall:
  - (1) Be used exclusively for the purposes set out in Arkansas Constitution, Amendment 87, and this rule; and
  - (2) Supplement and shall not supplant nonlottery state educational resources.
- (c) It is the General Assembly's intent that before increasing award amounts for scholarships under this rule, the number of scholarships awarded to nontraditional students under § 6-5-208 be increased.
- (d) (c) The scholarships established under this rule are subject to available funding and do not create for any student an entitlement to financial assistance to enable the student's attendance at an approved institution of higher education.
- (e) (1) (A) (d)(1)(A) Beginning with the 2016-2017 academic year, Subject to the availability of net revenue, the scholarship award amount under this rule for an academic year for a full-time recipient enrolled in a four-year approved institution of higher education is:
  - (i) One thousand dollars (\$1,000) for a recipient who has earned less than twenty-seven (27) semester credit hours;
  - (ii) Four thousand dollars (\$4,000) for a recipient who has earned at least twenty-seven (27) semester credit hours but less than fifty-seven (57) semester credit hours;
  - (iii) Four thousand dollars (\$4,000) for a recipient who has earned at least fifty-seven (57) semester credit hours but less than eighty-seven (87) semester credit hours; and
  - (iv) (a) Five thousand dollars (\$5,000) for a recipient who has earned at least eighty-seven (87) semester credit hours but no more than one hundred twenty (120) semester credit hours, unless the recipient is enrolled in a baccalaureate degree program that requires more than one hundred (120) semester credit hours, but not more than one hundred thirty (130) semester credit hours, as provided under § 6-61-232, then up to the number of credit hours required to complete the baccalaureate program.
    - (b) A recipient shall receive no more than one (1) year of the scholarship provided under subdivision  $\frac{(e)(1)(A)(iv)(a)}{(d)(1)(A)(iv)(a)}$  of this section unless the recipient is enrolled in a baccalaureate degree program that requires more than one hundred (120) semester credit hours as provided under § 6-61-232.

- (c) (1) A recipient who is eligible to receive the scholarship under subdivision (e)  $\frac{(1)(A)(iv)(a)}{(d)(1)(A)(iv)(a)}$  of this section may receive the scholarship while enrolled in a semester as a part-time student.
  - (2) The scholarship amount for the semester in which a recipient is enrolled as a part-time student under subdivision  $\frac{(e)(1)(A)(iv)(c)(1)}{(d)(1)(A)(iv)(c)(1)}$  of this section shall be prorated by the number of credit hours in which the recipient is enrolled.
- (B) The Division of Higher Education shall not accept new applications for scholarships for current achiever students under § 6-85-209 after June 1, 2012.
- (C) (i) (B)(i) To determine the correct scholarship award amount based on credit hours, a first-time recipient shall submit a current college or university transcript if the first-time recipient has earned any semester credit hours to the Division of Higher Education no later than a date determined by the Division prior to the academic year for which the first-time recipient will receive an initial scholarship award.
  - (ii) A first-time recipient who does not submit a transcript to the Division on or before the date determined by the Division shall receive the award amount under subdivision (e)(1)(A)(i) (d)(1)(A)(i) of this section.
- (D) (i) (C)(i) An Applicant may elect for the earned semester credit hours under subdivision (e)(1)(A) (d)(1)(A) of this section to be only those semester credit hours earned after graduating from high school or obtaining a high school equivalency diploma approved by the Division of Career Education Division of Workforce Services.
  - (ii) If the applicant makes the election under subdivision (e)(1)(D)(i) (d)(1)(C)(i) of this section, any semester credit hours earned through concurrent credit or any other method before graduating high school or obtaining a high school equivalency diploma approved by the Division of Career Education Division of Workforce Services shall not be counted as earned semester credit hours for the purposes of determining a recipient's scholarship award amount under subdivision (e)(1)(A) (d)(1)(A) of this section.
- (2) (A) Beginning with the 2017–18 academic year, the <u>The</u> Division shall award an aggregate amount of scholarship awards to nontraditional students of up to fifteen million <u>dollars</u> (\$15,000,000).
  - **(B)** (i) The Division shall return to the Office of the Arkansas Lottery the excess funding, if any, for scholarship awards the Division received under § 23-115-801.
    - (ii) The office shall deposit any funds received from the Division under this subdivision (e)(2)(B) (d)(2)(B) into a trust account the Lottery Scholarship Trust Account established under § 23-115-801(b).
  - (C) Priority for scholarships awarded to nontraditional students is based on:

- (i) The applicant's level of progress toward completion of a certificate, an associate degree, a nursing diploma, a baccalaureate degree, or a graduate-level or professional degree; or
- (ii) Other criteria established by the Division of Higher Education.
- (3) The Subject to the availability of net revenue, the scholarship award for an academic year for a full-time student enrolled in one (1) of the following institutions of higher education is one thousand dollars (\$1,000) for the first year and three thousand dollars (\$3,000) for the second year:
  - (A) A two-year approved institution of higher education;
  - **(B)** A branch campus of a four-year approved institution of higher education; or
  - (C) An approved nursing school. school of nursing.
- (4) The Subject to the availability of net revenue, the scholarship award amount for a part-time student recipient shall be:
  - (A) One-half (1/2) of the award amount for a full-time student recipient, if the recipient is enrolled in at least six (6) semester hours but less than nine (9) semester hours; or
  - **(B)** Three-quarters (3/4) of the award amount for a full-time student recipient, if the recipient is enrolled in at least nine (9) semester hours but less than the number of hours required for a full-time student recipient.
- (5) A current recipient who maintains eligibility for the scholarship under this rule shall continue to receive the scholarship award amount first awarded to the recipient.
- **(6)** The Division shall give priority for a scholarship award to a full-time or part-time student:
  - (A) Who meets the eligibility requirements under this rule; and
  - **(B)** Whose parent, by birth or legal adoption:
    - (i) Was a resident of the State of Arkansas at the time that person entered the service of the United States Armed Forces or whose official residence is in Arkansas; and
    - (ii) Was a member of the United States Armed Forces who was killed while performing military duty:
      - (a) In a status identified under 32 U.S.C. § 101 et seq. or 10 U.S.C. § 101 et seq. as they existed on January 1, 2011; or
      - **(b)** In state active duty status.

- (f)(e) Annually by December 15, the Legislative Council shall provide to the General Assembly its recommendations for any changes to the:
  - (1) Award amounts:
  - (2) Number or type of scholarships; and
  - (3) Eligibility requirements.
  - (g) (f) It is the intent of the General Assembly that in determining award amounts under this rule the General Assembly will consider whether sufficient funds will be available to pay for scholarship awards through the anticipated completion of the degree or certificate a recipient is seeking.
  - (h) (g) All awards under this subchapter are subject to the prohibition under § 6-80-105 against using public funds in a student financial package in excess of the recognized cost of attendance at the institution where the student is enrolled.
  - (i)(1) (h)(1) If the Division has less than a sufficient amount from net proceeds from the state lottery to provide for the scholarship commitments under this rule, the Division shall give priority for continued financial support under this rule to a student with continuing eligibility superior to first-time applicants.
    - (2) If the funding is insufficient to fully fund the scholarships for students with continuing eligibility created under this rule, the Division shall award scholarships based upon the following criteria to students with continuing eligibility as follows:
      - (A) First, to students who have the highest level of progress toward completion of a certificate, an associate degree, a baccalaureate degree, or a graduate-level or professional degree, and who are enrolled in a program of study that is:
        - i. In an area of critical workforce need as determined by the Division; or
        - ii. In a science, technology, engineering, or mathematics field;
        - **(B)** Second, to students who have the highest level of progress toward completion of a certificate, an associate degree, a baccalaureate degree, or a graduate-level or professional degree, and who are enrolled in a program of study other than those listed in subdivision (i)(2)(A) (h)(2)(A) of this section; and
        - (C) Last, in the event funding is insufficient to fully fund students under subdivision (i)(2)(A) (h)(2)(A) or (i)(2)(B) (h)(2)(B) of this section, to students who have the highest postsecondary grade point average.
    - (3)(A) If after funding all students with continuing eligibility under this section funding is insufficient to fund all qualified first-time applicants, the Division shall award scholarships to first-time applicants in order of priority based upon the applicants' ACT superscore or ACT-equivalent superscore.

(B) If after prioritizing first-time applicants based upon the applicants' ACT or ACT equivalent scores funding is insufficient to fund all applicants with like ACT or ACT equivalent scores, the Division shall determine who receives an award by random drawing.

## Payments of Scholarships.

- (A) The Arkansas Division of Higher Education shall disburse scholarships to the approved institution of the student's choice. The Arkansas Division of Higher Education shall send funds to the institution via electronic funds transfer or state warrant. After verification of full-time enrollment, the institution will disburse the scholarship to the student according to the institution's disbursement procedures. The scholarship payment will correspond to academic terms, semesters, quarters, or equivalent time periods at the eligible institution. In no instance may the entire amount of the scholarship disbursement for an educational year be paid to or on behalf of such student in advance.
- (B) Transfer of Scholarships to another Approved Institution

A recipient who has received an Academic Challenge Scholarship may transfer the scholarship to another approved Arkansas institution of higher education, provided that:

1. The student notifies the Arkansas Division of Higher Education of the change of status by October 1 for the fall term and by February 1 for the winter and/or spring terms by changing the college on the student's ADHE YOUniversal financial aid account;

## (C) Repayment of Scholarships

If the recipient of a scholarship withdraws, drops out, or is expelled on or after the first day of class of a payment period, the institution will determine whether the student received an overpayment of financial aid funds for non-institutional expenses. Overpayment is the difference between the amount received as cash disbursements and the amount incurred for non-institutional costs during the portion of the payment period that the student was actually enrolled. It is the institution's responsibility to contact students and recover overpayments.

### (**D**) Refunds

The Arkansas Academic Challenge Scholarship Program is entitled to a refund of the scholarship or loan amount, for that semester, if the recipient of a scholarship or loan withdraws, drops out, or is expelled on or after his or her first day of class of the payment period and the situation falls under the refund policy of the institution. The institution shall pay the refund to the Arkansas Division of Higher Education.

### **(E)** Overpayment

If the award of an Arkansas Academic Challenge Scholarship results in an overpayment to the student according to the state law (Arkansas Code § 6-80-105) governing the stacking of

scholarships, the institution shall follow the ADHE Stacking policy in reducing the student's financial package to prevent the student from receiving funds above the federally recognized cost of attendance.

## Institutional Responsibilities.

## I. 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 Academic Challenge Scholarship Program 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 full-time enrollment 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 Division 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 Division of Higher Education by November 1 for the fall term and by March 15 for the spring term. Students who are enrolled less than full-time in the current term shall not receive scholarship benefits in that term. The Arkansas Division of Higher Education shall also provide electronic continuing eligibility rosters to the Financial Aid Administrator before the end of the spring term. The continuing eligibility rosters shall be returned to the Arkansas Division of Higher Education no later than June 1 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 Division 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 Division of Higher Education on any Arkansas Academic 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 Academic Challenge Scholarship Program. The Arkansas Division 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.

## II. Recipient's Responsibilities

It is the recipient's responsibility to notify the Arkansas Division of Higher Education of any change in status within 21 days. This will include:

- Change in name
- Change in address
- Change in institution
- Change in full-time status (twelve college credit hours for those students who are in their first fall semester following high school graduation, fifteen college credit hours for those students who are beyond the first fall semester following high school graduation)

Failure to notify the Arkansas Division of Higher Education of a change of status may affect future eligibility.

### Scholarship hold-Leave of absence.

- (a) (1) The Division of Higher Education may approve a scholarship hold <u>or a leave of</u> absence for a traditional student for a period of twenty-four (24) months or less.
- (b) (2) The reasons for a scholarship hold <u>or a leave of absence</u> may include without limitation:
  - (A)(1) A medical condition of the student or a member of the student's immediate family that, on the basis of a physician's good-faith judgment, necessitates the student or the student's immediate family member to be hospitalized or receive outpatient or home-based medical care or to recuperate until released by the attending physician;
  - (B) (2) A personal or family emergency that requires the student to:
    - (i)(A) Attend the funeral of an immediate family member; or (ii)(B) Visit a relative of the student if the relative has a medical condition in which death is possible or imminent; or

- (C) (3) Military service under § 6-61-112; or
- (D) (4)(A) A commitment of twelve (12) to twenty-four (24) months for service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose.
- (ii) (B) The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project.
- (iii) (C) The Division shall release a scholarship hold <u>or a leave of absence, whichever is applicable,</u> if the Division determines that the student did not complete the commitment under the written agreement.

Amended: Agenda Item No. 3 July 26, 2019 Agenda Item No. 2 Higher Education Coordinating Board August 26, 2021

## ARKANSAS FUTURE GRANT SCHOLARSHIP RULES AND REGULATIONS

In compliance with Act 388 of 2021, the proposed amendments to the Arkansas Futures Grant rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Futures Grant to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Futures Grant.

### Financial Aid

## <u>Arkansas Division of Higher Education</u> <u>Rules Governing</u> Arkansas Future Grant Program

## **Policy Statement**

These rules shall be known as the Arkansas Department Division of Higher Education Rules Governing the Arkansas Future Grant Program. 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. 6-82-1801 ET. Seq.

#### **Definitions**

- (1) "Approved institution of higher education" means an institution of higher education approved by the Department Division of Higher Education to participate in the Arkansas Future Grant Program and that is:
  - (A) A state-supported two-year or four-year college or university;
  - (B) A state-supported technical institute; or
  - (C) An approved state-supported school of nursing; or
  - (D) A private, nonprofit two-year or four-year college or university.
- (2) "Approved state-supported school of nursing" means a state-supported school of nursing with its primary headquarters located in Arkansas that:
  - (A) Prepares students as registered nurses;
  - (B) Grants nursing diplomas;
  - (C) Is eligible to participate in the federal student aid programs of the Higher Education Act of 1965, 20 U.S.C. § 1070 et seq.;
  - (D) Is approved by the Arkansas State Board of Nursing;

- (E) Has been approved by the <del>Department</del> <u>Division</u> of Higher Education as eligible to participate in the Arkansas Future Grant Program; and
- (F) Is not a two-year or four-year college or university;
- (3) "Federal student financial assistance" means scholarships or grants awarded to a student as a result of:
  - (A) An approved Free Application for Federal Student Aid, including without limitation a Pell Grant; or
  - (B) The student's or other family member's service in the United States Armed Forces, including without limitation the Army National Guard or Air National Guard;
- (4) "Private scholarship" means a scholarship or grant awarded by a private entity or donor; and
- (5) "Regional high-demand field" means any field of study identified as in demand by the Arkansas Department Division of Workforce Services as published on its annual regional Projected Employment Opportunities List or any field of study identified as high demand by an approved institution of higher education and approved by the Department Division of Higher Education.
- (6) "State-supported student financial assistance" means a state-supported scholarship, grant, tuition waiver, or tuition reimbursement funded with state funds or net proceeds from the state lottery awarded by:
  - (A) The <del>Department</del> <u>Division</u> of Higher Education; or
  - (B) A scholarship or grant awarded by an approved institution of higher education in this state funded, in whole or in part, by state funds, including without limitation:
    - (i) Scholarships awarded on the basis of entrance exam scores or high school academic achievement;
    - (ii) Tuition waivers based on age, military service, occupation, or other factors;
    - (iii) Performance scholarships for band, musical performing groups, arts, theater, forensics, and similar activities that are not awarded on the basis of entrance exam scores or high school academic achievement; and
    - (iv) Any other publicly funded program under which students are not charged or are reimbursed by the approved institution of higher education for tuition, fees, books, or other costs of attendance.

#### **Procedures**

### **Eligibility Requirements.**

(a) A student is eligible for an Arkansas Future Grant if the student is an Arkansas resident who:

- (1) Meets one (1) of the following requirements:(A) Has either:

(i) Graduated from an Arkansas:

- (a) Public high school;
- (b) Private high school; or
- (c) Home school under § 6-15-501 et seq.; or
- (ii) Received a high school equivalency diploma approved by the <del>Department of Career Education</del> <u>Division of Workforce Services</u>; or
- (B) Verifies that he or she has resided in Arkansas for the three (3) years immediately preceding application for the grant and has either:
  - (i) Graduated from an out-of-state:
    - (a) Public high school;
    - (b) Private high school; or
    - (c) Home school recognized by another state; or
  - (ii) Received a high school equivalency diploma approved by another state;
- (2) Is enrolled part-time or full-time at an approved institution of higher education in a program of study that leads to an associate degree or a certification in a:
  - (A) Science, technology, engineering, accounting, finance, nursing, education or mathematics field, including without limitation computer science, information technology, data analysis, or graphic design;
  - (B) Regional high-demand field; or
  - (C) State high-demand field; and
- (3) Has completed and submitted to the United States Department of Education a Free Application for Federal Student Aid or a subsequent application required by the United States Department of Education for federal financial aid.

### Continuing Eligibility Requirements.

- (a) A student may continue to be eligible until the student has:
  - (1) Received the grant for five (5) academic semesters;
  - (2) Obtained an associate degree;
  - (3) Failed to maintain satisfactory academic progress, as determined by the approved institution of higher education in which the student is enrolled; or

(4) Failed to complete the mentoring or community service requirements under the Grant Recipient Responsibilities section of this rule.

### **Grant Award Amounts.**

- (a) (1) An Arkansas Future Grant shall be in an amount equal to the tuition, fees, and other charges incurred by a student who meets the requirements under the Eligibility Requirements and Continuing Eligibility Requirements sections of this rule to attend an approved institution of higher education less the amount the student receives in:
  - (A) State-supported student financial assistance;
  - (B) Federal student financial assistance; and
  - (C) Private scholarships.
  - (2) If the approved institution of higher education in which the student is enrolled is a <u>state-supported four-year</u> institution of higher education or a <u>private</u>, nonprofit four-year institution of higher education, the total amount of tuition, fees, and other charges under subdivision (a)(1) of this section shall be calculated as the average cost of tuition, fees, and other charges at approved institutions of higher education that are <u>state-supported two-year</u> institutions of higher education or <u>private</u>, <u>nonprofit</u> two-year institutions of higher education.
- (b) The <u>Department Division</u> of Higher Education shall disburse the grant directly to the approved institution of higher education.
- (c) The <u>department division</u> shall award grants under this rule in the order in which the <u>department division</u> receives applications from eligible students and based on availability of funds.

#### Grant Hold.

- (a) (1) The Department Division of Higher Education may approve a grant hold for a period of twenty-four (24) months or less.
  - (2) The reasons for a grant hold may include without limitation:
    - (A) A medical condition of the student or a member of the student's immediate family that, on the basis of a physician's good-faith judgment, necessitates the student or the student's immediate family member to be hospitalized or receive outpatient or home-based medical care or to recuperate until released by the attending physician;
    - (B) A personal or family emergency that requires the student to:
      - (i) Attend the funeral of an immediate family member; or
      - (ii) Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;

- (C) Military service under § 6-61-112; or
- (D) (i) A commitment of twelve (12) to twenty-four (24) months for service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose.
  - (ii) The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project.
  - (iii) The department division shall release a grant hold if the department division determines that the student did not complete the commitment under the written agreement.

## **Grant Recipient Responsibilities.**

- (a) A student who receives an Arkansas Future Grant shall enter into a written agreement with the Department Division of Higher Education to:
  - (1) (A) Receive monthly mentoring from a mentor from an organization determined by the Department Division of Higher Education.
    - (B) A mentor under subdivision (a)(1)(A) of this section shall:
      - (i) Receive annual mentoring training:
        - (a) Developed by the Department Division of Higher Education; and
        - (b) Provided by a local volunteer group approved by the <del>Department</del> <u>Division</u> of Higher Education; and
      - (ii) Certify to the <u>Department Division</u> of Higher Education that at least one (1) time each <u>ealendar month</u> <u>semester</u> the mentor has provided mentoring services by telephone, email, or in person to each student he or she is mentoring;
  - (2) (A) Complete at least ten (10) hours of community service each semester the student receives a grant.
    - (B) (i) A student may select a community service project that meets requirements developed by the Department Division of Higher Education.
      - (ii) An approved institution of higher education may provide community services opportunities designed to benefit the approved institution of higher education community or the broader local community.
    - (C) A student shall certify his or her community service to the approved institution of higher education by the last regular day of the semester the student received the grant; and
  - (3) (A) Reside in this state for three consecutive (3) years and be employed beginning within six (6) months after receiving an associate degree or a certification.

- (B) The Department Division of Higher Education may defer the requirement under subdivision (a)(3)(A) of this section if:
  - (i) The Department Division of Higher Education, in consultation with the Department Division of Workforce Services, determines that there was no employment position available that would reasonably enable the student to meet this requirement; or
  - (ii) Special circumstances as determined by the <del>Department</del> <u>Division</u> of Higher Education exist.
- (C) After the period of deferral, the student shall begin or resume working in this state or become subject to repayment under subsection (b) of this section.
- (b) The written agreement under subsection (a) of this section shall provide that the grant converts into a loan and the student shall repay the grant amount:
  - (1) On a pro rata basis at an interest rate and on a schedule as determined by the Department Division of Higher Education for each year the student does not reside in this state for three (3) consecutive years and become employed beginning within six (6) months after receiving an associate degree or a certification; or
  - (2) In its entirety at an interest rate and on a schedule as determined by the <del>Department</del> <u>Division</u> of Higher Education if the recipient does not comply with the written agreement under subsection (a) of this section.
- (c) It is the recipient's responsibility to notify the Arkansas Department Division of Higher Education of any change in status within 21 days. Failure to notify the Arkansas Department Division of Higher Education of a change of status may affect future eligibility. Change of status will include:
  - (1) Change in name
  - (2) Change in address
  - (3) Change in institution

### **Collection of Loan.**

(a) Accounts will be retained by the Department Division of Higher Education in the Financial Aid Division until the individual is no longer eligible for deferment. The account will be turned over to a vendor for repayment. The student will be notified by mail that their account is being placed with a vendor for collections and they will be sent a loan amortization schedule along with the letter. The account will remain with the vendor until repaid or 120 days past due. Loan recipients who are determined by the Department Division of Higher Education to be 120 days delinquent will be mailed their first letter of notification ten (10) days after the installment payment is due. If payment is not forthcoming within 60 days from the original payment due date, a second letter of notification will be sent to the loan recipient declaring their account is delinquent and requesting that the account be immediately brought up to date. If the loan recipient has not responded within 90 days from the original payment due date, the third and final letter of notification will be sent to the recipient informing them that the account will officially be in default if outstanding payments are not made within 30 days.

- (b) Skip Tracing Mechanisms
  - (1) ADHE will use these steps to locate recipients if communications are returned as undelivered:
    - (A) Contact the Motor Vehicle Division of the Arkansas Department of Finance and Administration:
    - (B) Contact references listed on the recipient's application;
    - (C) Utilize telephone directory or check with directory assistance in the area of the recipient's last known address;
    - (D) Contact institutional offices (alumni office, admissions office, registrar's office, fraternity or sorority, and the department that the recipient majored in) at the campus where the recipient last attended;
    - (E) Contact creditors, such as credit card companies, credit bureaus, or GSL lender;
    - (F) Contact recipient's field of study--professional organization, union, or licensing board;
    - (G) Contact post office;
    - (H) Contact utility companies; and,
    - (I) Contact Chamber of Commerce.
- (c) Credit Reporting Agencies
  - (1) Defaulted recipients will be reported to the following Credit Reporting Agencies:
    - (A) CSC Credit Reporting Services, Inc.
    - (B) T R W Credit Data
    - (C) Trans Union Credit Reporting
  - (2) Forms for reporting defaulted loan recipients are located in the collections file. The Department Division of Higher Education will also respond promptly to any inquiries it receives from credit reporting agencies concerning delinquent or defaulted loan recipients.
- (d) State Income Tax Set Off
  - (1) By the authority of Act 345 of 1993, the <del>Department</del> <u>Division</u> of Higher Education has been included as a claimant agency for the setoff of debts against state tax refunds.

## (e) Litigation

(1) No sooner than 30 days after sending the third letter of notification, the Department Division of Higher Education shall institute a civil suit against the recipient for repayment of the loan. Small Claims Courts will be used to satisfy debts of accounts up to \$3,000.00. If over \$3,000.01, the Department Division of Higher Education must use Circuit Court. If the account is \$3,000.01 or above, the Department Division of Higher Education may choose to use Small Claims Courts and waive the difference because of the expense involved in going to Circuit Court. If the Department Division of Higher Education chooses to waive the difference, it cannot later try to collect the difference. Forms to take the recipient to Small Claims Courts are requested from the recipient's county of residence.

(2)

### (f) Write-Offs

- (1) Arkansas Future Grants that convert to loans may be written off as uncollectible if the Department Division of Higher Education shows due diligence to satisfy the collection of the debt, and documents in the recipient's file that:
  - (A) The cost of litigation would exceed the likely recovery if litigation were commenced; or
  - (B) The recipient does not have the means to satisfy a judgment on the debt, or a substantial portion thereof.
- (2) Proof of due diligence collection activities must be submitted to the Administrator of the Department of Finance and Administration and approval from the Administrator must be received before Arkansas Future Grant loan accounts may be written off.

## (g) Nonpayment Penalties

(A) Loan recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt.

## Institutional Responsibilities.

- (a) College/University Responsibilities
  - (1) 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 Future Grant Program 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.

(2) Disbursement Records

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

### (3) 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 Division 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 Division of Higher Education by November 1 for the fall term and by March 15 for the spring term. The Arkansas Department Division 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 Division 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.

## (4) 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 Division 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.

### (5) Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department Division of Higher Education on any Arkansas Future Grant recipient or former recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Arkansas Future Grant Program. The Arkansas Department Division 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.

Amended: Agenda Item No. 4
July 26, 2019

Agenda Item No. 3 Higher Education Coordinating Board August 26, 2021

## ARKANSAS GOVERNOR'S SCHOLARS PROGRAM RULES AND REGULATIONS

In compliance with Act 743 of 2021, the proposed amendments to the Arkansas Governor's Scholars Program rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Governor's Scholars Program to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Governor's Scholars Program.

## Financial Aid

## Arkansas Division of Higher Education Rules Governing Arkansas Governor's Scholars Program

### **Policy Statement**

A scholarship program to promote academic excellence and to encourage the state's most talented graduates to enroll in Arkansas postsecondary educational institutions is created and established which shall be cited as the Arkansas Governor's Scholars Program. These rules shall be known as the Arkansas Department Division of Higher Education Rules Governing the Arkansas Governor's Scholars Program. This policy addresses the student eligibility criteria, method for recipient selection, and 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**

Arkansas Code Annotated § 6-82-301 et. Seq.

### **Definitions**

- (1) "Academic ability" means the intellectual standing of a student. In determining superior academic ability, the Department Division of Higher Education shall examine the student's high school records, competitive examination scores, and demonstrated leadership capabilities;
- (2) "Academic Year" means fall, spring, first and second summer semesters in that order, or as defined by the Department Division of Higher Education;
- (3) "Approved institution" means a public or private college or university:
  - (A) Which is dedicated to educational purposes, located in Arkansas, or located out of state and educating Arkansas residents in dentistry, optometry, veterinary medicine, podiatry, chiropractic, or osteopathy under agreement with the Board of Control for Southern Regional Education, accredited by an accrediting agency certified and recognized by the United States Department of Education or the Division of Agency Evaluation and Institutional Accreditation, or a school giving satisfactory assurance that it has the potential for accreditation and is making progress which, if continued, will result in its achieving accreditation;

- (B) Which does not discriminate in the admission of students on the basis of race, color, religion, sex, or national origin; and
- (C) Which subscribes to the principle of academic freedom;
- (4) "Arkansas resident" means a natural person who provides evidence deemed sufficient by the Department Division of Higher Education. Such evidence includes but is not limited to a valid Arkansas voter's registration card; valid Arkansas motor vehicle driver's license; Arkansas residence address used for federal or state tax purposes; or claims Arkansas as a residence to hold public office or for judicial actions;
- (5) "Competitive examination" means a standardized examination measuring achievement which is administered annually on a specified date and at a specified location and which is announced publicly;
- (6) "Department" "Division" means the Department Division of Higher Education;
- (7) "Eligible student" means a resident of the State of Arkansas as defined by the Department Division of Higher Education who:
  - (A) Is eligible for admission as a full-time student;
  - (B) Declares an intent to matriculate in an approved institution in Arkansas; and
  - (C) Graduates from:
    - (i) A high school in this state, for Arkansas Governor's Scholars; or
    - (ii) A high school, for Arkansas Governor's Distinguished Scholars;
- (8) (A) "Extraordinary academic ability" means:
  - (i) Achievement of a <u>score superscore</u> of 32 or above on the American College Test (ACT) or <u>a score of 1410</u> or above on the Scholastic Aptitude Test (SAT); and
  - (ii) (a) Achievement of a high school grade point average of 3.5 or above on a 4.0 scale; or
  - (b) Selection as a finalist in either the National Merit Scholarship competition, the National Hispanic Recognition Program, or the National Achievement Scholarship competition conducted by the National Merit Scholarship Corporation.
  - (B)The American College Test scores and Scholastic Aptitude Test scores superscores shall be earned by December 31 prior to the application deadline in order for the scores to be considered by the department division for a scholarship award;

- (9) "Full-time student" means a resident of Arkansas who is in attendance at an approved private or public institution and who is enrolled in at least twelve (12) credit hours the first semester and fifteen (15) hours thereafter, or other reasonable academic equivalent as defined by the department division;
- (10) "Part-time student" means a resident of Arkansas who is in attendance at an approved private or public institution and who is enrolled in less than fifteen (15) credit hours for their fourth academic year;
- (11) "Scholarship" means an award to an eligible student for matriculation in an approved institution in the State of Arkansas;
- (12) "Undergraduate student" means an individual who is enrolled in a postsecondary educational program, which leads to or is directly creditable toward the individual's first baccalaureate degree;
- (13) "U.S. Citizen" means the student must be either a United States citizen or a permanent resident alien. If the student is not a United States citizen, but a permanent resident alien, the student must attach a copy of the permanent resident alien form I 151, I 551, I 94, or G 641 to the application.

## **Procedures**

## **Organization and Structure**

The Arkansas Department Division of Higher Education shall administer the Governor's Scholars Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department Division of Higher Education or his/her designee. The Governor's Scholars Advisory Council shall provide advice to the Department Division of Higher Education regarding the administration of the program.

### Governor's Scholars Program Advisory Council

- A. The Governor's Scholars Program Advisory Council shall consist of ten members appointed by the Arkansas Higher Education Coordinating Board for staggered two-year terms and shall represent the public and private sectors of post-secondary education and secondary schools.
- B. The Governor's Scholars Program Advisory Council shall advise the Arkansas Department Division of Higher Education in the determination of guidelines and regulations for the administration of this program.
- C. The Director of the Arkansas Department Division of Higher Education or his/her designee shall serve as presiding officer of the Governor's Scholars Program Advisory Council and shall ensure that staff services for the Council are provided.

The final responsibility for selecting scholarship recipients shall rest with the Director of the Arkansas Department Division of Higher Education pursuant to the provisions of Arkansas Code Annotated § 6-82-301 et. Seq.

When functioning under Arkansas Code Annotated § 6-82-301 et. Seq., the Arkansas Department Division of Higher Education shall follow the provisions of the Administrative Procedures Act.

# **Eligibility Criteria**

- (a) The Arkansas Governor's Scholars Program scholarships are to be awarded to those students who demonstrate the highest capabilities for successful college study.
- (b) A student is eligible for this scholarship if he or she:
  - (1) Meets the admission requirements and is accepted for enrollment as a full-time undergraduate student in an eligible public or private college or university in Arkansas;
  - (2) (A) Is a bona fide resident of the state, as defined by the <del>Department</del> Division of Higher Education, and is either:
    - <u>a.</u> (3) Is <u>A</u> citizen of the United States or a permanent resident alien;
    - b. The holder, or the child of a holder, of a Federal Form I-766
      United States Citizenship and Immigration Services-issued
      Employment Authorization Document, known popularly as a
      "work permit"; or
    - <u>c.</u> <u>A person who is a migrant from the Compact of Free Association</u> Islands
- (B) Preference will be given to students who plan to enter college at the beginning of the academic year directly following their last year of high school attendance;
  - (4) (3) Graduates from a high school;
  - (4) Completes and submits to the U.S. Department of Education a Free Application for Federal Student Aid (FAFSA) or a subsequent application required by the U.S. Department of Education for federal financial aid;
- (5) (A) Demonstrates proficiency in the application of knowledge and skills in reading and writing literacy and mathematics by passing the end-of-course examination as may be developed by the Department of Education and as may be designated by the Department of Higher Education for this purpose.
- (B) "End-of-course" assessment means those assessments defined in § 6-15-419; and
  - (6) (5)(A) Satisfies the qualifications of superior academic ability as established by the Department Division of Higher Education with criteria consisting of value points for academic achievement and leadership, including without limitation:

- (i) American College Test (ACT) or Scholastic Aptitude Test (SAT) score, National Merit Finalist, or National Achievement Finalist;
- (ii) High school grade point average;
- (iii) Rank in high school class; and
- (iv) Leadership in school, community, and employment.
- (B) (i) The Department Division of Higher Education may alter the weight assigned to the individual criterion to more appropriately meet the needs of the state as determined by the Arkansas Higher Education Coordinating Board.

Value points assigned to each selection criterion are weighted as follows:

American College Test (ACT) or Scholastic Aptitude Test (SAT) score, National M	Merit Finalist,
or National Achievement Finalist 459	%
High school grade point average	35%
Rank in high school class	10%
Leadership in school, community, and employment	10%

- (ii) The Department Division of Higher Education shall ensure that the weight assigned to each individual criterion under this subdivision (b)(6)(B) (b)(5)(B) does not place a home-schooled, public school, or private school student at a disadvantage.
- (iii) (a) After determining qualified recipients based on the qualifications under subdivision (b)(6)(A) (b)(5)(A) of this section, the Department Division of Higher Education shall ensure that at least one (1) recipient is selected from each of the seventy-five (75) counties in Arkansas.
  - (b) If any of the seventy-five (75) counties is not represented, the  $\frac{\text{Department}}{\text{Division}}$  of Higher Education shall select a student from each nonrepresented county with the highest qualifications under subdivision  $\frac{\text{(b)(6)(A)}}{\text{(b)(5)(A)}}$  of this section who was not initially qualified.
  - (c) The scholarship shall be weighed on the factors of achievement, ability, and demonstrated leadership capabilities.
  - (d) Students who are selected as Arkansas Governor's Scholars who also exhibit extraordinary academic ability as defined in the definitions section of this rule shall be designated as Arkansas Governor's Distinguished Scholars.
  - (e) Preference will be given to students who plan to enter college at the beginning of the academic year directly following their last year of high school attendance.

### **Continued Eligibility**

- (a) An Arkansas Governor's Scholarship or Arkansas Governor's Distinguished Scholarship may be awarded annually for a period not to exceed an academic year.
- (b)(1) A scholarship shall correspond to academic terms, semesters, quarters, or equivalent time periods at the eligible institutions.
  - (2) In no instance may the entire amount of the grant for an educational year be paid to or on behalf of students in advance.
- (c) Provided sufficient funds are available, a scholarship shall be awarded for one (1) academic year and renewed annually for three (3) additional academic years if the following conditions for renewal are met:
  - (1) The student maintains not less than a 3.0 grade point average on a 4.0 scholastic grading scale;
  - (2) A student receiving a scholarship under the Scholarship Amounts subsection (a) maintains not less than a 3.25 grade point average on a 4.0 scholastic grading scale;
  - (3) The recipient has successfully completed a total of at least twenty-seven (27) hours during the first full academic year and, if applicable, a total of at least thirty (30) hours per academic year thereafter; and
  - (4) The recipient has met any other continuing eligibility criteria established by the Department Division of Higher Education.
  - (5) If a student who has continuously been a recipient of the scholarship for at least three (3) consecutive years is enrolled as a part-time student in the student's fourth academic year, the student shall be eligible to continue to receive the scholarship if the student has completed, by his or her fourth academic year, or is enrolled in, for his or her fourth academic year, the requisite number of credit hours to complete the student's degree program.

# **Application**

Students must submit an on-line application, available at the ADHE website http://scholarships.adhe.edu/.

The application deadline shall be established by the <del>Department</del> <u>Division</u> of Higher Education of the calendar year in which a student graduates from high school. At its discretion, the <del>Department</del> <u>Division</u> of Higher Education may extend the deadline, provided sufficient notice is provided to the public. The applicant is responsible for submitting the

application and all supporting documentation in a timely manner.

# **Number of Scholarships**

- (a) If sufficient funds are available, effective for students receiving their initial awards beginning in fall 2007, the number of initial scholarship awards to eligible high achievers shall not exceed three hundred seventy-five (375) each year.
- (b) If there are more eligible applicants than available scholarships, the department division may determine a procedure for awarding additional scholarships while not exceeding available funds.

# **Use of Scholarship**

- (a) No student may utilize scholarship funds for educational purposes beyond the baccalaureate degree.
- (b) There shall be an exception to the requirement of subsection (a) of this section for any student who receives a baccalaureate degree in three (3) years or less. The student may receive an award of the scholarship for a fourth academic year to be used as a full-time student enrolled in a postgraduate program at an approved institution.

# **Scholarship Amounts**

- (a) An Arkansas Governor's Scholarship or Arkansas Governor's Distinguished Scholarship awarded to a new recipient who enrolls in an approved institution as a first-time entering freshman shall be in an amount that equals the lesser of:
  - (1) Ten thousand dollars (\$10,000); or
  - (2) Tuition, room and board, and mandatory fees charged for a regular full-time course load by the approved institution in which the recipient is enrolled.
- (b) A student selected as a recipient under the "Eligibility Criteria" subsection (b)(6)(B)(iii)(b) who enrolls in an approved institution as a first-time entering freshman after July 1, 2017, shall be awarded in an amount that equals the lesser of:
  - (1) Five thousand dollars (\$5,000); or
  - (2) Tuition, room and board, and mandatory fees charged for a regular full-time course load by the approved institution in which the recipient is enrolled.
- (c) The scholarship amount for each semester in which a student who is the recipient of a scholarship is enrolled as a part-time student during their fourth academic year shall be prorated by the number of credit hours in which the student is enrolled.

# **Notification of Application and Award Status**

- (a) An Arkansas Governor's Scholarship or Arkansas Governor's Distinguished Scholarship shall receive an award notice and information sheet explaining disbursement procedures and conditions of the Arkansas Governor's Scholars Award.
- (b) The Arkansas Department Division of Higher Education shall notify applicants who are determined to be ineligible and provide the reason for ineligibility. They will also be given instructions on how to correct any information on the application they believe to be incorrect.
- (c) Applicants who fail to submit complete applications, or who fail to supply the required documentation to process the application, will be classified as Incomplete. The Arkansas Department Division of Higher Education shall notify these students of their status. The Incomplete Notice provides a list of the incomplete items and the actions necessary for completion.

### **Scholarship Payment Policies**

### (a) Payment of Scholarships

Funds will be disbursed to the approved institution of the Governor's Scholars choice by state warrant. After verification of full-time enrollment, the institution shall disburse the Governor's Scholars Award to the student according to the individual institution's disbursement procedures. Disbursement of the Governor's Scholars award shall correspond with the institution's academic terms (semesters, trimesters, quarters, or equivalent time periods). In no instance may the entire amount of the award for an educational year be paid to or on behalf of the student in advance.

# (b) Transfer to Another Institution of Higher Education

A student who receives a Governor's Scholars Award may transfer to another eligible Arkansas institution of higher education, provided the recipient notifies the Arkansas Department Division of Higher Education, in writing, of the change of institution by October 1 for the fall term, and by February 1 for the winter and/or spring terms. Failure to notify the Arkansas Department Division of Higher Education by the specified deadlines shall result in the loss of the Governor's Scholars award for the term in question.

### (c) Scholarship Hold

The Department Division of Higher Education may approve a scholarship hold for a student for a period of twenty-four (24) months or less for the following reasons without limitation:

(1) A medical condition of the student or a member of the student's immediate family that, on the basis of a physician's good-faith judgment, necessitates that the student or the student's immediate family member be hospitalized or receive outpatient or home-based medical care or recuperate until released by the attending physician;

- (2) A personal or family emergency that requires the student to:
  - (a) Attend the funeral of an immediate family member; or
  - (b) Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;
- (3) Military service under § 6-61-112; or
- (4) (a) A commitment of twelve (12) to twenty-four (24) months for service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose.
- (b) The student's commitment shall be expressed in a written agreement with the nonprofit organization, including the terms of completion for the student's service on the related project.
- (c) The department division shall release a scholarship hold if the department division determines that the student did not complete the commitment under the written agreement.

The recipient must submit a written request for a scholarship hold. The petition shall give the reason for withdrawal and be supported by documentation. In the absence of extraordinary circumstances, the award will be revoked if the recipient fails to enroll full-time in an eligible institution in Arkansas, and the Arkansas Department Division of Higher Education receives neither notification of transfer of the scholarship to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the fall term and February 1 for the winter and/or spring terms. At the discretion of the Department Division of Higher Education, the award will not be revoked if it is determined by ADHE that extraordinary circumstances prevented the student from notifying ADHE by the required dates.

- (d) Cancellation of Governor's Distinguished Scholar Award
  - (1) The Governor's Scholars Award and the Governor's Distinguished Scholar Award shall be terminated for any one of the following reasons:
    - (a) Failure to maintain a minimum 3.0 cumulative college grade point average (Governor's Scholars) or a minimum 3.25 cumulative college grade point average (Governor's Distinguished Scholars) on a 4.0 scale and successfully complete and pass a minimum of at least twenty-seven (27) credit hours the first academic year and thirty (30) hours each academic year thereafter;
    - (b) Failure to complete a baccalaureate degree within five years from initial college entrance; or
    - (c) Failure to petition the Arkansas <del>Department</del> Division of Higher Education for

a temporary withdrawal for two consecutive academic terms; or

- (d) Failure to enroll as a full time student in an eligible Arkansas college or university after a two-year temporary withdrawal.
- (2) Failure by the Governor's Scholar to provide written notification to the Arkansas Department Division of Higher Education of a change in status (such as a transfer to another eligible institution, change in address, change in name, etc.) before appropriate deadline dates shall result in cancellation of the Governor's Scholars award for the term in question.

# (e) Refunds and Overpayments

If a Governor's Scholar withdraws from an eligible institution, and under the refund policy of that institution the student is entitled to a refund of any tuition, fees, or other changes, the institution shall pay the refund amount in question to the Arkansas Department Division of Higher Education.

Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the recognized cost of attendance at the institution where the student enrolls. The institution must follow ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.

# **Higher Education Institution 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 Governor's Scholars Program and to receive all communications, forms, etc. This representative is responsible for Governor's Scholars disbursement, completion of all forms and rosters, verification of data, and compliance with all Governor's Scholars Program rules and regulations. The institution must comply with the following responsibilities in order to maintain continued eligibility status.

### (b) Disbursement Records

The institution shall maintain information on the student indicating disbursement of Governor's Scholars funds.

### (c) Institutional Information Sheet

The administrator is responsible for designating a certifying official responsible for certifying full-time enrollment and a disbursing official responsible for the disbursement of Governor's Scholars Program funds.

### (d) Institutional Verification

The institution shall provide certification to the Arkansas Department Division of Higher Education each semester after registration, giving the names of the Governor's Scholars who are officially enrolled as full-time students as of the end of the 11<sup>th</sup> class day of enrollment. This information is reported on a verification roster. The person responsible for verification of full-time enrollment is the registrar or a member of the registrar's staff. The certifying official is responsible for completing the verification roster twice a year for those schools on the semester system and three times a year for those schools on the quarter system. The verification roster shall be mailed to the Financial Aid Administrator prior to registration for the semester or quarter. The completed and signed Governor's Scholars verification roster shall be returned to the Arkansas Department Division of Higher Education by the dates specified on the roster. The verification roster is an alphabetical listing by institution of all persons receiving a Governor's Scholars award for a given academic term. Students who are not enrolled full-time in the current term shall not receive Governor's Scholars funds for that term.

### (e) Deadlines for Disbursement of Funds

All funds must be disbursed within ten days of written receipt of funds. Any outstanding funds not disbursed by these dates must be returned within ten days to the Arkansas Department Division of Higher Education.

# (f) Refund Policy

It is the institution's responsibility to notify the Arkansas Department Division of Higher Education of the name of the person who withdrew, the date of the withdrawal, and the refund amount. This information shall be placed on the institution's verification roster before the roster is returned to the Arkansas Department Division of Higher Education. The institution shall be responsible for the refund amount and shall pay that amount to the Arkansas Department Division of Higher Education.

### (g) Continuing Eligibility

It is the responsibility of each institution to complete annually the Continuing Eligibility roster. This roster shall be mailed to all institutions that have a Governor's Scholar enrolled. The Continuing Eligibility roster shall be returned to the Arkansas Department Division of Higher Education by the date specified on the roster. The person responsible for completing the Continuing Eligibility roster is the Financial Aid Administrator. The Continuing Eligibility roster is an alphabetical listing by institution of all persons receiving a Governor's Scholars award that attended that institution for the academic year immediately preceding receipt of the Continuing Eligibility roster. The certifying official must complete the roster by providing the number of hours completed for the previous academic year and the cumulative grade point average achieved for each student listed.

# (h) Due Diligence

The institution shall exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department Division of Higher Education for any Governor's Scholar or former Governor's Scholar. In addition, the institution shall exercise due diligence in complying with all the rules and regulations of the Arkansas Governor's Scholars Program. The Arkansas Department Division of Higher Education shall periodically review the institution's records concerning the Governor's Scholars Program in an effort to exercise its due diligence requirements as a steward of State of Arkansas funds.

Amended: Agenda Item No. 5 July 26, 2019 Agenda Item No. 4 Higher Education Coordinating Board August 26, 2021

# ARKANSAS WORKFORCE CHALLENGE PROGRAM RULES AND REGULATIONS

In compliance with Act 636 of 2021, the proposed amendments to the Arkansas Workforce Challenge Program rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Workforce Challenge Program to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Workforce Challenge Program.

#### Financial Aid

# Arkansas Department of Higher Education Rules Governing Arkansas Workforce Challenge Program

### **Policy Statement**

These rules shall be known as the Arkansas Department Division 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 Division 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; or
  - (B) 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 student aid funds.
- (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 or 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 these rules:
  - (A) Excess funding returned to the Office of the Arkansas Lottery under Ark. Code Ann. § 6-85-212(e)(2)(B)(i) § 6-85-212(d)(2)(B)(i) from the previous academic year; and
  - (B) Net proceeds remaining from the previous academic year after the Office of the Arkansas Lottery:
    - (i) Transfers the funds requested by the <del>Department</del> <u>Division</u> of Higher Education under Ark. Code Ann. § 23-115-801(c)(2); and
    - (ii) Deposits the amount necessary to maintain the Scholarship Shortfall Reserve Trust Account under Ark. Code Ann. § 23-115-802 in an amount equal to twenty million dollars (\$20,000,000).
- (2) A scholarship under these rules shall not be awarded for an academic year if:
  - (A) Less than two hundred fifty thousand dollars (\$250,000) is available under subsection (1) of this section; or
  - (B) The Department Division of Higher Education received a loan from the Scholarship Shortfall Reserve Trust Account under Ark. Code Ann. § 23-115-802 for the Arkansas Academic Challenge Scholarship Program -- Part 2, Ark. Code Ann. § 6-85-201 et seq., for the previous academic year.
- (3) Any funds under subsection (1) of this section that are not disbursed for scholarships under these rules shall be carried over to the next academic year to be used for scholarships under these rules.

#### **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 <u>Department Division</u> of Higher Education by a date determined by the <u>Department Division</u> 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 a parent of the student 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 as recognized under Ark. Code Ann. § 6-15-501 et seq. or recognized by another state; or
- (ii) Received a high school equivalency diploma approved by the Arkansas Department of Career Education Division of Workforce Services or another state;
- (C) Is not receiving a scholarship under the Arkansas Academic Challenge Scholarship Program -- Part 2, Ark. Code Ann. § 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 Arkansas Department Division of Workforce Services under subdivision (1)(E)(ii)(a) of this section.
  - (ii) (a)The Department Division of Workforce Services shall provide annually to the Department Division 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 Division 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 these rules 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 these rules 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 these rules 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 <del>Department</del> <u>Division</u> of Higher Education ("<del>Department"</del>" "<u>Division"</u>) shall distribute Arkansas Workforce Challenge Scholarships to all students who meet the eligibility requirements.
- (2) (A) The Department Division 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 be limited to:
        - 1) Tuition, fees, or other charges;
        - 2) Textbooks or other course materials; and
        - 3) Equipment needed for a course.
  - (C) The scholarship awards may be used for expenses included in the cost of the certificate program or program of study.
  - (D) A scholarship under this section shall be only for the academic year for which it is awarded.
- (3) (A) If the <u>department division</u> has funds remaining after making the distributions under subsection (2) of this section, the <u>department division</u> 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 division preceding the summer term.
  - (C) (i) The <u>department division</u> 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 division 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 Division 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 Division of Higher Education by November 1 for the fall term and by March 15 for the spring term. The Arkansas Department Division 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 Division 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 by the eligible institution 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 Division 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 Division 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 Division 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.

### (F) Agreements between Institutions

An approved institution of higher education may enter into agreements with other institutions of higher education, including without limitation technical institutes, to allow students enrolled in the approved institution of higher education under these rules to take courses at the other institutions of higher education.

Agenda Item No. 5 Higher Education Coordinating Board August 26, 2021

# ARKANSAS CONCURRENT CHALLENGE SCHOLARSHIP PROGRAM RULES AND REGULATIONS

In compliance with Acts 82 and 636 of 2021, the proposed amendments to the Arkansas Concurrent Challenge Scholarship Program rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Arkansas Concurrent Challenge Scholarship Program to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Arkansas Concurrent Challenge Scholarship Program.

# Financial Aid

# <u>Arkansas Division of Higher Education</u> <u>Rules Governing</u> Arkansas Concurrent Challenge Scholarship Program

# **Policy Statement**

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

### **Applicable Arkansas Code**

Act 456 of 2019

### **Applicability**

This rule is applicable to students who are eligible for a scholarship under the Arkansas Concurrent Challenge Scholarship Program.

### **Definitions**

- 1) "Approved institution of higher education" an institution of higher education that:
  - a. Is approved by the Division of Higher Education to participate in the Arkansas Concurrent Challenge Scholarship Program;
  - b. Offers at least a fifty percent (50%) discount on the tuition and mandatory fees of an endorsed concurrent enrollment course or certificate program to a student who is enrolled in an endorsed concurrent enrollment course or certificate program, unless other opportunities are provided that lower the tuition and mandatory fees below fifty percent (50%); and
  - c. Is a:
    - i. State-supported two-year or four-year college or university; or
    - ii. Private, nonprofit two-year or four-year college or university that has its primary headquarters located in Arkansas and that is eligible to receive Title IV federal student aid funds
- 2) "Eligible course" means any endorsed concurrent enrollment course or certificate program.
- 3) "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

- or license. This definition does not include a program operated or sponsored by a third party.
- 4) "Endorsed concurrent enrollment course" means a college-level course offered by an approved institution of higher education in Arkansas that upon completion would qualify for academic credit in both the approved institution of higher education and a public high school that:
  - a. Is in one (1) of the four (4) core areas of math, English, science, and social studies;
  - b. Meets the requirements of § 6-16-1204(b); and
  - c. Is listed in the Arkansas Course Transfer System of the Division of Higher Education; This definition does not include programs operated or sponsored by a third party;
- 5) "Student" means a person who has junior or senior status and who is enrolled at a:
  - a. Public high school in Arkansas;
  - b. Private high school in Arkansas; or
  - c. Home school, as defined in § 6-15-501 et seq.;
- 6) "Student success plan" means a plan developed by school personnel in collaboration with parents and the student that is reviewed annually. The plan shall, at a minimum:
  - a. Guide the student along pathways to graduation;
  - b. Address accelerated learning opportunities;
  - c. Address academic deficits and interventions; and
  - d. Include college and career planning components;
- 7) "Third party" means a person or entity that does not receive disbursement directly from the Division for this program, including a subcontractor of the institution.

# **Eligibility**

- 1) A student is eligible to receive an Arkansas Concurrent Challenge Scholarship for an academic semester or academic year during which the student is enrolled in an endorsed concurrent enrollment course or certificate program if the student:
  - a. Is an Arkansas resident or, if the student is less than twenty-one (21) years of age, either the student or one (1) parent of the student is an Arkansas resident; and
  - b. Provides proof that a completed student success plan has been submitted to the student's high school or home school.
- 2) The student success plan for a student who is enrolled in an endorsed concurrent enrollment course or certificate program shall:
  - a. Be prepared in consultation with school personnel, the student, and the student's parent or legal guardian or a college advisor.
  - b. Include an endorsed concurrent enrollment course or certificate program that is relevant to the student's success plan and include measures that ensure the successful completion of the endorsed concurrent enrollment course or certificate program in which the student is enrolled.

- c. A student whose enrollment in a vocational center is reimbursable under § 6-51-305 is not eligible for a scholarship under this program.
- d. Students must meet all established requirements for endorsed concurrent enrollment courses set by the Division of Higher Education.

# **Continuing Eligibility**

- 1) A student is eligible to continue to receive the Arkansas Concurrent Challenge Scholarship if the student successfully completes an endorsed concurrent credit course or certificate program course and receives a minimum letter grade of "C" or the equivalent grade point average of 2.5.
- 2) A student who fails to complete an endorsed concurrent credit course or certificate program course with a minimum letter grade of "C" or the equivalent grade point average of 2.5 may shall retain eligibility and enroll in only no more than one (1) endorsed concurrent credit course or certificate program course for the <u>first</u> semester immediately following the semester in which the student failed to successfully complete an endorsed concurrent credit course or certificate program course.
  - a. If a student fails to complete an endorsed concurrent credit course or certificate program course a second time, the student shall be ineligible to reapply or receive the scholarship again. This also applies to a student that drops out of an endorsed concurrent credit course or certificate program course before the end of the semester.

### **Amount of Awards**

- 1) If funds are available, the Division of Higher Education shall award Arkansas Concurrent Challenge Scholarships to all students eligible for the scholarship for the fall and spring terms
- 2) The maximum scholarship award a student may receive in an academic year shall be the lesser of:
  - a. Five hundred dollars (\$500)
    - i. Eligible students shall be awarded one-hundred and twenty-five dollars (\$125) for each eligible course the student is enrolled, up to two (2) eligible courses per semester; or
  - b. The actual tuition and mandatory fees cost to the student for up to two (2) eligible courses per semester.
- 3) A scholarship granted under this section may be awarded in addition to any funds received for the enrollment in an endorsed concurrent enrollment course under § 6-16-1204(e)(3).
- 4) Unless a student's high school or community-based program provides financial assistance for the cost of tuition and mandatory fees for an endorsed concurrent credit course or certificate program course, the remaining cost of tuition and mandatory fees for an endorsed concurrent enrollment course or certificate program is the responsibility of the eligible student who is enrolled in the endorsed concurrent credit course or certificate

program course.

5) The division shall distribute scholarships from the funds available in an equal amount to every approved institution of higher education that has enrolled a student eligible to receive this scholarship.

### **Institutional Responsibilities.**

Approved institution of higher education responsibilities.

# 1) Administrative agreement.

The chief executive officer of the approved institution of higher education is responsible for appointing one (1) representative from the financial aid office to act as administrator of the Arkansas Concurrent Challenge Scholarship Program and to receive all communications, forms, etc. This representative is responsible for verification, data, and compliance with these rules. The approved institution of higher education shall comply with all rules order to maintain the status of an approved institution of higher education.

### 2) Disbursement records.

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

### 3) Verification.

The approved institution of higher education shall provide certification of 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 an approved institution of higher education of all students receiving the award for a given academic term. The certifying official is responsible for completing the verification rosters each semester.

### 4) Deadlines for disbursement of funds.

The deadline for disbursement of funds is no later than ten (10) days after receipt of funds. Any outstanding funds not disbursed by this date must be returned to the division. For those students whose applications are received by the division too late to allow disbursement by this dates date, disbursement will be made within ten (10) working days of receipt of the verification roster and electronic transfer of funds to the approved institution of higher education.

### 5) Due diligence.

The approved institution of higher education will exercise due diligence in providing complete, accurate, and timely information as requested by the division on any

scholarship recipient or former scholarship recipient. In addition, the approved institution of higher education will exercise due diligence in complying with these rules. The division may periodically review the approved institution of higher education's records concerning this scholarship program to ensure the comply with due diligence requirements.

# 6) Course eligibility.

The approved institution of higher education is responsible for verifying that the endorsed concurrent credit courses and certificate program courses meet the requirements set in Arkansas Code § 6-16-1202 and policies of the division.

# **High School and Home School Responsibilities**

1) The high school or home school shall provide certification of eligibility for a student to enroll in an endorsed concurrent enrollment course or certificate program. A high school or home school shall verify the completion of the student's student success plan before certifying that a student is eligible for the scholarship.

Amended: Agenda Item No. 3 April 24, 2020 Agenda Item No. 6 Higher Education Coordinating Board August 26, 2021

# LAW ENFORCEMENT OFFICERS' DEPENDENTS SCHOLARSHIP PROGRAM RULES AND REGULATIONS

In order to provide clarity and uniformity in Division of Higher Education financial aid rules, the proposed amendments to the Law Enforcement Officers' Dependents Scholarship Program rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Law Enforcement Officers' Dependents Scholarship Program to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Law Enforcement Officers' Dependents Scholarship Program.

# Arkansas Division of Higher Education Rules Governing Law Enforcement Officers' Dependents Scholarship Program

**RULES AND REGULATIONS** 

#### RULE 1 ORGANIZATION AND STRUCTURE

### **Organization and Structure**

- I. The Arkansas Department Division of Higher Education shall administer the Law Enforcement Officers' Dependents Scholarship Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department Division of Higher Education or his/her designee.
- II. The final responsibility for determining eligibility of scholarship recipients shall rest with the Director of the Arkansas Department Division of Higher Education pursuant to the provisions of Act 521 of 1973, Act 47 of 1983, Act 190 of 1989, Act 153 of 1993, Act 1034 of 1999, Act 113 of 2001, Act 158 of 2001 and Act 172 of 2007, Act 1217 of 2009 and any subsequent legislation.
- III. When functioning under Act 521 of 1973, Act 47 of 1983, Act 190 of 1989, Act 153 of 1993, Act 1034 of 1999, Act 113 of 2001, Act 158 of 2001, Act 172 of 2007, Act 1217 of 2009 and any subsequent legislation. The Arkansas Department Division of Higher Education shall follow the provisions of the Administrative Procedures Act.

### RULE 2 - SCHOLARSHIP ELIGIBILITY CRITERIA

### **Scholarship Eligibility Criteria**

In order to be eligible for the Law Enforcement Officers' Dependents Scholarship, the student must be a natural child, adopted child, stepchild, or spouse of an Arkansas law enforcement officer, fireman, state highway employee, state forestry employee, state correction employee, state park employee, teacher, or Department of Community Punishment employee who was killed or permanently and totally disabled as a result of injuries or wounds which occurred in the performance of duty or in the course of going to or returning from a location where a hazardous situation existed. Scholarship benefits shall not accrue to the dependents if the wounds or injuries suffered by the law enforcement office, fireman, state highway employee, state forestry employee, state correction employee, state park employee, teacher, or Department of Community Punishment employee are self-inflicted or if death is self-induced.

A law enforcement officer means:

A. State Arkansas state highway patrolman, which includes any law enforcement

- officer, regardless of department or bureau, of the Department of Arkansas State Police;
- B. <u>Municipal Arkansas municipal</u> and college or university police officers, which includes all law enforcement officers of any municipality, college, or university who are regular duty personnel on full-time status and does not include auxiliary officers or those serving on a temporary or part-time status;
- C. Sheriff Arkansas sheriff or deputy sheriff, which includes all law enforcement officers of full-time status on a regular basis serving the sheriff's department of any county located in Arkansas, but does not include deputy sheriffs who are engaged in administrative or civil duty or deputy sheriffs serving in a temporary capacity or part-time basis;
- D. Constable Arkansas constable, which includes all duly elected constables of any beat of any county within the State of Arkansas while actually engaged in the performance of their duties concerning the criminal laws of the county and state; and,
- E. Game warden Arkansas game warden, which includes all appointed game wardens employed by the State of Arkansas on a full-time duty status while actually engaged in their duties concerning the game laws of this state.

### A fireman means:

A. Any <u>Arkansas</u> fireman employed on a full-time or volunteer duty status while actually engaged in the performance of his or her duties;

# A state highway employee means:

A. An Arkansas Highway and Transportation Department employee, which is defined as any employee who actively engages in highway maintenance, construction, or traffic operations on the roadways and bridges of the state highway system while the roadways and bridges are open for use by the traveling public;

### A state forestry employee means:

A. An employee of the <u>Arkansas</u> State Forestry Commission who is actively engaged in his or her duties of fighting forest fires;

### A state correction employee means:

A. Any employee of the <u>Arkansas</u> Department of Correction or the <u>Arkansas</u> Department of Correction School District who becomes subject to injury through contact with inmates or parolees of the department;

### A state park employee means:

A. Any employee of the <u>Arkansas</u> State Parks Division of the <u>Arkansas</u>
Department of Parks and Tourism who is a commissioned law enforcement officer or emergency response employee while actively engaged in the performance of his or her duties; and,

### A teacher means:

A. Any person employed by a <u>an Arkansas</u> public school for the purpose of giving instructions and whose employment requires state certification.

# A Department of Community Punishment employee means:

- A. Any employee of the <u>Arkansas</u> Department of Community Punishment who suffers fatal injuries or wounds or becomes permanently and totally disabled as a result of injuries or wounds which occurred through contact with parolees, probationers, or center residents.
- II. To be eligible to receive the Law Enforcement Officer's Dependents Scholarship, the applicant must be:
  - A. A child must have been born prior to the date of the death or total and permanent disability (See Rule 2 "Scholarship Eligibility Criteria," Section I);
  - B. An adopted child must have been adopted prior to or the adoption process must have begun prior to the date of the death or total and permanent disability (See Rule 2 "Scholarship Eligibility Criteria," Section I);
  - C. A stepchild must have been listed as a dependent on the federal and state income tax returns in each of the five (5) income tax years immediately prior to the death or total and permanent disability and must have received more than one-half (1/2) his or her financial support (See Rule 2 "Scholarship Eligibility Criteria," Section I)
  - D. Enrolled or accepted for enrollment as an undergraduate student in any Arkansas state-supported college, university or technical institute,
  - E. Less than twenty-three (23) years old on or before the first day of the semester or quarter, unless the applicant is a spouse, and,
  - F. A bona fide resident of Arkansas, as defined by the Arkansas <del>Department</del> <u>Division</u> of Higher Education, for at least six (6) months prior to enrollment in an Arkansas institution.

### III. Continued Eligibility

The scholarship will be awarded for one academic year and renewed annually up to three years (for a total of 8 semesters) so long as the student maintains a minimum of a

- 2.0 grade point average on a 4.0 scale and satisfactory progress toward a degree as defined by the institution.
- IV. The spouse will not be eligible for the educational benefits if he or she re-marries. The benefits will cease at the end of the semester in which the spouse is currently enrolled at the time of the marriage.

### RULE 3 APPLICATION PROCESS

### **Application Process**

# I. Applications

- A. Applications and brochures regarding the Law Enforcement Officers' Dependents Scholarship are mailed to the following:
  - 1. Counselors and principals at all public and private high schools in the State; and,
  - 2. Financial aid officers at all public colleges, universities, and public technical institutes in the state. The institutional financial aid officer is responsible for ensuring that eligible students at their institution are made aware of the Law Enforcement Officers' Dependents Scholarship Program and its benefits.
- B. Applications will be made available online from the Arkansas Department Division of Higher Education.

# II. Submission of Applications

- A. The Arkansas Department Division of Higher Education shall establish the deadline for receipt of applications. The deadline date shall be clearly printed on the application.
- B. Scholarship applicants shall submit to the Arkansas Department Division of Higher Education the following:
  - 1. The Law Enforcement Officer's Dependents Scholarship Application;
  - 2. Documentation in the form of a Death Certificate;
  - 3. Order & Finding of Facts from the Arkansas State Claims Commission;
  - 4. A copy of birth certificate, if a dependent child; and,
  - 5. A copy of their marriage license, if a spouse.
- C. The applicant must apply for the scholarship prior to the published deadline in

order to receive the scholarship. Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

### RULE 4 AWARD PROCESS

# **Award Process**

- I. Applications and supporting documentation will be reviewed for completeness and to determine whether the applicant meets all the required eligibility requirements. Applicants will be notified within thirty (30) days of receipt of all required documentation of the status of their application.
- II. Eligible students will receive an award notice that contains the conditions of the award, the requirements for continued eligibility, an explanation of the benefits, and the student's responsibilities.
- III. The institution will also receive an award notice that contains the student's name and social security number, the award limits, the conditions of the award, the verification process, and the payment process. The institution will be asked to complete a Reimbursement Form listing all charges covered by this program.
- IV. The institution will be responsible for verifying the student's continuing eligibility each semester.
- V. The award will be renewed annually as long as the student satisfies the continued eligibility requirements as Rule 2 "Scholarship Eligibility Criteria,", Section V.

### RULE 5 - SCHOLARSHIP PAYMENT POLICIES

### **Scholarship Payment Policies**

- I. A recipient may receive up to eight (8) semesters of tuition and fee waivers from the scholarship program. Payment to the scholarship recipient will be in the form of a tuition and fee waiver at the recipient's institution. The Arkansas Department Division of Higher Education will reimburse the institution upon verification of enrollment after the 11th day of classes each semester for approved charges.
- II. The scholarship will pay the cost of tuition at the in-state rate and room in school-owned housing at any state-supported college, university or technical institute within the State of Arkansas. It does not include the cost of the following:
  - A. Books
  - B. Food
  - C. School supplies and materials
  - D. Dues and fees for extracurricular activities

III. The Arkansas <u>Department Division</u> of Higher Education will pay the institution for tuition and fees covered by this program at the beginning of each term upon receipt of the Reimbursement Form and verification of the charges.

# A. Transfer Policy

A recipient who has received a Law Enforcement Officers' Dependents Scholarship may transfer to another eligible institution provided the Arkansas Department Division of Higher Education receives written notification of the change of status by October 1 for the Fall Term, February 1 for the Winter/Spring Terms, and May 1 for the Summer Terms.

# B. Withdrawal Policy

Recipients may withdraw from the Law Enforcement Officers' Dependents Scholarship Program upon written notification to, and approval by, the Arkansas Department Division of Higher Education. The petition shall give the reason for withdrawal and shall be supported with documentation.

### C. Revocation Policy

The award will be revoked if the recipient fails to:

- 1. Enroll in an eligible Arkansas institution;
- 2. Notify the Arkansas Department Division of Higher Education, in writing, of transfer to another eligible institution by October 1 for the Fall term, February 1 for the Winter and/or Spring Terms, and May 1 for the Summer Terms; or,
- 3. Petition the Arkansas Department Division of Higher Education, in writing, for withdrawal from an institution by October 1 for the Fall Term, February 1 for the Winter/Spring Terms, and May 1 for the Summer Terms.
- 4. Maintain a minimum GPA of 2.0 on a 4.0 per academic year.

At the discretion of the Arkansas Department Division of Higher Education, the award will not be revoked if the ADHE determines that extraordinary circumstances prevented the student from notifying ADHE by the required dates.

### D. Military Service

Recipients who are members of the Arkansas National Guard or Armed Forces Reserves units who are called to active duty for reasons other than regular unit training and are unable to complete the current term will not be penalized. They will be placed on deferred status until six (6) months after release from

active duty.

#### RULE 6 INSTITUTIONAL RESPONSIBILITIES

### **Institutional Responsibilities**

# I. Administrative Agreement

The chief executive officer of the state-supported institution of higher education or technical institute is responsible for appointing one representative from the Financial Aid Office to act as administrator of the Law Enforcement Officers' Dependents Scholarship Program and to receive all communications and forms issued by the Arkansas Department Division of Higher Education. This representative is responsible for completing all forms, verification of data, and complying with all program rules and regulations.

The institution must comply with the following responsibilities in order to maintain continued eligibility status:

### A. Verification

The institution shall provide verification to the Arkansas Department Division of Higher Education at the close of each term concerning the student's continuing eligibility. This is accomplished using the Verification Form issued by the Department Division. Reimbursement to the institution will be made after the institution has completed the Verification Form and the Reimbursement Form and returned them to the Arkansas Department Division of Higher Education.

### B. Identification of Eligible Students

Institutions will be responsible for publicizing the program and identifying students eligible for the program. Reimbursement can only be made for the year in which the student is currently enrolled and has made application. Applications made after May 1 of the academic year in which the student is enrolled will not be considered and the student will not be eligible for the scholarship.

### C. Disbursement Records

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

### D. Deadline for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after written receipt of funds. Any outstanding funds not disbursed must be returned to

ADHE.

### E. Refund Policy

It is the institution's responsibility to notify ADHE of the names of any persons owing a refund, the date of the withdrawal, and the refund amount. This information should be placed on the institution's verification roster before returning it to ADHE.

- F. Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the federally recognized cost of attendance at the institution where the student enrolls. The institution must follow ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.
- G. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department Division of Higher Education on any scholarship recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Law Enforcement Officers' Dependents Scholarship Program.

### Rule 7 - RECIPIENT RESPONSIBILITIES

# Recipient Responsibilities

- I. The recipient must notify the Arkansas Department Division of Higher Education, in writing, of any change in status within 30 days. This includes changes in:
  - A. Name:
  - B. Address:
  - C. Institution; and/or,
  - D. Withdrawal from an institution.

Failure to notify the Arkansas Department Division of Higher Education of a change in status may affect future eligibility.

II. It is also the recipient's responsibility to be knowledgeable of the rules and regulations of the Law Enforcement Officers' Dependents Scholarship Program.

RULE 8 - PROGRAM DEFINITIONS

### **Program Definitions**

The following definitions are used in the Law Enforcement Officers' Dependents Scholarship Program:

Approved Institution A state-supported two-year or four-year college or

university or technical institute located in the State of Arkansas that is accredited by the North Central Association, Commission on Higher Education, or has

achieved candidacy status, and does not discriminate against applicants, or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the

provisions of applicable state and federal laws.

Dependent A spouse, natural child, adopted child, or step child of an

Arkansas law enforcement officer, fireman, state correction employees, state forestry employees, certain Arkansas Highway and Transportation Department employees, state parks employees, teacher, or Department of Community Punishment employees killed or totally and permanently

disabled in the line of duty.

Satisfactory Progress Satisfactory academic progress toward a degree as defined

by the institution.

Agenda Item No. 7 Higher Education Coordinating Board August 26, 2021

# MILITARY DEPENDENTS SCHOLARSHIP PROGRAM RULES AND REGULATIONS

In compliance with Act 988 of 2021, the proposed amendments to the Military Dependents Scholarship Program rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Military Dependents Scholarship Program to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Military Dependents Scholarship Program.

# Arkansas Division of Higher Education Rules Governing Military Dependents' Scholarship Program

### **RULES AND REGULATIONS**

### RULE 1 - ORGANIZATION AND STRUCTURE

### **Organization and Structure**

- I. The Arkansas Department Division of Higher Education shall administer the Military Dependents' Scholarship Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department Division of Higher Education or his/her designee.
- II. The final responsibility for determining eligibility of scholarship recipients shall rest with the Director of the Arkansas Department Division of Higher Education pursuant to the provisions of Act 188 of 1973, Act 2127 of 2005, Act 717 of 2007, Act 1216 of 2009 and subsequent legislation.
- III. When functioning under Act 188 of 1973, Act 2127 of 2005, Act 717 of 2007, Act 1216 of 2009 and subsequent legislation, the Arkansas Department Division of Higher Education shall follow the provisions of the Administrative Procedures Act.

### **RULE 2 -- SCHOLARSHIP ELIGIBILITY CRITERIA**

### **Scholarship Eligibility Criteria**

- I. To be eligible for the Military Dependents' Scholarship, an applicant must meet the following conditions:
  - A. The student's parent or spouse must have been declared to be a disabled veteran, prisoner of war, missing in action, killed in action, or killed on ordnance delivery during the course of active military duty after January 1, 1960.
  - B. The student's parent or spouse must have been a resident of the State of Arkansas at the time he/she entered service in the United States Armed Services, or whose official residence is currently within the State of Arkansas.
  - C. The dependent child or spouse of a person declared to be a prisoner of war or missing or killed in action, or a person killed on ordnance delivery, or a disabled veteran must be a current resident of Arkansas.

- D. The student must qualify as the dependent of a disabled veteran, prisoner of war or a person declared to be missing or killed in action, or killed on ordnance delivery by meeting one of the following criteria:
  - 1. The student is the legal spouse of a person declared to be a prisoner of war, missing or killed in action, or killed on ordnance delivery or a person declared to be a disabled veteran or,
  - 2. The dependent child must be the biological child of the parent who was declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran; or,
  - 3. The dependent child is legally adopted or in legal custody of the guardian that was declared to be a prisoner of war or missing or killed in action or killed on ordnance delivery, or a disabled veteran.
  - 4. The dependent child must meet the U.S. Department of Education's definition of dependent with regards to children.
  - 5. A stepchild is not eligible for this scholarship unless he/she has been legally adopted by the parent who was declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran.
- E. The dependent child must meet the U.S. Department of Education's definition of "dependent" with regards to children.
- F. A stepchild is not eligible for this scholarship unless he/she has been legally adopted by the parent who was declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran.
- E. G. The applicant must apply for the Dependents' Educational Assistance Program (DEA) Chapter 35 of Title 38 of the U.S. Code with the Department of Veterans Affairs.
- F. H. The applicant must be enrolled or accepted for enrollment as a full-time student in a public college or university any private, nonprofit institution of higher education in Arkansas or state-supported institution of higher education in Arkansas.
- G. I. The applicant must be an undergraduate student seeking an associate's degree, a baccalaureate degree or certificate of completion.
- $\underline{H}$ .  $\underline{J}$ . The applicant must apply for the scholarship prior to the published deadline

in order to receive the scholarship. Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

II. Once a person qualifies as an eligible student under the terms of the program, there shall be no situation, such as the return of a parent or spouse, or the reported death of a parent or spouse that will remove the dependent from the benefits of this program.

# III. Continued Eligibility

An eligible recipient shall receive a scholarship for one (1) academic year, renewable for up to three (3) additional academic years if the recipient meets the following continuing eligibility criteria established by ADHE:

- 1. The student must maintain a cumulative grade point average of at least 2.0 on a 4.0 scale.
- 2. The student is making satisfactory progress toward a degree or certificate of completion;
- 3. The student is enrolled in at least twelve semester hours or the equivalent per semester and completes 24 semester hours, or the equivalent, per academic year.

#### RULE 3 -- APPLICATION PROCESS

### **Application Process**

- I. Applications
  - A. Brochures are mailed to counselors and principals at public and private Arkansas high schools.
  - B. Brochures are mailed to financial aid officers at public colleges and universities private, nonprofit institutions of higher education in Arkansas and state-supported institutions of higher education in the state of Arkansas. The institutional financial aid officer is responsible for ensuring that eligible students are made aware of the Military Dependents' Scholarship Program and its benefits.
  - C. Applications will be made available online from the Arkansas Department Division of Higher Education.

### II. Submission of Applications

A. The Arkansas Department Division of Higher Education shall establish the

- deadline for receipt of applications. The deadline date shall be clearly printed on the application.
- B. Scholarship applicants shall submit to the Arkansas Department Division of Higher Education the following documentation as it applies to the applicant:
  - 1. Military Dependents' Scholarship Application;
  - 2. A death certificate or other documentation certifying the death of the parent or spouse. A death as a result of injuries received while serving in the armed forces is only covered if the death occurred while on active duty.
  - 3. A Report of Casualty from the appropriate branch of the United States Armed Services or a copy of the veteran's DD214 form;
  - 4. Documentation from the federal Department of Veterans Affairs citing service-connected, one hundred percent (100%) total and permanent disability;
  - 5. A copy of the application and statement of acceptance or denial of the federal program for dependents of veterans, Dependents' Educational Assistance Program (DEA).
  - 6. A copy of DEA benefits statement showing the amount of educational assistance allowed for each term.
  - 7. A copy of legal adoption or court appointed legal guardianship for a dependent child;
  - 8. A copy of birth certificate, if a dependent child;
  - 9. A copy of marriage license, if a spouse.

# **RULE 4 -- AWARD PROCESS**

# **Award Process**

- I. Applications and supporting documentation will be reviewed for completeness and to determine whether the applicant meets all the eligibility requirements. Applicants will be notified within 30 days of the status of their application.
- II. Eligible students will receive an award notice, which contains the conditions of the award, the requirements for continued eligibility, an explanation of the benefits, and the student's responsibilities.

- III. The institution will also receive an award notice, which contains the student's name, social security number, award limits, the conditions of the award, verification process, and payment process. The institution will be required to complete a Reimbursement Form listing all charges covered by this program.
- IV. The institution will be responsible for verifying the student's continued eligibility each semester.
- V. The award will be renewed annually provided the student satisfies the continued eligibility requirements as defined by the Arkansas Department Division of Higher Education in Rule 2-"Scholarship and Eligibility Criteria," Section III.
- VI. Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

### **RULE 5 -- SCHOLARSHIP PAYMENT POLICIES**

# **Scholarship Payment Policies**

- I. The scholarship will pay that portion of charges that exceeds the amount of the DEA educational assistance allowance OR the full amount if the recipient is ineligible for DEA, but is eligible for the MDS. Reimbursement is limited to the cost of tuition at the in-state rate, mandatory fees, and a room and meal plan when provided in campus facilities from such institution or school. The amount reimbursed for the room shall not exceed the usual and custom amounts charged by the institution as for similar scholarship programs.
- II. Payment on behalf of the scholarship recipient will be made directly to the recipient's institution. The Arkansas Department Division of Higher Education will reimburse the institution at the beginning of each semester for approved charges covered by this program upon receipt of the Reimbursement Form, and verification of the charges. Reimbursement can only be made for the year in which the student is currently enrolled and has made application.
- III. The Arkansas Department Division of Higher Education will pay the institution for the award covered by this program upon receipt of the Reimbursement Form, and verification of the charges.

# A. Transfer Policy

A recipient who has received a Military Dependents' Scholarship may transfer to another eligible institution provided the Arkansas Department Division of Higher Education receives written notification of the change of status by October 1 for the Fall Term, February 1 for the Winter/Spring Terms, and June 1 for the

Summer Terms. Failure to notify the Arkansas Department Division of Higher Education of the transfer by the deadline will disqualify the student for waiver of tuition and fees at the institution to which he/she has transferred.

# B. Withdrawal Policy

Recipients may withdraw from the Military Dependents' Scholarship Program upon written notification to, and approval by, the Arkansas Department Division of Higher Education. The petition shall give the reason for withdrawal and will be supported with documentation. Recipients who withdraw from school and fail to notify the Arkansas Department Division of Higher Education by October 1 for the Fall term, February 1 for the Winter and/or Spring terms, and June 1 for the Summer terms will not be eligible for a tuition waiver for that semester. The recipient may receive the tuition waiver if he/she can demonstrate that extraordinary circumstances prevented him/her from notifying the Arkansas Department Division of Higher Education.

# C. Revocation Policy

The award will be permanently revoked if the recipient fails to enroll full-time and the Arkansas Department Division of Higher Education receives neither written notification of transfer to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the Fall Term, February 1 for the Winter/Spring Terms and June 1 for the Summer Terms. At the discretion of the Arkansas Department Division of Higher Education, the award will not be revoked if the Department Division determines that extraordinary circumstances prevented the student from notifying the Department Division by the required dates.

# D. Military Service

Recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other than regular unit training and are unable to complete the current term will not be penalized. They will be placed in deferred status until six (6) months after release from active duty.

- IV. Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the federally recognized cost of attendance at the institution where the student enrolls. The institution must follow ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.
- V. The state assistance awarded to a dependent attending a private, nonprofit institution of higher education in this state shall not exceed the amount of state assistance awarded to

#### **RULE 6 -- INSTITUTIONAL RESPONSIBILITIES**

# **Institutional Responsibilities**

# I. Administrative Agreement

The chief executive officer of the state-supported institution of higher education is responsible for appointing one representative from the Financial Aid Office to act as administrator of the Military Dependents' Scholarship Program and to receive all communications and forms issued by the Arkansas Department Division of Higher Education. This representative is responsible for completing all forms, verification of data, and complying with all program rules and regulations. The institution must comply with these responsibilities in order to maintain continued eligibility status.

#### II. Verification

The institution shall provide verification to the Arkansas Department Division of Higher Education (ADHE) at the close of each term concerning the student's name and continuing eligibility. This is accomplished using the Verification Form issued by the Department Division. Reimbursement to the institution will be made after the institution has completed the Verification Form and the Reimbursement Form and returned them to the Arkansas Department Division of Higher Education.

# III. Identification of Eligible Students

Institutions will be responsible for exercising all reasonable efforts to identify students eligible for the program. Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

### IV. Deadline for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after written receipt of funds. Any outstanding funds not disbursed must be returned to the Arkansas Department Division of Higher Education.

### V. Refund Policy

It is the institution's responsibility to notify ADHE of the names of persons owing a refund, the date of the withdrawal and the refund amount. This information should be placed on the institution's verification roster before returning it to ADHE.

# VI. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department Division of Higher Education on any scholarship recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Military\_Dependents' Scholarship Program.

#### **RULE 7 -- RECIPIENT RESPONSIBILITIES**

# **Recipient Responsibilities**

- I. It is the recipient's responsibility to notify the Arkansas Department Division of Higher Education, in writing, of any change in status within 21 days. This includes:
  - A. Changes in name, or
  - B. Change in address, or
  - C. Change in Institution, or
  - D. Change in full-time status, or
  - E. Withdrawal from an institution.

Failure to notify the Arkansas Department Division of Higher Education of any change in status may affect future eligibility.

#### **RULE 8 - PROGRAM DEFINITIONS**

## **Program Definitions**

The following definitions are used in the Military Dependents' Scholarship Program:

**Approved Institution** 

A public college or university A private, nonprofit institution of higher education in Arkansas or state-supported institution of higher education or technical school located in Arkansas that is accredited by the North Central Association Commission on Higher Education, or has achieved candidacy status, and does not discriminate against applicants, or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal laws.

Dependent Child

Any child born or conceived, been legally adopted, or under court appointed legal guardianship of a person who has been declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran, AND who meets the definition of dependent with regards to children established by the U.S. Department of Education. Stepchildren are not eligible unless legally adopted as stated above.

Dependent Spouse

The legal spouse of a person who has been declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran.

Disabled Veteran

A person who has been declared by the Federal Department of Veterans Affairs to be one hundred percent (100%) totally and permanently disabled as a result of service-connected injuries or medical conditions AND who is currently receiving special monthly compensation for such, AND who was a resident of the State of Arkansas at the time that person entered the service of the U.S. armed forces OR who is a current resident of Arkansas.

Full-time Student

An undergraduate student enrolled in at least twelve (12) semester credit hours, or its equivalent, per semester.

**Satisfactory Progress** 

Undergraduate students must maintain a cumulative college grade point average of at least 2.0 on a 4.0 scale, and make satisfactory progress toward a degree or certificate of completion, as defined by the institution.

Fees Waived

Includes tuition at the in-state rate, room and board when provided in campus facilities, fees or other charges incurred from the approved institution. Non-reimbursable charges would include any penalty charges, including but not limited to, parking tickets, or other penalty payments. Agenda Item No. 8 Higher Education Coordinating Board August 26, 2021

# OUT-OF-STATE VETERINARY MEDICAL EDUCATION LOAN REPAYMENT PROGRAM RULES AND REGULATIONS

In compliance with Act 755 of 2019, the proposed amendments to the Out-of-State Veterinary Medical Education Loan Repayment Program rules and regulations are presented to the Arkansas Higher Education Coordinating Board (AHECB) for initial approval.

The following resolution is offered for the Board's consideration:

**RESOLVED**, That the Arkansas Higher Education Coordinating Board adopts the rules and regulations presented in this agenda item for the Out-of-State Veterinary Medical Education Loan Repayment Program to be administered by the Arkansas Division of Higher Education.

**FURTHER RESOLVED,** That the Director of the Arkansas Division of Higher Education or her designee is authorized to make technical changes and corrections when necessary in the program rules for the Out-of-State Veterinary Medical Education Loan Repayment Program.

# Arkansas Division of Higher Education Rules Governing Out-of-State Veterinary Medical Education Loan Repayment Program

#### **RULES AND REGULATIONS**

### RULE 1 ORGANIZATION AND STRUCTURE

# Organization and Structure

- I. The Arkansas Department Division of Higher Education (ADHE) shall administer the Out-of-State Veterinary Medical Education Loan Repayment program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department Division of Higher Education or his/her designee.
- II. When functioning under Act 881 of 2011, and any subsequent legislation, ADHE shall follow provisions of the Administrative Procedures Act.

### **RULE 2 - ELIGIBILITY CRITERIA**

# **Eligibility Criteria**

- I. Eligibility Criteria
  - A. Applicants must be bona fide Arkansas residents, as defined by the Arkansas Department Division of Higher Education, for at least twelve (12) months prior to the application deadline.
    - B. Applicants must be a citizen of the United States or a lawful permanent resident.
    - C. Applicants must have graduated from a veterinary medicine program from the Mississippi State University College of Veterinary Medicine program after April 20<del>12</del>22.
    - D. Applicants must have outstanding federal student loans.
    - E. Applicants must hold a valid Arkansas veterinary's license.
    - F. Applicants must practice food supply veterinary medicine;
    - G. Applicants must begin practicing food supply veterinary medicine in Arkansas within ninety (90) days after the completion of:

- 1. The professional degree program for which the loan was made;
- 2. An internship program; or
- 3. The professional degree program for which the loan was made and an internship program
- H. <u>Applicants must have graduated from an Arkansas public, private, or home school or, GED program.</u>

# II. Continued Eligibility

Recipients shall notify ADHE annually with documentation that proves his/her continuation to meet the eligibility criteria set forth above. A recipient may receive an annual award for a maximum of five (5) consecutive years. However, if a recipient fails to practice the minimum amount of food supply veterinary medicine for even one (1) year out of the five (5) consecutive year period, he/she will not receive loan repayment.

### **RULE 3 SELECTION PROCESS**

# **Selection Process**

# I. Application

Students must submit an application for the Out-of-State Veterinary Medical Education Loan Program to the Arkansas Department Division of Higher Education. The application is available online at the scholarship website. The Arkansas Department of Higher Education will also provide paper applications to any individual upon request. The applicant must complete the Out-of-State Veterinary Medical Education Loan Program application either in writing or via the website.

II. Submission of Application and Application Deadline

The application deadline shall be <u>JuneJuly</u> 1 of the calendar year in which a student graduates and begins practicing food supply veterinary medicine in Arkansas. At its discretion, the ADHE may extend the deadline, provided sufficient notice is provided to the public. The student is responsible for submitting the application and all supporting documentation in a timely manner.

III. Upon receipt by ADHE, applications are reviewed to ensure that all pertinent data is included. Each applicant will receive confirmation of the receipt and completeness of the application. For those whose application is either incomplete or ineligible, a notification will be made identifying the reason for incompleteness or ineligibility. The applicant will then have the opportunity to provide the missing information or correct any inaccurate information. Before an applicant can be considered for an award, the corrected/missing information must be

received by the ADHE by the deadline indicated in the Incomplete/Ineligible Notice.

# IV. Selection and Notification of Recipients

- A. The ADHE shall review applicants and select recipients based on the eligibility criteria for the Out-of-State Veterinary Medical Education Loan Repayment program.
- B. Selected recipients will receive award notices stating their eligibility for the program and the conditions of their award.
- C. Awards will be provided based on available funding.
- D. If a shortage of funds occurs, the applicants will be ranked by the percentage of the veterinary practice that is devoted to food supply veterinary medicine with those with the highest percentages being awarded first.
  - D. Awards will be made on a first-come, first-serve basis.

# V. Disbursement of Award

The award will be disbursed in one (1) disbursement to the federal student loan holder indicated by the applicant. If the award amount is larger than the outstanding loan balance, the award amount will be reduced to the amount of the loan balance.

#### RULE 4 - LIMITATIONS OF LOAN REPAYMENT

# **Limitations of Loan Repayment**

- I. The Out-of-State Veterinary Medical Education Loan Repayment program shall be used to provide:
  - A. A loan repayment for federal student loans in the amount not to exceed the amount of tuition assistance provided under the Southern Regional Education Compact program per year for each year a licensed veterinarian, who graduated from Mississippi State University College of Veterinary Medicine program after April 201222, practices food supply veterinary medicine in Arkansas. Total term of federal student loan repayment shall not exceed five consecutive years.
  - B. If a recipient fails to satisfy the obligation to engage in the practice of food supply veterinary medicine for one (1) year in a five (5) consecutive year period, then he/she shall not receive the loan repayment amount.

### **RULE 5 - RECIPIENT'S RESPONSIBILITY**

# Recipient's Responsibility

I. Recipient's Responsibility

It is the recipient's responsibility to notify the Arkansas <del>Department</del> <u>Division</u> of Higher Education of any change in status within 21 days. This will include:

Change in name;

Change in residence;

Failure to notify the Arkansas Department Division of Higher Education of a change in status will affect future eligibility or collection status.

### **RULE 6 – DEFERMENT OF PRACTICE**

# **Deferment of Practice**

- A. The obligation to engage in the practice of food supply veterinary medicine for a five (5) consecutive year period shall be postponed during any:
  - 1. Period of temporary medical disability if the recipient is unable to practice veterinary medicine;
  - 2. Period of military service under A.C.A. § 6-61-112; or
  - 3. Other period of postponement agreed to by the ADHE.
- B. To qualify for a deferment, a recipient must notify ADHE of their claim for the deferment and provide supporting documentation on a Request for Deferment form that will be supplied by ADHE upon request. The Request for Deferment form must be completed and returned to ADHE by the recipient. The recipient will be notified within ten (10) days of approval or disapproval of any application for a deferment.

### **RULE 6 - PROGRAM DEFINITIONS**

### **Program Definitions**

The following definitions are used in the State Teacher Education Program Out-of-State Veterinary Medical Education Loan Repayment Program:

### Arkansas Resident

to be considered an Arkansas resident by ADHE, an applicant must be an Arkansas resident for twelve (12) months prior to the application deadline for the financial aid program. Further, the recipient may be asked to provide evidence of a permanent connection with the State of Arkansas. ADHE will look to one or more of the following to determine residency in those cases:

- (A) Valid Arkansas Driver's License;
- (B) Proof of payment for Arkansas personal and/or real taxes for

previous year;

- (C) Proof of Arkansas vehicle registration;
- (D) Proof of Arkansas voter registration; and
- (E) Other forms of proof of Arkansas residency.

Award Year

The award year begins on July 1 of one calendar year, and extends to June 30 of the next calendar year.

Food Animal

A bovine, porcine, ovine, camelid, cervid, poultry, and any other species determined by the Arkansas State Veterinarian.

Food Supply Veterinary Medicine

All aspects of veterinary medicine's involvement in food supply systems, from traditional agricultural production to consumption.

Lawful Permanent Resident

An individual who can provide documentation from the Immigration and Naturalization Service (INS) that he or she is in the U.S. for other than a temporary purpose with the intention of becoming a citizen or permanent resident. Valid documentation is an I-551, I-151, I-181, I-94, or passport stamped with the notation "Processed for I-551, Temporary Evidence of Lawful Admission for Permanent Residence". A completed Form G-641 can also be used to document permanent resident status.

Loan Repayment

A payment made to a federal loan holder on a recipient's behalf after the completion of the yearly requirements by recipient. Participating Institution

Mississippi State University College of Veterinary Medicine

Practice of Food Supply Veterinary Medicine

A corporate or private veterinary practice with a minimum of thirty percent (30%) of the practice devoted to food animal medicine or mixed animal medicine located in rural areas.

U.S. Citizen

The term "U.S. citizen" includes persons born or who have become naturalized citizens of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and Trust Territory-Palau. The term "national" includes citizens of American Samoa or Swain's Island.

Agenda Item No. 9 Higher Education Coordinating Board August 26, 2021

# UNIVERSITY OF ARKANSAS – GRANTHAM

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The administration and Board of Trustees of the University of Arkansas System (UA System) request official recognition of the University of Arkansas – Grantham as an organizational unit of the UA System upon successful closure of the acquisition of Grantham University (GU) by the Board of Trustees of the UA System and receipt of all regulatory approvals.

On August 11, 2021, the University of Arkansas Board of Trustees approved a resolution for the UA System to acquire substantially all assets and discrete liabilities of GU (Lenexa, KS) to expand the UA System's online educational offerings. GU's board approved the acquisition the following day. This transaction will result in the UA Board acquiring all aspects of GU, including approximately 4,000 active students, intellectual property to support more than 60 degree programs, and approximately 170 full-time staff and 240 part-time faculty for \$1. It is envisioned that the newly named University of Arkansas – Grantham would provide critical resources to support 100 percent online learning opportunities throughout the UA System.

Founded in 1951 to serve World War II veteran educational needs, GU in recent years has developed a reputation in online education for its quality, affordable and flexible degree programs focused in workforce subjects such as business, health professions and information technology. GU maintains its focus on military students today with service members making up 67 percent of its current student population. GU and eVersity are both accredited through the Distance Education Accrediting Commission (DEAC), a U.S. Department of Education recognized accreditor.

# Resolution

The following resolution is presented for Board consideration.

**RESOLVED,** That the Arkansas Higher Education Coordinating Board recognizes the University of Arkansas – Grantham as an organizational unit of the University of Arkansas System upon successful closure of the acquisition of Grantham University by the Board of Trustees of the University of Arkansas System and receipt of all regulatory approvals.

**FURTHER RESOLVED,** That the Arkansas Higher Education Coordinating Board recognizes the University of Arkansas – Grantham to offer degrees and that such authority will reside in the University of Arkansas – Grantham as an organizational unit of the University of Arkansas System.

**FURTHER RESOLVED**, That the Board instructs the Director of the Arkansas Division of Higher Education to notify the President and Chair of the Board of Trustees of the University of Arkansas System of this action.