

October 6, 2005

MEMORANDUM

To: Dr. Layton R. McCurdy, Chairman, and Members, Commission on Higher Education

From: Mr. Daniel Ravenel, Chairman and Members, Committee on Access & Equity and Student Services

LIFE Scholarship Program
Proposed Regulatory Amendments - 2005-06 Academic Year

During the 2005 legislative session, the General Assembly approved Act 162. The Act provides for the following:

- Students attending South University are eligible to receive the LIFE Scholarship if the academic criteria are met;
- Implementation of the LIFE GPA; and
- Dependents of military personnel who served and/or retired within the last four years, paid SC income taxes for the majority of the years of service and are residents of SC are eligible to receive the LIFE Scholarship if the academic criteria are met.

All of the changes and clarifications to the LIFE Scholarship Program can be found in red in the regulation.

Act 162 amended the definition of institutions where students are eligible to receive the LIFE Scholarship under Section 59-149-10B(2) of State statute by adding South University to the list of schools where students may receive the LIFE Scholarship. This can be found in the regulation under **62-900.5S**.

Section 59-149-50A of State statute has been amended in compliance with Act 162 to allow dependents of military personnel who have served or retired within the last four years, paid South Carolina income taxes for the majority of years of service and are residents of South Carolina to be eligible for the LIFE Scholarship if the academic criteria are met. This can be found in the regulation under **62-900.10A**.

Additionally, Act 162 amended Section 59-149-50B of State statute by allowing students to use a LIFE GPA to earn or renew the LIFE Scholarship while in college. The LIFE GPA is the cumulative grade point average calculation that includes credit hours and grades earned at all eligible institutions in-state and out-of-state. An eligible institution is defined, solely for the purposes of the annual credit hour requirement and the LIFE GPA calculation, as an accredited public or independent postsecondary, degree-granting institution located in-state or out-of-state. The institution must be accredited by an agency recognized by the U.S. Department of Education for participation in federally funded financial aid programs. This list may be found on the US Department of Education's website. Attempted credit hours are courses taken in which students earn grades and are included in the GPA calculation for that institution. Eligible credit hours that do not transfer from another institution must also be included in the attempted credit hour calculation for the purposes of LIFE (62-900.5F). The LIFE GPA must not include attempted credit hours earned for continuing education courses, non-degree credit courses for an associate's degree or higher and remedial/developmental courses. The LIFE GPA can be found in the regulation in the following places: 62-900.5U, 62-900.15, 62-900.25, 62-900.30, and 62-900.55.

Students must earn the annual credit hour requirement. The annual credit hour requirement is defined as an average of thirty (30) credit hours each academic year based on initial college enrollment at all eligible institutions attended (62-900.5D). The annual credit hour requirement is being changed to be consistent with the new LIFE GPA based on Act 162.

In addition to the legislative changes to the LIFE Scholarship, the Commission on Higher Education staff has made the following clarifications to the regulation governing the Scholarship program:

- **Section 62-900.5B** adds the definition of "adult education high school diploma" to clarify that this program is certified by the Lifelong Learning Division of the SC Department of Education. **Section 62-900.25B** adds that students who graduate with an adult education diploma may earn the LIFE Scholarship after one year of college.
- **Section 62-900.5N** adds the definition for "felonies" to be consistent with the Palmetto Fellows and SC HOPE Scholarship Programs. This definition clarifies what crimes are classified as felonies under State statute, which exempts students from ever receiving the LIFE Scholarship.
- **Section 62-900.5W** adds the definition of "misdemeanor offenses" to be consistent with Palmetto Fellows and SC HOPE Scholarship Programs. This definition clarifies what crimes are classified as misdemeanor offenses under State statute and gives some examples. **Section 62-900.10A(7)** addresses students with alcohol and/or drug related misdemeanor offenses. These students are only ineligible for the next academic year of enrollment at a SC public or independent institution after the date of the adjudication, conviction, or plea. The section clarifies how to handle specific situations that have consistently occurred such as students obtaining convictions after the academic year has

begun or students who have completed the pre-trial intervention program and have had their records expunged.

- **Section 62-900.10V** adds the definition of "military mobilization" to be consistent with the Palmetto Fellows Scholarship, SC HOPE Scholarship, and Lottery Tuition Assistance Programs. This definition clarifies what situations are classified as deployments. **Section 62-900.55K(12)** added military mobilization orders as required documentation that the institution must retain if appropriate. **Section 62-900.41** updates the terminology from active duty to either mobilized or military mobilization to be consistent with the new definition. In addition, institutions are encouraged to give students that are mobilized a full refund of tuition and fees.
- **Section 62-900.10A(2)** adds language to clarify that students must be SC residents at the time of high school graduation in addition to college enrollment.
- **Section 62-900.10D** clarifies that first-time entering freshmen will not be penalized for any credit hours earned during the summer session immediately prior to the student's initial college enrollment. The credit hours earned will not count against the terms of eligibility unless the student received Lottery Tuition Assistance for the summer session.
- **Section 62-900.10N** adds language to clarify that students who attended out-of-state preparatory high schools or graduated from a SC high school prior to the full implementation of the Uniform Grading Scale in 2004 (if the high school had not already converted to UGS), must have their high school transcript converted by a designated official to the UGS in order to qualify for the LIFE Scholarship.
- **Section 62-900.10F** clarifies that students who take a semester off between high school and college can use the LIFE Scholarship for the spring semester if they qualified out of high school.
- **Section 62-900.15A(3), 62-900.25A(3), and 62-900.30B(2)** changes language from sophomore year to second year; junior year to third year; and senior year to fourth year.
- **Section 62-900.15C** clarifies the minimum number of credit hours a mid-year student must earn to renew the LIFE Scholarship each academic year.
- **Section 62-900.35** adds language to clarify that transfer students must submit written documentation concerning services received from the previous institutional Disability Services Provider.
- **Section 62-900.55H** clarifies that both public and independent four-year institutions shall identify award amounts up to the cost of tuition for thirty credit hours, not to exceed \$4,700, plus a \$300 book allowance. This is consistent with State statute.

- **62-900.60C** clarifies the procedures for institutions to request Scholarship funds from and return Scholarship funds to the Commission.

The financial aid officers representing the public and independent higher education institutions met on July 28, 2005, to provide the Commission staff with their input regarding the proposed amendments to the LIFE Scholarship regulation. Their recommendations were incorporated into the proposed regulation.

Recommendation

The Committee on Access & Equity and Student Services recommends approval of the proposed amendments to the regulation for the LIFE Scholarship Program. If approved by the Commission on Higher Education, the amended regulation will be submitted to the General Assembly during the 2006 legislative session for approval under the Administrative Procedures Act.

Document No.
COMMISSION ON HIGHER EDUCATION
CHAPTER 62
Statutory Authority: 1976 Code Section 59-149-10

62-900.1-70 Legislative Incentives for Future Excellence (LIFE) Scholarship Program

Preamble:

The Commission on Higher Education proposes to amend and replace in its entirety R.62-900 of the LIFE Scholarship Program. Revisions to the existing regulation for the LIFE Scholarship Program are being considered to clarify the policies and procedures for administering the program. Three of the proposed amendments will make the scholarship regulation consistent with Act 162 which was approved during the 2005 legislative session: 1) students must use grades and credit hours from all eligible institutions attended towards LIFE Scholarship eligibility; 2) eligible students are able to receive scholarship funding at South University; and 3) military personnel and their dependents who have been honorably discharged from active duty may be eligible for the LIFE Scholarship if they establish and maintain residency and domicile in this State and if they paid income taxes in this State during the majority of their years of active military service and meet the academic criteria. There are also additional clarifications being proposed such as adding definitions and minor grammatical changes to promote consistency among the State scholarship and grant programs. The Notice of Drafting for the proposed regulation for the LIFE Scholarship Program was published in the State Register on August 26, 2005. Comments from the notice were considered in formulating the proposed regulation.

Instructions: The following regulation will replace in its entirety R.62-900.1 through 62-900.70, LIFE Scholarship Program, to Chapter 62 regulation.

Preliminary Fiscal Impact Statement: The SC Commission on Higher Education estimates no increased costs to the State or its political subdivisions.

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 regulation at a public hearing to be conducted by the SC Commission on Higher Education at its regularly scheduled meeting on December 1, 2005, to be held in the Large Conference Room of the Commission on Higher Education located at 1333 Main Street, Suite 200, Columbia, SC 29201. The Commission meeting commences at 10:30 am at which time the Commission will consider items on its agenda in the order presented. The order of presentation for public hearings will be noted in the Commission's agenda to be available on the Commission's Web site at least one week in advance of the meeting. Persons desiring to make oral comments at the hearing are asked to notify the South Carolina Commission on Higher Education of their intent no later than Monday, November 21, 2005. Persons are to limit their statements to five minutes or less, and as a courtesy are asked to provide written copies of their presentation for record purposes.

Interested persons are also provided an opportunity to submit written comments on the proposed regulation by writing to Dr. Karen Woodfaulk, Director of Student Services at the SC Commission on Higher Education, 1333 Main Street, Suite 200, Columbia, SC 29201, by calling (803) 737-2244, or by e-mailing kwoodfaulk@che.sc.gov. Comments must be received by no later than 5:00 pm on November 21, 2005. Comments received shall be considered by the staff in formulating the final proposed

regulation for the public hearing on December 1, 2005, as noticed above. Comments received by the deadline shall be submitted to the Commission for consideration at the public hearing.

Statement of Need and Reasonableness:

The statement of need and reasonableness was determined by staff analysis pursuant to SC Codes Section 1-23-115(C)(1) through (3) and (9) through (11).

DESCRIPTION OF REGULATION: 62-900.1 through 62-900.70, LIFE Scholarship Program

Purpose of Regulation: Regulation 62-900, LIFE Scholarship Program, is being amended and replaced in its entirety. The proposed regulation will clarify the policies and procedures for awarding the Scholarship. Please see Preamble above for detailed discussion of proposed amendments.

Legal Authority: Section 59-149-10 of the SC Code of Laws

Plan of Implementation: The proposed regulation will take effect upon approval by the General Assembly and publication in the State Register. The proposed regulation will be implemented by providing the regulated community with copies once the regulation has been approved.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The proposed regulation will provide clarification to the policies and procedures for the administration of the LIFE Scholarship Program. Proposed amendments are consistent with legislation contained within Act 162 of the 2005 legislative session. There will be no increased costs to the State or its political subdivisions. In addition, there will be no added costs to the regulated community.

DETERMINATION OF COSTS AND BENEFITS: There are no costs associated with the implementation of the following proposed regulation. Students will benefit by expanding the eligibility criteria for the LIFE Scholarship to allow more opportunities for students to qualify.

UNCERTAINTIES OF ESTIMATES: None

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: There is no anticipated effect on the environment or public health of South Carolina by the implementation of the following proposed regulation

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

Statement of Rationale: Revisions to the LIFE Scholarship regulation were necessary to be consistent with legislation approved during the 2005 legislative session.

Text:

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62-900.1 Purpose of the LIFE Scholarship Program

Pursuant to Act 418, which was initially established in 1998 as Title 59 of the 1976 code and amended by Act 162 during the 2005 legislative session, the Commission on Higher Education shall promulgate regulation and establish procedures for administration of the LIFE Scholarship Program. The General Assembly established the LIFE Scholarship Program in order to increase the access to higher education, improve the employability of South Carolina's students so as to attract business to the State, provide incentives for students to be better prepared for college, and to encourage students to graduate from college on time.

62-900.5 Program Definitions

A. "Academic year" is defined as the twelve month period 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 the fall, spring and summer terms (or its equivalent).

B. "Adult Education High School Diploma" is defined as a high school diploma certified by the Lifelong Learning Division of the South Carolina Department of Education that enables participants to receive a SC high school diploma. A student who earns a high school diploma through the adult education program cannot receive a LIFE Scholarship during his/her initial year (or equivalent) of college enrollment but may earn the Scholarship in subsequent years.

C. An "approved five-year bachelor's degree program" shall mean a five-year bachelor's program approved by the Commission on Higher Education to receive the LIFE Scholarship for a maximum of ten terms. An approved five-year bachelor's degree program does not include inter-institutional and cooperative "3+2" programs (normally in a science degree field and an engineering program).

D. "Annual credit hour requirement" shall be defined as an average of thirty (30) credit hours earned at the end of the academic year based on initial college enrollment at all eligible institutions attended, excluding hours for remedial, continuing education, and non-degree coursework. Credit hours earned before high school graduation, Advanced Placement (AP) credit hours, exempted credit hours, and/or credit hours earned on active duty must count toward the annual credit hour requirement.

E. "Associate's degree program" is defined as a two-year technical or occupational program, or at least a two-year program that is acceptable for full credit towards a bachelor's degree as defined by the U.S. Department of Education for participation in Federally-funded financial aid programs.

F. "Attempted credit hours" shall be defined as courses in which a student earns a grade and is included in the grade point calculation for that institution. Eligible credit hours that do not transfer must also be included. Credit hours earned through dual-enrollment prior to high school graduation must be included in the LIFE GPA. Out-of-state credit hours, Exempted credit hours, Advanced Placement (AP), College Level Examination Program (CLEP), remedial/developmental courses, non-degree credit courses for an associate's degree or higher, Pass/Fail and non-penalty withdrawal credit hours are excluded from the "attempted credit hours." If a student transfers, refer to the institution's grading policy where the credit hours were earned. Any credit hours attempted or earned before high school graduation, hours exempted by examination, or Advanced Placement (AP) credit hours do not count against the terms of eligibility.

G. "Bachelor's degree program" is defined as an undergraduate program of study leading to a bachelor's degree as defined by the U.S. Department of Education for participation in Federally-funded financial aid programs.

H. "Book allowance" shall mean funds that may be applied to the student's account for expenses towards the cost-of-attendance including the cost of textbooks.

I. "Cost-of-attendance" as established defined by Title IV Regulations and may include tuition, fees, living expenses, and other expenses such as costs related to disability or dependent care.

J. "Cost-of-tuition" shall mean the amount charged for enrolling in credit hours of instruction and mandatory fees assessed to all students. Other fees, charges, or cost of textbooks cannot be included.

K. "Degree-seeking student" is defined as any full-time student enrolled in an eligible institution which leads to the first one-year certificate, first two-year program or associate's degree, or first bachelor's or program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree. Upon completion of the first one-year certificate, first two-year program or associate's degree, or first bachelor's or program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree, the student cannot use scholarship funds to pursue a program in the same or preceding level.

L. "Eligible institution" shall be defined, solely for the purposes of the annual credit hour requirement and the LIFE GPA calculation, as an regionally-accredited public or independent postsecondary, degree-granting institution located in-state or out-of-state. The institution must be accredited by an agency recognized by the U.S. Department of Education for participation in federally funded financial aid programs. This list may be found on the US Department of Education's website. ~~recognized regional accrediting bodies are the Southern Association of Colleges and Schools, Middle States Association of Colleges and Schools, New England Association of Schools and Colleges, North Central Association of Colleges and Schools, Northwest Commission on Colleges and Universities, and Western Association of Schools and Colleges.~~

M. "Eligible program of study" is defined as a program of study leading to: 1) at least a one-year educational program that leads to a first certificate or other recognized educational credential (e.g., diploma); 2) the first associate's degree; 3) at least a two-year program that is acceptable for full credit towards a bachelor's degree; 4) the first bachelor's degree; or 5) a program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree.

N. "Felonies" shall be defined as a crimes classified under State statute (16-1-10) and typically require imprisonment for more than one year.

O. "Full-time student" shall mean a student who has matriculated into an eligible program of study and who enrolls full-time, usually fifteen credit hours for fall and spring terms or twelve credit hours for fall, eight credit hours for winter, and twelve credit hours for spring trimester terms. The student must earn an average of thirty credit hours per academic year to receive a LIFE Scholarship. In order for the student to be eligible for Scholarship disbursement, the student must be enrolled full-time at the home institution as stipulated by Title IV Regulations, except that credit hours may not include remedial/developmental, continuing education, and non-degree credit courses for an associate's degree or higher.

P. "General Educational Development (GED) Diploma" is defined as a GED high school diploma that was completed in South Carolina or outside of the state while the student was a dependent of a legal resident of South Carolina who had custody or paid child support and college expenses of the dependent GED diploma student. A student who earns a GED diploma cannot receive a LIFE Scholarship during his/her initial year (or equivalent) of college enrollment but may earn the scholarship in subsequent years.

Q. "High school" is defined as a high school located in South Carolina, an approved home school program as defined in the State Statute, (Sections 59-65-40, 45, and 47) or a preparatory high school located outside of the state while the student is a dependent of a legal resident of South Carolina who has custody or pays child support and college expenses of the dependent high school student in accordance with State Statute 59-112-10. A "preparatory high school" (out-of-state) is defined as a school recognized by the state in which the school is located to offer curricula through the twelfth grade and prepares students for college entrance.

R. "Home institution" shall mean the institution where the student is currently enrolled as a degree-seeking student and may be eligible for financial aid at the same institution.

S. "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 which is accredited by the Southern Association of Colleges and Schools; or an independent bachelor's level institution chartered before 1962 whose major campus and headquarters are located within South Carolina; or an independent bachelor's level institution which was incorporated in its original charter in 1962, was granted a license to operate in 1997 by the Commission on Higher Education, has continued to maintain a campus in South Carolina, and is accredited by the Southern Association of Colleges and Schools. Institutions whose sole purpose is religious or theological training or the granting of professional degrees do not meet the definition of 'public or independent institution' for purposes of this chapter."

T. "Initial college enrollment" shall mean the first time the student matriculates into a postsecondary degree-granting institution after high school graduation, completion of a GED/Adult Education Program or completion of an approved home school program. The terms of eligibility and the annual credit hour requirement are based upon initial college enrollment and continuous enrollment. This means that students must adhere to the 30 credit hour requirement even if they have a break in enrollment. Any break in enrollment (excluding summer) will also count against the terms of eligibility.

U. "LIFE GPA" shall be defined as the cumulative grade point average calculation that includes credit hours and grades earned at all eligible institutions based on a 4.0 scale. The LIFE grade point average must not include attempted credit hours earned for continuing education courses, non-degree credit

courses for an associate's degree or higher and remedial/developmental courses. See Section 62-900.55 for the steps to calculate the "LIFE GPA."

V. "Military mobilization" is defined as a situation in which the U.S. Department of Defense orders members of the United States Armed Forces to active duty away from their normal duty assignment during a time of war or national emergency.

W. "Misdemeanor offenses" shall be defined as a crimes classified under State statute (16-1-100) which are typically punishable by fine or imprisonment for less than one year. A complete listing is located in title 16 of State statute. Examples of alcohol and/or drug misdemeanors in South Carolina include but are not limited to possession of alcohol under the age of 21, possession of marijuana/illegal drugs, open-container, transfer of alcohol to person under 21, false information as to age (fake ID), etc.

X. "Non-degree credit courses" shall be defined as courses that count towards graduation in a certificate or diploma program only. Non-degree credit courses must not be used in the "LIFE GPA" calculation or towards the annual credit hour requirement for an associate's degree or higher.

~~Y. An "offense" shall mean a violation of any law or rule in any state or federal criminal justice system.~~

Y. A "one-year educational program" is defined as an undergraduate program of study leading to recognized credentials (e.g., certificates or diplomas), as defined by the U.S. Department of Education for participation in federally funded financial aid programs and which prepares students for gainful employment in recognized occupations.

Z. "Program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree", which will be the student's first academic degree awarded. Students are eligible to receive the Scholarship for a maximum of eight terms (or its equivalent) as long as all other eligibility requirements are met and the program is approved by the Commission on Higher Education. Students who have been awarded a bachelor's or graduate degree are not eligible for Scholarship funding.

AA. "Public institutions" are institutions of higher learning as defined in Chapter 103 of Title 59 of the 1976 Code, which stipulates "public higher education shall mean any state supported postsecondary educational institution and shall include technical and comprehensive educational institutions."

BB. "Remedial/developmental coursework" shall mean sub-collegiate level preparatory courses in English, mathematics, reading and any courses classified as remedial by the institution where the course is taken.

CC. "South Carolina resident" shall be defined as an individual who satisfies the requirements of residency in accordance with the State of South Carolina State Statute for Tuition and Fees, Section 59-112-10 and all related guidelines and regulations promulgated by the Commission on Higher Education as established by the institutional residency officer each academic year.

DD. "Transfer student" shall be defined as a student who has changed enrollment from one institution to a SC public or independent institution.

62-900.10 Student Eligibility

A. To be eligible for a LIFE Scholarship, students must:

1. Be a U.S. citizen or a legal permanent resident that meets the definition of an eligible non-citizen under State Residency Statutes; and

2. Be a South Carolina resident for in-state purposes at the time of high school graduation and at the time of enrollment at the institution, as set forth by Section 59-112-10, and be either a member of a class graduating from a high school located in this State, or a student who has successfully completed at least three of the final four years of high school within this State, or a home school student who has successfully completed a high school home school program in this State in the manner required by law, or a student graduating from a preparatory high school outside this State, while a dependent of a parent or guardian who is a legal resident of this State and has custody of the dependent according to State Statute, Section 59-149-50A or a student whose parent or guardian has served in or has retired from one of the United States Armed Forces within the last four years, paid income taxes in this State for a majority of the years of service, and is a resident of this State;

3. Meet two of the following three criteria if a first-time entering freshman at an eligible four-year institution:

a. Earn a cumulative 3.0 grade point average (GPA) based on the Uniform Grading Scale (UGS) upon high school graduation. No other grading policy will be allowed to qualify for the LIFE Scholarship. Grade point averages must be reported to two decimal places (minimum) and may not be rounded. For example, a student who earns a 2.99 GPA is not eligible. Institutions shall use the final GPA as reported on the official transcript.

b. Score at least an 1100 on the Scholastic Assessment Test (SAT) or an equivalent ACT score of 24. Test scores will be accepted through the June national test administration of the SAT and ACT during the year of high school graduation. The student must use the highest SAT Math score combined with the highest SAT Critical Reading score (formerly known as the Verbal score). It is permissible to select scores from different test administrations in order to obtain the qualifying composite score. Students cannot use both Critical Reading and Writing subsection scores to meet the minimum 1100 SAT score. Students cannot use the Writing subsection score to obtain the qualifying composite score. The composite ACT score must be based upon one test administration.

c. Rank in the top thirty percent of the graduating class consisting of high school diploma candidates only. The rank must also be based on the UGS only. Ranking percentages must be reported to two decimal places (minimum) and may not be rounded. For example, a student who has a class rank of 13 of 43 ($13/43 \times 100 = 30.23\%$) will not rank in the top thirty percent of the class since 30.23% is not within thirty percent. To determine the top thirty percent for graduating classes with three or less students, the student who is ranked number one in the class would be considered in the top thirty percent for LIFE Scholarship eligibility. Institutions shall use the final ranking as reported by the high school on the official transcript. If a student is a member of an approved home school association that ranks, a ranking report must be attached to the official transcript.

4. Earn a cumulative 3.0 grade point average (GPA) on the Uniform Grading Scale upon high school graduation and score at least an 1100 on the Scholastic Assessment Test (SAT I) or an equivalent ACT score of 24 if a first-time entering freshman graduates from a non-ranking South Carolina high school, non-ranking South Carolina approved home school association or out-of-state preparatory high school and attends an eligible four-year institution;

5. Earn a cumulative 3.0 grade point average (GPA) upon high school graduation on the Uniform Grading Scale if a first-time entering freshman at an eligible two-year or technical institution. No other grading policy will be allowed to qualify for the LIFE Scholarship. Grade point ratios must be reported to two decimal places (minimum) and may not be rounded. For example, a student who earns a 2.99 GPA is not eligible. Institutions shall use the final GPA as reported by the high school on the official transcript;

~~6. Earn a cumulative 3.0 grade point ratio (GPR) upon high school graduation on the Uniform Grading Scale if a first-time entering freshman graduates from a non-ranking South Carolina approved home school association or out of state preparatory school and attends an eligible two-year institution; (This is said in number 4 above.)~~

6. Be admitted, enrolled full-time, and classified as a degree-seeking student at a public or independent institution in South Carolina;

7. Certify that he/she has never been adjudicated delinquent, convicted, or pled guilty or *nolo contendere* to any felonies and/or any alcohol/drug related misdemeanor 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. However, a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or *nolo contendere* of an alcohol/drug related misdemeanor offense is only ineligible for the next academic year of enrollment at an eligible institution after the date of the adjudication, conviction or plea. If the adjudication, conviction, or plea occurs during the academic year after the student has already submitted a signed affidavit to the institution, the student will be eligible to receive the Scholarship the remainder of the academic year. However, the student will be ineligible for the Scholarship the following entire academic year of enrollment. If a student completes a pretrial intervention program and has his/her record expunged the conviction will not affect Scholarship eligibility; and

8. Certify that he/she has not defaulted and does not owe a refund or repayment on any federal or state financial aid. If a student has an Institutional Student Information Record (ISIR) or its equivalent on file, the ISIR information will be used to verify default status or refund/repayment owed on any Federal or State financial aid. Students who have not completed a Free Application for Federal Student Aid (FAFSA) must have an affidavit on file to verify that he/she is not in default and does not owe a refund or repayment on any Federal or State financial aid including, state grants/scholarships, Federal Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan and Federal Stafford Loan.

B. Any credit hours attempted or earned before high school graduation, hours exempted by examination, or Advanced Placement (AP) credit hours do not count against the terms of eligibility as provided in State Statute, Section 59-149-60. The credit hours earned before high school graduation can be used toward the credit hour requirement. Credit hours earned through CLEP or AP and ~~accepted by the institution~~ will be used toward the credit hour requirement.

C. Service members of the United States Armed Forces will not be penalized for any credit hours earned while on active duty. The credit hours earned on active duty will not count against the terms of eligibility, but will be used towards the annual credit hour requirement ~~if accepted by the institution~~.

D. First-time entering freshmen will not be penalized for any credit hours earned during the summer session immediately prior to the student's initial college enrollment. The credit hours earned will not

count against the terms of eligibility unless the student received Lottery Tuition Assistance for the summer session. The credit hours may be used toward the annual credit hour requirement. If a student receives Lottery Tuition Assistance during the summer session immediately prior to the student's initial college enrollment, he/she will have lost one term of eligibility for the LIFE Scholarship. In addition, he/she will need to have completed 15 credit hours and have earned a 3.0 cumulative LIFE GPA in order to receive the Scholarship the following fall term.

E. Students who complete their high school graduation requirements prior to the official graduation date reported on the final high school transcript may be eligible to receive the LIFE Scholarship dependent on the approval of the Commission on Higher Education (CHE). The student must complete and submit an Early Graduation Application, an official high school transcript, an official letter from the high school principal verifying that he/she has met all graduation requirements, and SAT/ACT scores (if attending a four-year institution) by the established deadline. Early graduates cannot use class rank in order to qualify for the LIFE Scholarship at four-year institutions for the spring semester since the class has not officially graduated. A student may use class rank to receive the Scholarship after the class officially graduates. Early graduates who enroll mid-year (spring term) and are awarded the LIFE Scholarship through the Early Graduation process will officially begin their initial college enrollment. In order to receive the LIFE Scholarship the next academic year, the student must earn a minimum of fifteen credit hours and a 3.0 "LIFE GPA" at the end of the academic year. The student will be eligible to receive the maximum number of terms of eligibility based on initial college enrollment. If a student does not submit an early graduation application for the spring term and has not officially graduated, the student should not have received the LIFE Scholarship and that term will not count against his/her terms of Scholarship eligibility.

F. First-time entering freshmen who enroll mid-year (spring semester) are eligible for the LIFE Scholarship if they qualified upon high school graduation.

G. LIFE Scholarship funds may not be applied to the cost of continuing education, remedial/developmental or non-degree credit courses for an associate's degree or higher. Twelve credit hours of the courseload must be non-remedial/developmental, non-continuing education or degree-credit courses for an associate's degree or higher in order to receive LIFE Scholarship funds. Continuing education, non-degree credit for an associate's degree or higher and remedial/developmental courses will not be included in the "LIFE GPA" or credit hour calculations.

H. Non-degree credit hours shall be used to meet the full-time eligibility criteria for a diploma or certificate program only. Students must sign an affidavit certifying that they understand that non-degree credit hours will not be used in calculating the "LIFE GPA" or credit hour requirements if they are enrolled in an Associate's degree or higher.

I. First-time entering freshmen attending an eligible two-year or technical college who enroll full-time in remedial/developmental courses during the first term(s) will not be eligible for Scholarship funds during this period unless the student is enrolled in at least twelve credit hours of non-remedial/developmental courses. Credit hours earned during the term(s) of remedial/developmental enrollment will not be used to determine remaining Scholarship eligibility at the completion of remediation unless the student has completed at least twelve credit hours of non-remedial/developmental coursework each term of enrollment. The student will be eligible for the Scholarship for the term following completion of remediation if the student was eligible to receive the LIFE Scholarship upon high school graduation. If the student requires more than one academic year of remedial/developmental coursework, then he/she will not be eligible for the LIFE Scholarship the term after completion of remediation. If the student was not

eligible for the Scholarship upon high school graduation, the student must meet the conditions set forth in Section J below in order to gain the LIFE Scholarship.

J. Students who do not meet the scholarship eligibility requirements upon high school graduation and enroll full-time in remedial/developmental courses must meet the scholarship eligibility requirements (earn a 3.0 "LIFE GPA" and earn an average of thirty credit hours for the academic year) at the end of the first year of enrollment in non-remedial/developmental courses to be eligible to receive the scholarship for the second year of enrollment in non-remedial/developmental courses.

K. Students receiving a LIFE Scholarship are not eligible to receive a Palmetto Fellows Scholarship, SC HOPE Scholarship or Lottery Tuition Assistance.

L. Students who have already been awarded their first bachelor's degree, graduate degree or program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree are not eligible to receive the LIFE Scholarship.

M. All documents required for determining LIFE Scholarship eligibility must be submitted to the institution by their established deadline(s). Students must submit official transcripts from all previous and current institutions, which provide evidence to calculate the "LIFE GPA," determine initial college enrollment and earned annual credit hour requirement. Students that complete coursework at another institution at any time during the academic year (fall, spring, summer) must submit an official transcript to the home institution at the end of the academic year to determine eligibility for the LIFE Scholarship.

N. First-time entering freshmen who attended out-of-state preparatory high schools or graduated from a SC high school prior to the full implementation of the Uniform Grading Scale in 2004 (if the high school had not already converted to UGS) must have their high school transcript converted by a designated official appointed by the Commission on Higher Education to the UGS in order to qualify for the LIFE Scholarship. Any fees and requirements for the conversion are the responsibility of the student. Students who attended high school out-of-state must meet the South Carolina residency requirement.

62-900.15 Continued Eligibility

A. ~~Students who are first-time entering freshmen during Fall 2005 and beyond~~ must meet the following criteria to renew eligibility for the LIFE Scholarship:

1. Continue to meet all eligibility requirements as stated in the "Student Eligibility" Section;
2. Earn at least a 3.0 "LIFE GPA" by the end of the academic year ~~to include dually-enrolled courses taken during high school and the summer prior to entering college;~~ and
3. Meet the annual credit hour requirement (or its equivalent) for graduation purposes by the end of the academic year based on initial college enrollment:
 - (a) earn a minimum of 30 (or the equivalent) credit hours if entering the second year; or
 - (b) earn a minimum of 60 (or the equivalent) credit hours if entering the third year; or
 - (c) earn a minimum of 90 (or the equivalent) credit hours if entering the fourth year; or
 - (d) earn a minimum of 120 (or its equivalent) credit hours if entering the fifth year of an approved five-year bachelor's degree program.

~~B. Students who began their initial college enrollment prior to Fall 2005 must meet the following criteria to renew eligibility for the LIFE Scholarship:~~

- ~~1. Must continue to meet all eligibility requirements as stated in the "Student Eligibility" Section;~~
- ~~2. Earn at least a 3.0 GPA by the end of the academic year based on the "LIFE GPA" calculation; and~~
- ~~3. Earn an average of thirty credit hours (or its equivalent) for graduation purposes by the end of each academic year based on initial college enrollment.~~

B. Students who meet the continued eligibility requirements by the end of the spring term and who enroll in Maymester or summer term will not be eligible to receive the LIFE Scholarship if their cumulative grade point average falls below the minimum 3.0 "LIFE GPA" requirement by the end of the summer term.

C. Students who initially enroll in college mid-year (spring term) may be eligible to receive the LIFE Scholarship the next academic year, if the student earns a minimum of fifteen (15) credit hours and a 3.0 "LIFE GPA" at the end of the academic year. For subsequent years, the student must meet the annual credit hour requirement and 3.0 LIFE GPA for renewal:

- (a) earn a minimum of 45 (or the equivalent) credit hours if entering the fourth semester based on initial college enrollment; or
- (b) earn a minimum of 75 (or the equivalent) credit hours if entering the sixth semester based on initial college enrollment; or
- (c) earn a minimum of 105 (or the equivalent) credit hours if entering the eighth semester based on initial college enrollment; or
- (d) earn a minimum of 135 (or its equivalent) credit hours if entering the tenth semester of an approved five-year bachelor's degree program based on initial college enrollment.

The student may be eligible to receive the maximum number of terms of eligibility based on initial college enrollment.

62-900.20 Terms of Eligibility

A. The maximum number of terms of eligibility is based on the student's initial college enrollment with the exception of the summer term immediately prior to the student's initial college enrollment and up to one academic year of full-time enrollment in remedial/developmental coursework.

B. Students may receive a LIFE Scholarship for a maximum of two terms for a one-year educational program, four terms for an associate's degree program or at least a two-year program that is acceptable for full credit towards a bachelor's degree, eight terms (or its equivalent) towards the first bachelor's degree or program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree program or ten consecutive terms towards an approved five-year bachelor's degree program. (See chart in "C" below.)

C. If a student pursues the following program, the terms of eligibility will be based upon the student's initial college enrollment:

| | | Average Credit Hours Earned at the End of Each Academic Year | | | | |
|------------------------------|------------------------------|---|----------------------------|----------------------------|-----------------------------|-------------------------------|
| Degree/Program | Maximum Terms of Eligibility | 1st Year = 30 credit hours | 2nd Year = 60 credit hours | 3rd Year = 90 credit hours | 4th Year = 120 credit hours | Fifth Year = 150 credit hours |
| | | Terms of Remaining Eligibility at the End of Each Academic Year | | | | |
| One-year Certificate/Diploma | 2 | 0 | 0 | 0 | 0 | 0 |
| Associate/Two-year Program | 4 | 2 | 0 | 0 | 0 | 0 |
| Bachelor/First Professional | 8 | 6 | 4 | 2 | 0 | 0 |
| Approved Five-year Bachelor | 10 | 8 | 6 | 4 | 2 | 0 |

62-900.25 Regaining or Earning Eligibility

A. Students who were not initially eligible upon high school graduation or failed to meet the continued eligibility requirements may earn or regain eligibility if they:

1. Meet all eligibility requirements as stated in the "Student Eligibility" Section;
2. Earn at least a 3.0 "LIFE GPA" by the end of each the academic year;
3. ~~Earn an average of thirty credit hours for graduation purposes~~ Meet the annual credit hour requirement by the end of the academic year based on initial college enrollment:
 - (a) earn a minimum of 30 (or the equivalent) credit hours if entering the second year; or
 - (b) earn a minimum of 60 (or the equivalent) credit hours if entering the third year; or
 - (c) earn a minimum of 90 (or the equivalent) credit hours if entering the fourth year; or
 - (d) earn a minimum of 120 (or its equivalent) credit hours if entering the fifth year of an approved five-year bachelor's degree program.
 - (e) earn the required number of credit hours as stated in Section 62-900.15 (C) for students who initially enroll mid-year.

B. A student who has earned a GED diploma or Adult Education High School Diploma may be eligible to earn the LIFE Scholarship at the end of the first academic year of a non-GED program. The student must ~~earn a minimum of thirty credit hours~~ meet the annual credit hour requirement (or equivalent) and a 3.0 "LIFE GPA" at the end of the first academic year. To qualify for subsequent years, the student must meet all eligibility requirements as stated in Section A above.

C. A student who has graduated from a homeschool association not approved by the state of South Carolina may be eligible to earn the LIFE Scholarship at the end of the first academic year based on initial college enrollment. The student must ~~earn a minimum of thirty credit hours~~ meet the annual credit hour requirement (or equivalent) and a 3.0 "LIFE GPA" at the end of the first academic year. The student may also qualify in subsequent years by meeting all eligibility requirements as stated in Section A above.

D. Students who initially enroll in college mid-year (spring term) may be eligible to receive the LIFE Scholarship the next academic year, if the student earns a minimum of fifteen credit hours and earns a cumulative 3.0 "LIFE GPA" at the end of the academic year. For subsequent years, the student must ~~earn an average of 30 credit hours per academic year~~ meet the annual credit hour requirement for renewal (refer to Section 62-900.15 (C) for the required number of credit hours for mid-year students). The

student may be eligible to receive the maximum number of terms of eligibility based on initial college enrollment.

62-900.30 Transfer Students

~~A. Transfer students must meet all eligibility requirements as defined in the "Continued Eligibility" or "Regaining or Earning Eligibility" Sections, except for the credit hour requirement according to Section C below. The Scholarship award amount for the spring term must comply with the award amount specified in the "Institutional Disbursements" Section.~~

A. Transfer students who receive the LIFE Scholarship and transfer mid-year to another institution may be eligible to receive the Scholarship for the spring term if they met the eligibility requirements ~~during the previous semester at the end of the previous academic year~~ (See "Transfer Student" Section B for eligibility requirements):

1. Freshmen who transfer mid-year to the same type of institution (two-year to two-year or four-year to four-year) must have met the Scholarship requirements of the respective institution at the time of initial college enrollment; or
2. Freshmen who transfer mid-year from a two-year to a four-year institution must meet the eligibility requirements of a first-time entering freshmen enrolling at a four-year institution; or
3. Freshmen who transfer mid-year from a four-year to a two-year institution must meet the eligibility requirements of a first-time entering freshmen enrolling at a two-year institution.

B. For determining initial eligibility for transfer students for the first-time at an eligible public or independent institution in SC, students must:

1. ~~Students who transfer from an out-of-state institution~~ Earn a cumulative 3.0 LIFE GPA; and
2. Meet one of the following:
 - (a) earn a minimum of thirty credit hours (or equivalent) at all institutions if entering the second year of college based on initial college enrollment or consistent with institutional policies for graduation purposes; or
 - (b) earn a minimum of sixty credit hours (or equivalent) at all institutions if entering the third year of college based on initial college enrollment or consistent with institutional policies for graduation purposes; or
 - (c) earn a minimum of ninety credit hours (or equivalent) at all institutions if entering the fourth year of college based on initial college enrollment or consistent with institutional policies for graduation purposes; or
 - (d) earn a minimum of one hundred twenty credit hours (or equivalent) at all institutions if entering the fifth year of college in an approved five-year bachelor's degree program based on initial college enrollment or consistent with institutional policies for graduation purposes; or
 - (e) earn the required number of credit hours as stated in Section 62-900.15 (C) for students who initially enroll mid-year based on initial college enrollment.
3. ~~All students who enrolled at a South Carolina eligible institution and who transferred to another South Carolina eligible institution must use the LIFE GPA calculation for scholarship eligibility.~~

- ~~(a) earn a minimum of thirty credit hours (or equivalent) at all institutions as a rising sophomore or consistent with institutional policies for graduation purposes; or~~
- ~~(b) earn a minimum of sixty credit hours (or equivalent) at all institutions as a rising junior or consistent with institutional policies for graduation purposes; or~~
- ~~(c) earn a minimum of ninety credit hours (or equivalent) at all institutions as a rising senior or consistent with institutional policies for graduation purposes; or~~
- ~~(d) earn a minimum of one hundred twenty credit hours (or equivalent) at all institutions as a rising fifth year student in an approved five year Bachelor's degree program or consistent with institutional policies for graduation purposes.~~

C. For eligibility in subsequent years, transfer students must earn a 3.0 LIFE GPA and ~~earn an average of thirty credit hours~~ meet the annual credit hour requirement (or its equivalent) at all eligible institutions by the end of the academic year based on initial college enrollment.

D. The institution where the student is transferring will determine the classification of the entering transferring student based on initial college enrollment and will use this classification to determine the remaining terms of eligibility in compliance with the "Terms of Eligibility" Section.

62-900.35 Students with Disabilities

A. Students 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 "Student Eligibility, Continued Eligibility, Regaining or Earning Eligibility, or Transfer Students" Sections except for the full-time enrollment requirement, if approved by the Disability Services Provider at the home institution. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973. It is the responsibility of the transfer student to provide written documentation concerning services from the previous institutional Disability Services Provider.

B. The institutional Disability Services Provider must provide written documentation to the Office of Financial Aid prior to each academic year verifying that the student is approved to be enrolled in less than full-time status or earn less than the required annual credit hours. The institution is responsible for retaining appropriate documentation according to the "Program Administration and Audits" Section.

C. For renewal, students who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must meet all requirements as stated in the "Continued Eligibility" Section, except that if a student does not meet the annual credit hour requirement, the student must have been approved by the institutional Disability Services Provider in the prior academic year to be enrolled in less than "full-time" status or less than the required thirty credit hours. Each academic year, students must complete the required number of credit hours approved by the institutional Disability Services Provider for scholarship renewal and earn a 3.0 "LIFE GPA". Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

D. Students who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 may receive the maximum number of terms of eligibility as stated in the "Terms of Eligibility" Section.

E. In order to be eligible for the LIFE Scholarship, students who no longer qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must comply with all requirements set forth under the

"Student Eligibility, Continued Eligibility, Regaining or Earning Eligibility, or Transfer Students" Sections.

62-900.40 Enrollment in Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs

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

B. Eligible students may use the appropriated portion of the LIFE Scholarship funds for internships, cooperative work programs, travel study programs or National or International Student Exchange Programs that are approved by the home institution and that the home institution accepts as full-time transfer credit. LIFE Scholarship funds must be paid directly to the student's account at the home institution and cannot exceed the cost-of-attendance at the home institution or the cost-of-attendance at the host institution, whichever is less. The Commission on Higher Education will not transfer scholarship funds directly to the institution where the student will participate in internships, cooperative work programs, travel study programs or National or International Student Exchange Programs. The institution is responsible for scholarship funds according to the "Policies and Procedures for Awarding" Section.

C. Students who enroll in one academic term at the home institution and also enroll in an internship, cooperative work program, travel study program or National or International Student Exchange Program that are approved by the home institution and that do not award full-time transfer credit during the same academic year, must complete fifteen credit hours and earn a 3.0 "LIFE GPA" by the end of the academic year to be eligible for scholarship renewal for the next academic year. Students who did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on their initial college enrollment date (provided the student meets continued eligibility requirements).

D. For students enrolled in an internship, cooperative work program, travel study program or National or International Student Exchange Program during the entire academic year that is approved by the home institution but does not award full-time transfer credit for the entire academic year, scholarship renewal for the next academic year will be based on the prior year's eligibility. Students who did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on initial college enrollment (provided the student meets the continued eligibility requirements).

E. Students enrolled in an internship, a cooperative work program, a travel study program or National or International Student Exchange Program during the academic year that is approved by the home institution and did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on initial college enrollment (provided the student meets the continued eligibility requirements). In order to receive LIFE Scholarship funds for summer school at the home institution, students must enroll in twelve 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 during 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

twenty-seven credit hours (or its equivalent) for the academic year. The student must meet all eligibility requirements as specified in the "Continued Eligibility" Section, except for the completion of the annual credit hour requirement for the academic year.

F. The home institution will be responsible for obtaining official certification of the student's grade point average, credit hours earned, and satisfactory academic progress for the purposes of determining eligibility for scholarship renewal for the next academic year.

62-900.41 Military Mobilization

A. Service members who are enrolled in college and are affected by military mobilizations will not be penalized for the term they are required to withdraw after the full refund period based on the institutional policies and procedures. Institutions are strongly encouraged to provide a full refund of required tuition, fees and other institutional charges or to provide a credit in a comparable amount against future charges for students who are forced to withdraw as a result of military mobilization. Additionally, the term(s) that the service member is mobilized will not count against the maximum terms of eligibility. The service member shall be allowed to receive the unused terms while mobilized during the succeeding summer or at the end of the maximum terms of eligibility based on initial college enrollment (provided the service member meets continued eligibility requirements). The service member must re-enroll in an eligible institution within twelve months upon their demobilization and provide official documentation to verify military deployment to the institutional Financial Aid Office upon re-enrollment. Reinstatement will be based upon the service member's eligibility at the time he/she was mobilized. If the student re-enrolls after the twelve month period, the service member must submit an Appeal Application to the Commission on Higher Education by the established deadline in order to be considered for reinstatement.

B. Service members who are enrolled in college and are mobilized for an entire academic year may renew the scholarship for the next academic year, if they met the eligibility requirements at the end of the prior academic year. Service members who did not use the LIFE Scholarship funds/terms of eligibility during this period due to military mobilization shall be allowed to receive the LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on initial college enrollment (provided the service member meets continued eligibility requirements).

C. Service members who are enrolled in college and are mobilized for one academic term must complete fifteen credit hours and earn a 3.0 "LIFE GPA" by the end of the academic year to be eligible for scholarship renewal for the next academic year. Service members who did not use LIFE Scholarship funds/terms of eligibility during this period shall be allowed to receive the scholarship during the succeeding summer or at the end of the maximum terms of eligibility based on initial college enrollment (provided the service member meets the continued eligibility requirements).

D. In order to receive the LIFE Scholarship for summer school for the unused term(s), the service member must enroll in twelve credit hours during the succeeding summer term at the home institution. For service members who enroll in summer school and one other term of the academic year, the service member must earn a total of twenty-seven credit hours (or its equivalent) for the academic year. In order to maintain eligibility for the next academic year for service members who only attend summer school, the member must earn twelve credit hours during the academic year. The service member must meet all eligibility requirements as specified in the "Continued Eligibility" Section, except for the completion of the thirty credit hour requirement for the academic year.

E. The home institution will be responsible for receiving verification of military mobilization status, "LIFE GPA," credit hours earned and terms of eligibility based on the service member's initial college enrollment and eligibility for Scholarship renewal for the next academic year.

F. Service members of the United States Armed Forces will not be penalized for any credit hours earned while on military mobilization. The credit hours earned will not count against the terms of eligibility, but will be used toward the annual credit hour requirement for the LIFE Scholarship.

62-900.45 Refunds and Repayments

A. In the event a student who has been awarded a LIFE Scholarship withdraws, is suspended from the institution, or drops below full-time enrollment status during any term of the academic year, institutions must reimburse the LIFE Scholarship Program for the amount of the LIFE Scholarship for the term in question pursuant to the refund policies of the institution. Collection is the responsibility of the institution.

B. In the event a student withdraws or drops below full-time status after the institution's refund period and therefore must pay tuition and fees for full-time enrollment, the scholarship may be retained pursuant to the refund policies of the institution.

62-900.50 Appeals Procedures

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

B. Students who did not meet the continued eligibility requirements for the scholarship at the end of the academic year due to an extenuating circumstance may request an appeal with the Commission on Higher Education.

C. The Commission on Higher Education will allow a student to submit only one appeal each academic year based on an extenuating circumstance.

D. A completed appeal's application must be filed with the Commission on Higher Education by the established deadline of the academic year the scholarship is requested. The student must provide a completed application for appeal, a letter requesting an appeal describing the extenuating circumstance, official transcripts from all prior institutions, and any other supporting documentation to substantiate the basis for the appeal. Failure to submit an appeal by the required deadline(s) will result in forfeiture of the scholarship.

E. The LIFE Scholarship shall be suspended during the appeal period, but will be awarded retroactively if the appeal is granted.

F. The Appeals Committee's decision is final.

62-900.55 Institutional Policies and Procedures for Awarding

A. Each institution is responsible for reviewing all students based on the "LIFE GPA" calculation below to determine eligibility for the LIFE Scholarship. Institutions must use official transcripts from all eligible institutions for each student and the steps in Section D below.

B. The institution must use grades earned at all eligible institutions during any term (fall, spring, and/or summer) for calculating a "LIFE GPA" at the end of the academic year.

C. The student must certify by submitting a signed affidavit that he/she is responsible for submitting transcripts from all previous and current eligible institutions. Students who complete coursework at another institution at anytime during the academic year (fall, spring, summer) must submit an official transcript to the home institution at the end of the academic year to determine eligibility for the LIFE Scholarship.

D. Steps for calculating a "LIFE GPA:"

- 1) Convert all grades earned at an eligible institution to a 4.0 scale based on each institution's grading policy where the grades were earned = Grade Points
- 2) Multiply the grade points by attempted credit hours = Quality Points (QP)
- 3) Divide the total quality points by the total number of attempted credit hours = LIFE GPA
- 4) "LIFE GPA" Formula:
$$\frac{(\text{Grade Points} \times \text{Attempted Credited Hours} = \text{QP})}{\text{Total Attempted Credit Hours}} = \text{LIFE GPA}$$

E. The "LIFE GPA" must include all grades earned at eligible institutions, including courses that do not transfer based on the institution's policy and college courses taken while in high school.

F. The "LIFE GPA" must not include attempted credit hours earned for continuing education courses, non-degree credit courses for an associate's degree or higher and remedial/developmental courses.

G. The student must ~~earn an average of 30 credit hours~~ meet the annual credit hour requirement at the end of the academic year based on initial college enrollment as defined in the "Continued Eligibility," "Regaining or Earning Eligibility" or "Transfer Students" Sections.

H. LIFE Scholarship awards are to be used only for payment toward the cost-of-attendance as established by Title IV Regulations. Eligible four-year public and independent institutions shall identify award amounts up to the cost-of-tuition for thirty credit hours, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (maximum \$5,000 including cost-of-tuition plus book allowance) per academic year. ~~Eligible four-year independent institutions shall identify award amounts that cover the cost of attendance up to a maximum of the average annual cost of tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (maximum \$5,000 including book allowance) per academic year.~~ Eligible two-year public or technical institutions shall identify award amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a three hundred dollar book allowance per academic year. For students enrolled at eligible two-year independent institutions, the award amount shall not exceed the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance. Half shall be awarded during the fall term and half during the spring term (or its equivalent), assuming continued eligibility. The LIFE Scholarship in combination with all other gift aid, including Federal, State, private and institutional funds, shall not exceed the cost-of-attendance as defined in Title IV regulations for any academic year.

I. Students who have already been awarded a first bachelor's degree, graduate degree or a program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree are not eligible to receive the LIFE Scholarship.

J. Eligible institutions shall provide an award notification to eligible students that contains the terms and conditions of the scholarship. Institutions will notify students of any adjustments in scholarship funds that may result from an over award, change in eligibility, change in the student's residency or change in financial status or other matters.

K. The institution must retain annual paper or electronic documentation for each award to include at a minimum:

1. Award notification
2. Institutional disbursement to student
3. Student's residency status
4. Refunds and repayments (if appropriate)
5. Enrollment and curriculum requirements
6. Verification of a 3.0 "LIFE GPA" and the required number of annual credit hours based on initial college enrollment
7. Affidavit documenting that the student: a) has never been convicted of any felonies and/or any alcohol/ drug-related misdemeanor offenses within the past academic year; b) understands that non-degree credit hours will not be used in calculating the "LIFE GPA" or credit hour requirements if they are enrolled in an associate's degree or higher; and c) must certify that they have submitted transcripts from all previous and current institutions attended
8. Institutional Student Information Record (ISIR) or affidavit documenting that the student is not in default or does not owe a refund or repayment on any state or federal financial aid
9. High school transcript(s) verifying graduation or home school completion date, grade point averages and class ranks (first-time entering freshmen) or GED or Adult Education High School Diploma,
10. SAT or ACT scores (first-time entering freshmen)
11. Verification of student's disability from Institutional Disability Service Provider and verification of reduced course-load requirement (if appropriate)
12. Military mobilization orders (if appropriate)

N. It is the institution's responsibility to ensure that only eligible students receive a Scholarship award.

O. Any student who has attempted to obtain or has obtained a LIFE 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 LIFE Scholarship.

62-900.60 Institutional Disbursements

A. Eligible four-year public and independent institutions shall award amounts, which cannot exceed the cost-of-tuition for thirty credit hours a year, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (maximum \$5,000 including cost-of-tuition plus book allowance) per academic year. ~~Eligible four-year-independent institutions shall award amounts that cover the cost of attendance up to a maximum of the average annual cost of tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance per academic year.~~ Eligible two-year public or technical institutions shall award amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a three hundred dollar book allowance

per academic year. For students enrolled at eligible two-year independent institutions, the award amount shall not exceed the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance per academic year. Half shall be awarded during the fall term and half during the spring term (or its equivalent), assuming continued eligibility. Scholarships cannot be disbursed during the summer or any interim sessions with the exception to disbursements that meet the requisites under the "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs" or "Military Mobilization" Sections. The LIFE Scholarship in combination with all other gift aid, including Federal, State, private and institutional funds, shall not exceed the cost-of-attendance as defined in Title IV regulations for any academic year.

B. The LIFE Scholarship may not be applied to a second bachelor's degree or a program of study that is structured so as not to require a bachelor's degree for acceptance into the program and leads to a graduate degree program as defined in the "Program Definitions" Section. In the event of early graduation, the scholarship award is discontinued.

C. 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, degree-seeking student. The institution must submit a request for funds and/or return of funds by the established deadline each term. ~~According to the Scholarship and Grant Programs Policies and Procedures Manual, In addition, a listing of all eligible recipients by identification numbers with award amounts for the term must be sent to the Commission on Higher Education with the institution's request for funds. At this time any unused funds must be returned to the Commission on Higher Education immediately. A year-end reconciliation report will be submitted to the Commission on Higher Education prior to June 30th. The reconciliation report shall include any additional requests for funds and/or return of unused funds.~~

D. The Commission will disburse awards to the eligible institutions to be placed in each eligible student's account.

E. The student must be enrolled at the time of disbursement as a full-time student at the home institution. Students who are retroactively awarded must have been enrolled in a minimum of twelve credit hours at the home institution at the time the scholarship would have been disbursed for that term.

62-900.65 Program Administration and Audits

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

B. According to the Audit Policies and Procedures for Scholarship and Grant Programs Manual, all eligible institutions that participate in the program must abide by program policies, rules or regulation. Institutions also agree to maintain and provide all pertinent information, records, reports or any information as may be required or requested by the Commission on Higher Education or the General Assembly to ensure proper administration of the program.

C. The Chief Executive Officer at each participating institution shall identify to the Commission on Higher Education a LIFE Scholarship institutional representative who is responsible for the operation of

the program on the campus and will serve as the contact person. The institutional representative will act as the student's fiscal agent to receive and deliver funds for use under the program.

62-900.70 Suspension or Termination of Institutional Participation

A. The Commission may review institutional administrative practices to determine institutional compliance with pertinent statutes, guidelines, rules or regulations. If such a review determines that an institution has failed to comply with program statutes, guidelines, rules or regulations, the Commission may suspend, terminate, or place certain conditions upon the institution's continued participation in the program and require reimbursement to the LIFE Scholarship program for any funds lost or improperly awarded.

B. Upon receipt of evidence that an institution has failed to comply, 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 eligible public or independent institution, 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, guidelines, rules, and regulations.



September 26, 2005

MEMORANDUM

TO: Dr. Layton McCurdy, Chair, and
Members, Commission on Higher Education

FROM: Rosemary Byerly, *RB/kyw* Chair, Committee on Finance and Facilities

SUBJECT: Recommendations of the Committee on Finance and Facilities

The Committee on Finance and Facilities met on September 13, and again by conference call on September 21 to review and consider the following projects.

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All of the above items were approved by the Committee and are hereby submitted to the full Commission for consideration. Detailed descriptions of each item begin on page 2. For your information, the monthly list of staff approvals is included as Attachment 1.

If you have any questions about a particular item, or if you need additional information, please contact me or Lynn Metcalf at (803) 737-2265.