

Document Number
COMMISSION ON HIGHER EDUCATION
 Chapter 62
 Statutory Authority: 1976 Code Section 59-104-20

62-300 Palmetto Fellows Scholarship Program

Preamble:

The Commission proposes to amend and replace in its entirety R.62-300 of the Palmetto Fellows Scholarship Program. The proposed amendments will clarify the policies and procedures for administering the Palmetto Fellows Scholarship. The following regulations address adding the requirement that a Palmetto Fellow cannot have any felonies, alcohol or drug related offenses as stipulated by S.1235; due to the adoption of the Uniform Grading Scale in December 1999 by the State Department of Education, including language regarding the Uniform Grading Scale; and, adding sections for students with disabilities and enrollment in the Doctorate of Pharmacy (Pharm.D.) Program.

Notice of Drafting for the proposed amendments were published in the *State Register* on October 27, 2000. Comments from the notice were considered in formulating in the proposed revisions. See Discussion of Proposed Revisions below and Statement of Need-and Reasonableness herein.

Section-by-Section Discussion:

- 62-310 Reordered section in order to present the definition of terms in alphabetical order. The definition for "need analysis" was added.
- 62-315 Section A(6) was added as a student eligibility requirement because S.1235 was approved by the 2000 General Assembly requiring that Palmetto Fellows not be convicted of any felonies, alcohol or drug-related offenses.
- 62-320 Section B was added as a requirement for the Palmetto Fellows Scholarship application procedures. The high school must submit a listing of all eligible applicants for the Palmetto Fellows Scholarship to the Commission on Higher Education. Section C was clarified in order to allow for the use of the Uniform Grading Scale in the eligibility requirements as adopted by the State Department of Education in December 1999.
- 62-325 Section B(2) was clarified in the selection process in order to allow for the awarding of ranking points under the Uniform Grading Scale.
- 62-330 Section D(2) was added in the policies and procedures for awarding the Palmetto Fellows Scholarship so that recipients must have a signed affidavit on file attesting to the fact that they have not been convicted of any felonies, alcohol or drug-related offenses.
- 62-335 Section D(5) was added under the renewal criteria (no felonies, alcohol or drug-related offenses).
- 62-345 In order to adhere to the requirements of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act, section added to address the needs of students with disabilities.
- 62-350 In order to clarify enrollment in internships, cooperative work programs, travel student programs, or National or International Exchange Programs, section revised in order to stipulate that programs must receive full-time academic credit and be approved by the home institution to receive Palmetto Fellows Scholarship funding.
- 62-355 Section added in order to allow for the use of Palmetto Fellows Scholarship funding towards the Pharm.D. Program, as long as the student meets all other eligibility criteria including not obtaining the first bachelor's degree and not exceeding eight terms of funding.
- 62-360 The appeals guidelines for the Palmetto Fellows Scholarship were revised to be consistent with the approved Palmetto Fellows and LIFE Scholarship Appeals Regulations.

Notice of Public Hearing and Opportunity for Public Comment:

Interested members of the public and regulated community are invited to make oral or written comments on the proposed regulations at a public hearing to be conducted by the South Carolina Commission on Higher Education at its regularly scheduled meeting on February 1, 2001, to be held in the Large Conference Room at 1333 Main Street, Suite 200, Columbia, South Carolina 29201. The meeting commences at 10:30 a.m. at which the Commission will consider items on its agenda in the order presented. Persons desiring to make comments at the hearing should submit their statements in writing by no later than 5:00 p.m. on January 24, 2001.

Preliminary Fiscal Impact Statement:

There will be no increased costs to the State or its political subdivisions.

Statement of Need and Reasonableness:**DESCRIPTION OF REGULATION: 62-300 Palmetto Fellows Scholarship Program**

Purpose: R.62-300 is being emended and replaced in its entirety. The proposed amendments will clarify the policies and procedures for administering the Palmetto Fellows Scholarship.

Legal Authority: The legal authority for R.62-300 is 1976 Code Section 54-104-20

Pan for Implementation: The proposed amendments will take effect upon approval by the General Assembly and the publication in the *State Register*. The proposed amendments will be implemented by providing the regulated community with copies of the regulation.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATIONS BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The proposed regulations will promote consistency among the regulations for scholarship and grant programs administered by the Commission on Higher Education.

DETERMINATION OF COSTS AND BENEFITS: The financial aid community will benefit by obtaining consistency among the regulations for scholarship and grant programs administered by the Commission on Higher Education.

UNCERTAINTIES OF ESTIMATES: None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: None.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED: None.

Text:**62-300 Purpose of the Palmetto Fellows Scholarship Program**

Pursuant to Act 458 which was initially established as Title 59 of the 1976 Code as amended under Section 18A.28 of the 1997-98 Appropriations Bill, the Commission on Higher Education shall promulgate regulations

and establish procedures to administer the Palmetto Fellows Scholarship Program. The General Assembly established the Palmetto Fellows Scholarship Program to foster scholarship among the State's postsecondary students and retain outstanding South Carolina high school graduates in the State through awards based on scholarship and achievement. The purpose of the Palmetto Fellows Scholarship Program is to recognize the most academically talented high school seniors in South Carolina and to encourage them to attend eligible colleges or universities in the State. A secondary purpose is to help retain talented minority students who might otherwise pursue studies outside the State.

62-305 Allocation of Palmetto Fellows Scholarship Funds to Public and Independent Institutions:

Funds made available for higher education grants and scholarships under Act 458, South Carolina Children First: Resources for Scholarship and Tuition Act of 1996, shall be included in the annual appropriation to the Commission on Higher Education and shall be awarded to eligible students attending public or independent eligible institutions by the Commission on Higher Education as Palmetto Fellows Scholarships as follows:

A. Public Institutions:

(1) "Public institutions" are those four-year baccalaureate degree-granting institutions as defined in Chapter 103 of Title 59 of the 1976 Code, which stipulates "public higher education shall mean state-supported education in the post-secondary field." Public two-year institutions and technical colleges are not eligible for participation in this program.

(2) From the funds available for the higher education grants and scholarships allocation for public institutions under Chapter 143 of Title 59 of the 1976 Code, as amended under the South Carolina Children First: Resources for Scholarship and Tuition Act of 1996, allocated funds for the Palmetto Fellows Scholarship Program shall equal fifty percent of the designated appropriation. Of the funds allocated to public institutions, the percentage shall be equivalent to the percentage of the public institution's share of the total South Carolina resident undergraduate full-time headcount enrollment in the preceding year. The remaining fifty percent shall be allocated to Need-based Grants. However, in instances where the equal division of the appropriated funds between Need-based Grants and the Palmetto Fellows Scholarship Programs exceeds the capacity to make awards in either program, the Commission on Higher Education has the authority to re-allocate the remaining funds between the two programs until these programs are fully implemented in FY 2000-2001, after which an equal division between the two programs shall be maintained.

B. Independent Institutions:

(1) "Independent institutions" are those institutions eligible to participate in the South Carolina Tuition Grants Program as defined in Chapter 113 of Title 59 of the 1976 Code, which stipulates that an "independent institution of higher learning means any independent eleemosynary junior or senior college in South Carolina whose major campus and headquarters are located within South Carolina and which is accredited by the Southern Association of Colleges and Schools." However, independent two-year institutions are not eligible for participation in this program.

(2) The funds made available to the independent institutions for the higher education grants and scholarships are derived as a percentage of total funds appropriated for this purpose under the South Carolina Children First: Resources for Scholarship and Tuition Act of 1996. Fifty percent of these funds will be allocated to

Palmetto Fellows Scholarships. Of the funds allocated to independent institutions, the percentage shall be equivalent to the percentage of the independent institutions' share of the total South Carolina resident undergraduate full-time headcount enrollment in the preceding year (e.g., for 1997-98, 18.5 percent of in the enrollment) and will be determined annually by the South Carolina Commission on Higher Education and the Tuition Grants Commission. The remaining fifty percent shall be allocated to Need-based Grants. However, in instances where the equal division of the appropriated funds between Need-based Grants and the Palmetto Fellows Scholarship Programs exceeds the capacity to make awards in either program, the Commission on Higher Education has the authority to re-allocate the remaining funds between the two programs until these programs are fully implemented in FY 2000-2001, after which an equal division between the two programs shall be maintained.

62-310 Program Definitions

- A. "Academic year" is defined as the twelve-month period of time during which a full-time student is expected to earn thirty credit hours. The period of time used to measure the academic year will consist of a fall, spring and summer term.
- B. "Baccalaureate program" is defined as a program of study leading to a bachelor's degree at a location approved by the U.S. Department of Education for participation in federally funded financial aid programs.
- C. "Degree-seeking undergraduate student" is defined as any degree-seeking student enrolled full-time in an undergraduate program at an eligible institution that leads to the first baccalaureate degree.
- D. "Eligible Program" is defined as a program of study at a location approved by the U.S. Department of Education for participation in federally funded financial aid programs as defined by Title IV under the Higher Education Act of 1965.
- E. "Full-time student" shall mean a student who has matriculated into an undergraduate program leading to the first baccalaureate degree and who enrolls full-time, usually fifteen semester credit hours for fall and spring terms or eleven credit hours for fall, eight credit hours for winter, and eleven credit hours for spring trimester terms.
- F. "Need analysis" shall mean the process of analyzing the household and financial information on the student's financial aid application and calculating the amount the family can be expected to contribute to education costs. For federal student financial aid programs, the need analysis system is defined under Title IV of the Higher Education Act of 1965.
- G. "Satisfactory academic progress" shall mean the minimum academic standard for academic progress established by the institution for the purpose of complying with Title IV federal regulations for Federal Student Aid Programs.
- H. "South Carolina resident" shall be defined as an individual who satisfies the requirements of residency in accordance with the State of South Carolina Statute for Tuition and Fees, Statute 59-112-10, and all related guidelines and regulations promulgated by the Commission on Higher Education.
- I. "Transfer student" is defined, for the purposes of this program, as a student who has changed full-time

enrollment from one eligible institution to another eligible institution and is a full-time South Carolina resident degree-seeking undergraduate at the "receiving" eligible institution.

J. "Transient student" is defined as a temporary, part-time or full-time non-degree-seeking student who does not meet the institution's criteria as a matriculating full-time student.

62-315 Student Eligibility

A. In order to qualify for consideration for a Palmetto Fellows Scholarship award, a student must:

(1) Be enrolled in a public or private high school or any other high school program of study approved and certified by that school district as conforming to relevant State statutes at the time of application and be a legal resident of South Carolina as defined in applicable State statutes governing the determination of residency for tuition and fee purposes and be approved by pertinent rules and regulations promulgated by the Commission on Higher Education;

(2) Be a U.S. citizen or a permanent resident that meets the definition of an eligible non-citizen under State residency statutes;

(3) Meet the following three criteria: a score of 1200 on the Scholastic Assessment Test (SAT) or an equivalent ACT score, and a grade point average (GPA) of 3.5 on a 4.0 scale or 3.5 on the Uniform Grading Scale at the end of the junior year, and rank in the top five percent of the class at the end of either the sophomore or the junior year. Qualifying scores must be certified by the high school on the Palmetto Fellows Scholarship application by no later than the scholarship application deadline;

(4) Be seriously considering attending, have applied, or have been accepted for admission to an eligible four-year baccalaureate-granting public or independent college or university in South Carolina as defined under Chapter 143 and Chapter 113 of Title 59 of the 1976 Code as a first-time, full-time, baccalaureate degree-seeking student;

(5) Has not defaulted and does not owe refunds on any Federal or State financial aid. If a student has a Student Aid Report (SAR) or its equivalent on file or has applied for Title IV financial assistance by completing the Free Application for Federal Student Aid (FAFSA) form, the SAR information will be used to verify default status or refunds owed. Students who have not completed a FAFSA form must have an affidavit on file to verify that he/she is not in default and does not owe a refund on any Federal or State financial aid, including the State Grant, Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan or Federal Stafford Loan;

(6) Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol, or drug related offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit each academic year to the institution testifying to the fact, except that a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or nolo contendere of an alcohol or drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea. This requirement will begin with the 2000-2001 academic year; and

(7) Submit the official Palmetto Fellows Scholarship Application and comply with all the directions contained

therein.

B. The high schools shall ensure that all students meeting the eligibility criteria are included in the applicant pool.

C. A high school student who transfers into the State or a student who is enrolled in a high school outside of South Carolina is eligible to participate in the program providing that the student meets all eligibility requirements as described herein as well as all residency requirements as described in the "Program Definitions" section above. A transfer student from, or a student enrolled in, an out-of-state high school may apply on the condition that the counselor or principal at the high school at which the student is presently enrolled provides official high school transcripts and appropriate documentation of compliance with all eligibility criteria, including State residency status, SAT score or equivalent ACT score that are certified by the high school on the Palmetto Fellows Scholarship application by no later than the scholarship application deadline, GPA at the end of the junior year, and rank at the end of either the sophomore or the junior year in high school. The high school principal or counselor must identify each eligible student and provide an application to each student.

D. A high school student who graduates immediately after the high school junior year is eligible to apply for the Palmetto Fellows Scholarship, providing that the student meets all eligibility requirements as described in the "Student Eligibility" section, and providing that the student is entering a participating college or university not later than the fall semester immediately following high school graduation.

E. Students receiving a Palmetto Fellows Scholarship are not eligible for a LIFE Scholarship.

62-320 Student Applications

A. The Commission will send applications to the South Carolina high schools. High school officials will identify students who meet the following three criteria: SAT score or equivalent ACT score, and GPA at the end of the junior year, and rank in the high school sophomore or junior class. Applications will be returned no later than the established deadline along with the appropriate official signatures and the students' official transcripts by the principals to the Commission on Higher Education.

B. The high schools shall complete and return a list to the Commission on Higher Education indicating the names of all students who meet the eligibility criteria according to the high school. Both the high school principal and guidance counselor must sign the list. The list shall indicate whether the student is submitting a completed application or declining the opportunity to submit an application. If the student declines the opportunity to submit an application, the high school will submit a form for each of these students, signed by both the student and the parent/guardian, and indicating the reason(s) for not submitting an application.

C. Students must have certification that they earned a 3.5 GPA on a 4.0 scale or 3.5 on the Uniform Grading Scale at the end of the junior year. Because of the different GPA scales used throughout the State, the high school or the school district shall convert the student's GPA to a 4.0 scale to determine the student's eligibility at high schools that do not operate on a 4.0 scale as stated in Section 62-325B(2). This conversion will be permissible until the graduating class of 2004, at which time the Uniform Grading Scale will be fully implemented. To be eligible for the Palmetto Fellows Scholarship beginning with the graduating class of 2004, students must have certification that they earned a 3.5 on the Uniform Grading Scale at the end of the

junior year.

D. Students must have certification that they rank in the top five percent of their high school class at the end of either the sophomore or the junior year.

E. For those high schools that have fewer than twenty students in the class at the end of either the sophomore or junior year, the high school can submit an application for the one student who is number one in the class, providing that student meets all other eligibility criteria. For those high schools that have fewer than forty students but greater than twenty students in the class at the end of either the sophomore or the junior year, the high school can submit applications for the two students who are number one in the class and number two in the class, providing that the students meet all other eligibility criteria.

F. Students must have certification that they earned a score of at least 1200 on the SAT, or an equivalent ACT score. The Commission shall convert all ACT scores to the equivalent SAT scores.

G. Qualifying test scores must be certified by the high school on the Palmetto Fellows Scholarship application by no later than the scholarship deadline. It is permissible to select a verbal score from one test administration and a math score from a different test administration in order to obtain the qualifying composite score.

62-325 Selection Process

A. Palmetto Fellows Scholarship applicants shall be rated based on five categories weighted as follows:

SAT or equivalent ACT score	=30%
Junior year grade point average	=25%
Sophomore or junior year class rank	=25%
Extracurricular activities/work experience	=15%
<u>Counselor recommendation</u>	= <u>5%</u>
TOTAL	=100%

B. In order to calculate a rank order for each student, each of the five categories shall be assigned ranking points as follows:

(1) For the SAT score, the scoring shall be based on the number of SAT points actually earned on the test rather than on the score itself. This is because, merely by virtue of taking the test, all students are automatically given 400 points; thus, the formula subtracts those 400 points, which are not earned by the student. It divides the remainder by 1200, which is the eligibility cutoff score, and multiplies the total by 30, which is the total number of possible points to be awarded for the SAT score. The resulting ranking points appropriately discriminate among higher and lower SAT scores. The formula will be as follows:

$$\frac{\text{SAT score} - 400}{1200} \times 30 = \text{ranking points for SAT score}$$

(2) For grade point average (GPA), the variances between weighted and unweighted GPAs shall be reduced by converting all weighted GPAs as follows: divide the weighted GPA of the applicant by the highest earned weighted GPA in the applicant's junior class and then multiply by four to convert to a 4.0 scale. The formula

is as follows:

$$\frac{\text{Applicant's GPA at the end of the junior year}}{\text{Highest earned GPA in the applicant's junior class}} \times 4 = \text{GPA}$$

All unweighted GPAs shall be reported on a 4.0 scale. Once the GPA has been determined, the following ranking points shall be awarded to the applicant based on the achieved GPA on a 4.0 scale at the end of the junior year:

<u>Points</u>	<u>GPA</u>
25	= 4.00
24	= 3.95 - 3.99
23	= 3.90 - 3.94
22	= 3.85 - 3.89
21	= 3.80 - 3.84
20	= 3.75 - 3.79
19	= 3.70 - 3.74
18	= 3.65 - 3.69
17	= 3.60 - 3.64
16	= 3.55 - 3.59
15	= 3.50 - 3.54

By no later than the graduating class of 2004, all grade point ratios (GPR) must be reported on the Uniform Grading Scale and no conversions will be necessary. The following ranking points shall be awarded based on the achieved GPR on the Uniform Grading Scale at the end of the junior year:

<u>Points</u>	<u>GPR</u>
25	= 4.50 and better
24	= 4.39 - 4.49
23	= 4.30 - 4.39
22	= 4.20 - 4.29
21	= 4.10 - 4.19
20	= 4.00 - 4.09
19	= 3.90 - 3.99
18	= 3.80 - 3.89
17	= 3.70 - 3.79
16	= 3.60 - 3.69
15	= 3.50 - 3.59

(3) For class rank, the following ranking points shall be awarded to the applicant based on the percentage of the class the student ranks in at the end of either the sophomore or the junior year:

<u>Points</u>	<u>Rank</u>
25	= .50% and better
24	= .51 - 1.00%
23	= 1.01 - 1.50%

- 22 = 1.51 - 2.00%
- 21 = 2.01 - 2.50%
- 20 = 2.51 - 3.00%
- 19 = 3.01 - 3.50%
- 18 = 3.51 - 4.00%
- 17 = 4.01 - 4.50%
- 16 = 4.51 - 5.00%
- 15 = Points awarded to students who are eligible based on the fact that they rank #1 or #2 in the class (Section 62-320E).

(4) The following ranking points shall be awarded for extracurricular activities/work experience:

	<u>Possible Points</u>	<u>Explanation</u>
Activity/experience	= 12	The applicant can list up to six extracurricular activities/work experiences worth two points each for a possible total of twelve points.
Grade level	= 1	The applicant will mark the grade level(s) that each activity/experience was performed. One point will be awarded for marking at least twelve blocks under the grade level section.
Total Hours	= 1	The applicant will be awarded one point for having expended at least 360 hours in extracurricular and/or work activities.
Positions Held	= 1	The applicant will be awarded one point for holding either two leadership positions or one top leadership position (president, editor, etc.).

(5) The following points shall be awarded for counselor's recommendation:

Highly Recommend	= 5 points
Recommend	= 3 points
Recommend with Reservations	= 1 point
Do Not Recommend	= 0 points

C. The Commission will award the Palmetto Fellows Scholarships based on priority ranking. The Commission will rank order alternate applicants in priority order. As students who have been named Palmetto Fellows decline to accept the scholarship or fail to meet the eligibility requirements to receive the award, eligible alternate applicants will be awarded scholarships until all available funds are allocated.

D. All students offered a Palmetto Fellows Scholarship must select either a public or private institution. The award shall be designated for use at only one of the two and is not transferable between types of institutions. Due to the funding levels determined by the SC Students First: Financial Resources for Scholarships and Tuition Act of 1996, it is possible that a student will not receive a scholarship in the preference selected.

E. The Commission shall ensure that there is equitable minority participation in the program.

62-330 Policies and Procedures for Awarding Palmetto Fellows Scholarships

A. Palmetto Fellows Scholarship awards are to be used only for payment for cost-of-attendance as established by Title IV regulations with modifications set forth in C below for the academic year for which the scholarship award is made at the designated institution.

B. In determining the amount awarded for the Palmetto Fellows Scholarship, all other sources of grant funds, including federal, state, and institutional funds, and gift assistance, must be applied to the unmet total cost-of-attendance in accord with Title IV regulations before calculating the scholarship award and awarding the scholarship. The maximum amount awarded shall not exceed the cost-of-attendance as established by Title IV regulations with modifications set forth in section C below for any year.

C. Charges for room and board are to be limited as follows:

(1) Room charges shall not exceed the average cost of on-campus residential housing; and

(2) Board charges shall not exceed the cost of the least expensive campus meal plan that includes 21 meals per week.

D. The institution must retain annually appropriate paper or electronic documentation to include at a minimum:

(1) Need analysis or affidavit documenting that the student is not in default or does not owe a refund on any State or Federal financial aid

(2) Affidavit documenting that the student has never been convicted of any felonies, alcohol or drug related offenses as stated under Sections 62-315A(6) and 62-335D(5)

(3) Award notification

(4) Institutional disbursements to students

(5) Refunds and repayments

(6) Satisfactory academic progress as stipulated in these regulations

(7) Student residency status

(8) Enrollment and curriculum requirements

E. The institution shall specify exact award amounts based on the student's application and after applying the Palmetto Fellows Scholarship regulations and criteria stipulated therein. The award cannot exceed \$5,000 per student per academic year. However, the maximum award may be adjusted periodically by the Commission on Higher Education pursuant to Title 59, Chapter 104-20 of Act 629 (Cutting Edge Legislation).

F. Each participating institution shall identify to the Commission a Palmetto Fellows Scholarship institutional

representative whom is responsible for the operation of the Palmetto Fellows Scholarship Program on the campus and will serve as the contact person for the program.

G. Any student who has obtained a Palmetto Fellows Scholarship award through means of a willfully false statement or failure to reveal any material fact, condition, or circumstances affecting eligibility will be subject to applicable civil or criminal penalties, including loss of the Palmetto Fellows Scholarship.

H. The Commission shall notify students of their selection along with terms and conditions of the award.

I. Students must notify the Commission of their acceptance of the scholarship and designate the participating institution in which they plan to enroll by the date established by the Commission or forfeit the Palmetto Fellows Scholarship.

62-335 Duration and Renewability of Award

A. A Palmetto Fellows Scholarship shall be initially awarded for one academic year. The institution shall adjust the amount of the scholarship award during the academic year in the event of a change in the student's financial status.

B. Students selected as Palmetto Fellows must enter a participating college or university the fall term immediately following high school graduation. The award may not be deferred except as noted under "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Exchange Programs" section.

C. A Palmetto Fellows Scholarship may be renewed annually for no more than a total of eight terms of full-time study toward the first baccalaureate degree. Renewal decisions will be made annually.

D. In order to retain eligibility for the Palmetto Fellows Scholarship after the initial year, the student must:

(1) Enroll full-time at the time of the scholarship disbursement;

(2) Earn and maintain at least a cumulative 3.0 grade point average (GPA) on a 4.0 scale for graduation purposes by the end of each academic year;

(3) Complete a minimum of 30 credit hours by the end of the academic year. Students who fail to do so will forfeit their eligibility to be considered for award renewal. This requirement applies to those students who will be awarded the Palmetto Fellows Scholarship beginning with 1999-2000 and thereafter. Students who have been awarded the Palmetto Fellows Scholarship in previous years shall remain under the prior requirement of completing a minimum of 24 credit hours by the end of the regular academic year. For students awarded the Palmetto Fellows Scholarship in years prior to 1999-2000, the academic year shall be defined by the U.S. Department of Education as the period of time a full-time student would normally be expected to complete the equivalent of two semesters of instruction;

(4) Certify each academic year that he/she has not defaulted and does not owe refunds on any Federal or State financial aid. If a student has a Student Aid Report (SAR) or its equivalent on file or has applied for Title IV financial assistance by completing the Free Application for Federal Student Aid (FAFSA) form, the SAR

information will be used to verify default status or refunds owed. Students who have not completed a FAFSA form must have an affidavit on file to verify that he/she is not in default and does not owe a refund on any Federal or State financial aid, including the State Grant, Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan or Federal Stafford Loan; and

(5) Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol, or drug related offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit each academic year to the institution testifying to the fact, except that a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or nolo contendere of an alcohol or drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea. This requirement will begin with the 2000-2001 academic year.

62-340 Transfer of Palmetto Fellows Scholarship

A. Transfer students enrolled at an eligible public or independent institution as defined in Chapter 103 of Title 59 of the 1976 Code may transfer the scholarship award from one institution to another provided that the student transfers to an institution only within the same sector (transfer from an eligible public institution to another eligible public institution, or transfer from an eligible independent institution to another eligible independent institution) unless the student receives prior approval from the Commission on Higher Education.

B. Transfer students shall receive a scholarship award for no more than eight terms at all public or independent institutions attended.

C. Transfer students must comply with all standards for continued eligibility as defined under "Duration and Renewability of Award" section, including the cumulative 3.0 grade point average (GPA) requirement on a 4.0 scale.

D. Palmetto Fellows visiting other participating institutions as transient students and not covered under the "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Student Exchange Programs" section are eligible to participate in the Palmetto Fellows Scholarship Program through the home institution.

62-345 Students with Disabilities

A. Palmetto Fellows who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must meet all eligibility requirements as defined in Section 62-315 except for a student who is approved by the Disability Services Provider to be enrolled in less than full-time status is eligible to receive scholarship funding. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

B. For renewal, Palmetto Fellows who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must meet all renewal requirements as defined in Section 62-335 except for a student not meeting the annual credit hour requirement who is approved by the Disability Services Provider to be enrolled in less than full-time status or less than the required number of annual credit hours for that academic year. Students must complete the required number of hours approved by the institutional Disability Services Provider each academic year for scholarship renewal and earn a minimum 3.0 cumulative grade point average on a 4.0 scale

by the end of the academic year. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

C. The institutional Disability Services Provider must provide written documentation to the Office of Financial Aid each academic year verifying that the student is approved to be enrolled in less than full-time status or less than the required annual credit hours.

D. Palmetto Fellows who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 are eligible to receive up to the maximum number of available terms and available funds as stated in 62-365.

62-350 Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Student Exchange Programs

A. Students enrolled in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs that receive full-time academic credit and are approved by the home institution are eligible to receive Palmetto Fellows Scholarship funds during the period in which the student is enrolled in such programs. Students will be required to meet the continued eligibility requirements as stipulated in Section 62-335.

B. Students who enroll in one term of the academic year at the home institution and also enroll in an internship, cooperative work program, travel study program, or National or International Student Exchange Program that is approved by the home institution but does not receive full-time academic credit during the same academic year must complete 15 credit hours and earn a 3.0 cumulative grade point average on a 4.0 scale within the academic year to be eligible for scholarship renewal for the next academic year. The student may continue to be eligible to receive the Palmetto Fellows Scholarship for up to a total of eight terms at all public or independent institutions attended.

C. For students enrolling in an internship, cooperative work program, travel study program, or National or International Student Exchange Program that is approved by the home institution but does not receive full-time academic credit for the entire academic year, scholarship renewal for the next academic year will be based on the prior year's eligibility. The student may continue to be eligible to receive the Palmetto Fellows Scholarship for up to a total of eight terms at all public or independent institutions attended.

D. Students enrolling in an internship, a cooperative work program, a travel study program, or National or International Student Exchange Program during the academic year and did not use Palmetto Fellows Scholarship funds during this period shall be allowed to receive one term of Palmetto Fellows Scholarship funds during the succeeding summer. In order to receive Palmetto Fellows Scholarship funds for summer school, students must enroll in 12 credit hours during the summer. In order to maintain eligibility for the next academic year for students who only attend summer school at the home institution, the student must earn twelve credit hours for the academic year. For students who enroll in summer school and one other term of the academic year at the home institution, the student must earn a total of 27 credit hours for the academic year. The student must meet all continued eligibility requirements as specified in Section 62-335, except for the completion of the 30 credit hour requirement for the academic year.

E. Scholarship funds will be transferred to the students account for tuition and fee purposes as stated in Section A above. Eligible students may use the appropriated portion of the Palmetto Fellows Scholarship funds for

internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs that receive full-time academic credit and are approved by the home institution. Palmetto Fellows Scholarship funds must be used as payment for cost-of-attendance to the home institution. The Commission on Higher Education cannot transfer scholarship funds directly to the institutions where students will participate in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs.

F. The home institution will be responsible for securing official certification of the student's cumulative grade point average, credit hours earned, verification of full-time enrollment and academic progress for the purposes of determining eligibility for scholarship renewal for the next academic year.

G. Students enrolling in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs that are approved by the home institution but do not receive full-time academic credit immediately following high school graduation shall be allowed to defer the Palmetto Fellows Scholarship for up to twelve months immediately following high school graduation provided that: 1) the student is accepted for admission as a first time-entering freshman at a participating college or university for the fall term; and 2) the participating institution agrees to defer admission for up to twelve months. Students must enroll at the institution where the award was originally reserved and must be entering college for the first time. Students will not be permitted to select a sector other than the sector where the award was originally reserved. The next academic year's eligibility is based on B and C above. Credit hours earned and accepted by the home institution for internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs can be used in the current academic year's credit hour requirement.

62-355 Enrollment in Doctorate of Pharmacy (Pharm.D.) Program

A. Students enrolled in a Pharm.D. Program, and who have not been granted their first bachelor's degree, are eligible to receive the Palmetto Fellows Scholarship. Scholarship funding may not exceed eight full-time equivalent terms. Students must meet all other eligibility criteria as set forth in the program regulations.

62-360 Appeals Procedures

A. The Commission on Higher Education shall define the procedures for scholarship appeals.

B. A student is allowed to submit only one appeal each academic year.

C. A student who does not meet the continued eligibility criteria for renewal of the Palmetto Fellows Scholarship forfeits continued participation in the program and may request an appeal based on extenuating circumstances.

D. A student wishing to appeal any non-renewal decision based on extenuating circumstances must submit the following source documents to the Commission on Higher Education by no later than the established deadline of the academic year the scholarship is requested:

(1) A completed application for appeal

(2) A letter requesting an appeal describing the extenuating circumstances

- (3) An official transcript(s)
- (4) Any other supporting documentation to substantiate the basis for the appeal
- E. A student who fails to submit an appeal by the required deadline will result in forfeiture of the award.
- F. The Palmetto Fellows Scholarship shall be suspended during the appeal period.
- G. The Appeals Committee's decision is final.

62-365 Institutional Disbursement of Scholarship Awards

- A. The institution will identify award amounts, which cannot exceed \$5,000 per eligible student per academic year. Half of each scholarship shall be disbursed during the fall term and half disbursed during the spring term of each year, assuming continued eligibility. The maximum cumulative amount that may be received by one recipient shall be \$20,000 for eight terms of full-time study leading to the first baccalaureate degree. The Commission on Higher Education may periodically adjust the amounts of the award pursuant to Title 59, Chapter 104-20 of Act 629.
- B. The Palmetto Fellows Scholarship may not be applied to a second baccalaureate degree or to graduate coursework; in the event of early graduation, the Scholarship award is discontinued.
- C. It is the institution's responsibility to ensure that no ineligible student receives a scholarship award.
- D. The institution shall be responsible for securing institutional certification of each recipient's cumulative grade point average, credit hours attempted and completed, verification of full-time enrollment, and academic satisfactory progress for purposes of determining eligibility for award renewal. The Palmetto Fellows contact person shall also be responsible for funds received by the institution in its capacity as the Commission's fiscal agent.
- E. After the last day to register for each term of the academic year, the institution will verify enrollment of each recipient as a South Carolina resident who is a full-time baccalaureate-seeking undergraduate student. A listing of recipients with projected disbursement of funds for the academic year will be sent to the Commission on Higher Education with the institution's request for the term's funds. A year-end reconciliation report will be submitted to the Commission prior to June 30. Unused funds shall be refunded to the Commission no later than June 30 of each fiscal year.
- F. Although a student may be named a Palmetto Fellow, the student may not receive a monetary award if the award, when added to other financial resources, would cause the student to receive total assistance in excess of the student's cost-of-attendance as defined by Title IV regulations and these Guidelines.

62-370 Award Notification

- A. Participating institutions as well as the Commission shall provide an award notification to the Palmetto Fellows Scholarship recipients identified by the Commission. Institutional letters must specify the terms and conditions of the scholarship along with other financial aid awarded. The Commission for documentation purposes will require written acceptance of the Palmetto Fellows Scholarship and terms for the award.

B. Participating institutions will notify students of all adjustments in the Palmetto Fellows Scholarship award that may result from an over-award, changes in eligibility, changes in the student's residency or financial status, or other matters.

62-375 Refunds/Withdrawals

A. Should a student recipient withdraw from school during the term in which a Palmetto Fellows Scholarship award was received, the student shall be required to repay the appropriate amount in accord with the institution's approved refund policy. Collection is the responsibility of the institution.

B. Any refund resulting from a recipient's withdrawal from school or some other form of disqualification or adjustment in funds awarded shall be returned to the Commission on Higher Education for redistribution to other Palmetto Fellows.

62-380 Institutional Eligibility

A. In order for a public or independent institution to be considered eligible to accept funds on behalf of students assisted under the provisions of this program, an institution must be an accredited, degree-granting, nonprofit, baccalaureate-granting, senior institution of higher education whose main headquarters are in the State. Eligible independent institutions must be participants in the South Carolina Tuition Grants Program as defined in Chapter 113 of Title 59 of the 1976 Code.

B. In order to be a participating institution in the Palmetto Fellows Scholarship Program, an agreement must be filed with the Commission on Higher Education by the institution's Chief Executive Officer. The agreement will be binding until such time as revisions are made in the regulations. At that time, a new agreement must be filed in order to continue participation. The agreement shall certify that the institution will:

- (1) Act as the student's agent to receive and deliver funds for use under the program;
- (2) Maintain individual recipient records and furnish periodic reports and other pertinent information as may be required by the Commission on Higher Education or the General Assembly; and
- (3) Confirm that the Palmetto Fellows Scholarship contact person for the program on campus will be the official designated by the Chief Executive Officer as the primary representative for the Palmetto Fellows Scholarship Program and identify that individual by name.

62-385 Program Administration and Audits

A. The Commission shall be responsible for the oversight of functions (e.g., rules, regulations, policies) relative to this program with participating institutions, including allocation of funds, promulgation of guidelines and regulations governing the Palmetto Fellows Scholarship Program, any audits, or other oversight as may be deemed necessary to monitor the expenditures of scholarship funds.

B. In instances where the equal division of appropriated funds between the Need-based Grants and the Palmetto Fellows Scholarship Program exceeds the capacity to make awards in either program, the Commission on Higher Education shall re-allocate the remaining funds between the two programs until these

programs are fully implemented in FY 2000-2001, after which an equal division between the two programs shall be maintained.

62-390 Suspension or Termination of Institutional Participation

- A. The Commission may review institutional administrative practices to determine institutional compliance with rules and regulations, pertinent statutes, and program guidelines. If such a review determines that an institution has failed to comply with program rules and regulations or guidelines, the Commission may suspend, terminate, or place certain conditions upon the institution's continued participation in the program and require reimbursement to the Palmetto Fellows Scholarship Program for any funds lost or improperly awarded.**
- B. Upon receipt of evidence that an institution has failed to comply with program rules, regulations, or guidelines, the Commission on Higher Education shall notify the institution in writing of the nature of such allegations and conduct an audit.**
- C. If an audit indicates that a violation or violations may have occurred or are occurring at any public or independent college or university, the Commission on Higher Education shall secure immediate reimbursement from the institution in the event that any funds were expended out of compliance with the provisions of the Act, any relevant Statutes, pertinent rules, and these regulations.**