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Agenda Item 7.03 A(1-3)

Memorandum

TO: Dr. Layton R. McCurdy, Chairman, and Members
S.C. Commission on Higher Education

FROM: Ms. Cynthia Mosteller, Chairperson
Members of the Access & Equity and Student Services Committee

DATE: October 30, 2008

Approval of Regulations Regarding the SC Need-based Grant, LIFE & Palmetto Fellows Scholarship and Scholarship Enhancements

The Commission on Higher Education staff proposes amendments to the regulations for the LIFE & Palmetto Fellows Scholarships and Scholarship Enhancements, as well as the regulation for the SC Need-based Grant. Act 103 was approved during the 2007 legislative session and Acts 178 and 235 were approved during the 2008 legislative session. These Acts affect a student's eligibility for the LIFE & Palmetto Fellows Scholarship and/or the Scholarship Enhancements effective the 2008-09 Academic Year.

The South Carolina Association of Financial Aid Administrators' CHE Advisory Committee met on September 18, 2008, and provided their suggestions and comments about the proposed regulations. The proposed regulations were also e-mailed to the financial aid officers at all public and independent institutions via their listserv to request their input. Their recommendations were incorporated into the proposed regulations.

The Committee on Access & Equity and Student Services met on October 2, 2008, and considered the proposed regulations. The Committee unanimously approved the proposed regulations for the LIFE and Palmetto Fellows Scholarships, as well as regulation for the SC Need-based Grant.

The regulations propose three major amendments to the administration of the LIFE and Palmetto Fellows Scholarships and Scholarship Enhancements:

1. Act 103 changes the alcohol or drug-related misdemeanor offense from the first to the second or subsequent alcohol or drug-related misdemeanor offense. In either case, students lose their eligibility for one academic year after the date of the conviction.
2. Act 178 allows students who attend out-of-state preparatory high schools to submit their high school's grading system to the Commission on Higher Education. Upon review, the Commission will determine if the out-of-state grading system is at least as strict as the 2007 Uniform Grading Policy in order for the out-of-state class rank to be used.
3. Act 235 changes the minimum level of instruction required to meet the fourteen credit hours at the end of the first year for the purposes of the LIFE and Palmetto Fellows Scholarship Enhancements.

The regulations propose one major amendment to the administration of the SC Need-based Grant:

1. Sections R. 62-475 (E) (1) & (2) and R. 62-460 (A) of the South Carolina Need-based Grant Program. The proposed amendment deleted "regular" academic year. A proposed definition to change "Academic year" was made to promote consistency in the grant program regulation.

The proposed regulations also include minor changes for clarification purposes and to promote consistency among State scholarship and grant programs. All proposed changes are highlighted in red in the attached regulation.

Recommendation

The Committee on Access & Equity and Student Services recommends that the S.C. Commission on Higher Education approve the proposed amendments to the regulations for the LIFE and Palmetto Fellows Scholarships and Scholarship Enhancements, as well as the SC Need-based Grant. If approved by the Commission on Higher Education, the proposed regulations will be submitted to the General Assembly during the 2009 legislative session for approval under the Administrative Procedures Act.

Agenda Item 7.03 A(1)

Document No.
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
CHAPTER 62

Statutory Authority: Title 59 1976 Code Sections 142-20

R. 69-450 South Carolina Need-based Grants Program

Preamble:

The Commission on Higher Education proposes to amend R. 62-475 (E) (1) (2) and R. 62-460 (A) of the South Carolina Need-based Grant Program. The proposed amendment deleted "regular" academic year. A proposed definition to change "Academic year" was made to promote consistency in the grant program regulation. In addition, the term "regular" was deleted from "academic semester" to promote consistency in the grant program regulation.

The proposed regulation will require legislative review.

A Notice of Drafting for the proposed regulation was published in the *South Carolina State Register* on September 26, 2008.

Section-by-Section Discussion

- 62-460.A "Academic year" is defined as the fall, spring and summer semesters.
- 62-460.F "Full-time student" shall mean a student who has matriculated into an eligible program of study, and who enrolls in a minimum of twelve credit hours during the academic semester.
- 62-460.I "Needy student" shall mean a post-secondary student enrolled in or accepted for enrollment in a public institution who demonstrates to the institution the financial inability, either parental, familial, or personal, to bear the total cost-of-attendance for any academic semester. The determination of need shall be made in accordance with Federal need analysis formulae and provisions.
- 62-460.L "Part-time student" shall mean a student who has matriculated into an eligible program of study, and who enrolls in a minimum of six credit hours and a maximum of eleven credit hours during the academic semester.
- 62-475.E.1 For graduation purposes, earn at least 24 credit hours each academic year if awarded a Need-based Grant as a full-time student or earn at least twelve credit hours if awarded a Need-based Grant as a part-time student. If a student is awarded a Need-based Grant for one semester of the academic year as a part-time student and the other semester as a full-time student, the student must earn at least eighteen credit hours each academic year. If a full-time student is awarded a Need-based Grant for only one semester of the academic year, the student must earn at least twelve credit hours by the end of the academic year. A

part-time student who is awarded a Need-based Grant for only one semester must earn at least six credit hours by the end of the academic year; and

62-475.E.2 Earn at least a cumulative 2.0 grade point average on a 4.0 scale for graduation purposes by the end of each academic year.

62-495.A In the event a student who has been awarded a Need-based Grant withdraws, is suspended from the institution, or drops below part-time (six credit hours) or full-time (twelve credit hours) status during any semester of the academic year, institutions must reimburse the Need-based Grants Program for the amount of the grant for the semester in question pursuant to refund policies of the institution. Collection is the responsibility of the institution.

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 South Carolina Commission on Higher Education on December 4, 2008, to be held in the Large Conference Room at 1333 Main Street, Suite 200, Columbia, SC. The meeting will commence at 10 a.m. 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 published by the Commission ten days in advance of the meeting. Persons desiring to make oral comments at the hearing are asked to limit their statements in five minutes or less, and as a courtesy, are asked to provide written copies of their presentation for record.

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, South Carolina Commission on Higher Education, 1333 Main Street, Suite 200, Columbia, SC 29201. Comments must be received no later than 5:00 p.m. on December 3, 2008. Comments received shall be considered by the staff in formulating the final proposed regulation for the public hearing on December 4, 2008, as noticed above. Comments received by the deadline shall be submitted to the Commission in summary of public comments for consideration at the public hearing.

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: 62-450 South Carolina Need-based Grants Program

Purpose: R.62-450 is being amended and replaced in its entirety. The proposed amendments will clarify policies and procedures for administering the South Carolina Need-based Grants Program. The proposed amendment deleted "regular" academic year. A proposed definition to change "Academic year" was made to promote consistency in the grant program regulation. In addition, the term "regular" was deleted from "academic semester" to promote consistency in the grant program regulation.

Legal Authority: The legal authority for R.62-450 is Section 59-142-20, S.C. Code of Laws.

Plan for Implementation: The proposed regulation will take effect upon approval by the General Assembly and 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 REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The proposed regulation will promote consistency in the grant program regulation by proposing a change to "Academic year" and deleting "regular" from "academic semester". The program is administered by the Commission on Higher Education.

DETERMINATION OF COSTS AND BENEFITS: The financial aid community will benefit by consistency among the regulations for scholarships and grants administered by the Commission on Higher Education and students will benefit by the flexibility to be able to meet the required credit hours for continuing eligibility.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

Not applicable.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED: Not applicable.

Statement of Rationale:

Revisions to the S.C. Need-based Grant regulation were necessary to promote consistency in the grant program.

~~Indicates Matter Stricken~~

Indicates New Matter

Text:

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62-450 Purpose of the South Carolina Need-based Grants Program

Pursuant to Act 458, South Carolina Children First: Resources for Scholarships and Tuition Act of 1996, of the 1995-1996 Appropriations Bill, the Commission on Higher Education shall promulgate regulation and establish procedures to administer the South Carolina Need-based Grants Program. The purpose of the South Carolina Need-based Grants Program is to provide additional financial aid assistance to South Carolina's neediest students. The program will assist students who wish to attend public or independent colleges or universities in the State.

62-455 Allocation of Need-based Grant Funds to Public and Independent Institutions

A. Funds made available for higher education grants and scholarships under Chapter 143 of Title 59 of the 1976 Code, as amended 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. Fifty percent of the appropriation shall be designated for the Palmetto Fellows Scholarship Program and the remaining fifty percent shall be for the Need-based Grants Program. However, in instances where the equal division of the appropriated funds between the Palmetto Fellows Scholarship and Need-based Grants 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. The Commission on Higher Education shall award to eligible students who are attending public or independent eligible institutions as State Need-based Grant recipients as follows:

1. 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.

2. 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 and will be determined annually by the South Carolina Commission on Higher Education and the Tuition Grants Commission. The funds allocated for Need-based Grants shall be included in the annual appropriation to the Commission on Higher Education and transferred annually into the budget of the South Carolina Tuition Grants Commission, which will distribute these funds as Tuition Grants.

62-460 Program Definitions for Administering South Carolina Need-based Grants at Public Institutions

A. "Academic year" is defined as the fall, spring and summer semesters. ~~during which a part time student would be expected to earn a minimum of six credit hours for each semester the student is enrolled for a minimum of 12 credit hours or a full-time student would be expected to earn a minimum of twelve credit hours for each semester to earn a minimum of 24 credit hours.~~

B. "Associate degree program" is defined as a two-year technical or occupational program or an associate's degree program (Associate of Arts or Associate of Science) which leads to the first two years of a baccalaureate degree at a location approved by the U.S. Department of Education for participation in Federally funded financial aid programs and authorized by the Commission on Higher Education.

C. "Baccalaureate degree program" is defined as an undergraduate program of study leading to the first bachelor's degree at a location approved by the U.S. Department of Education for participation in Federally funded financial aid programs and authorized by the Commission on Higher Education.

D. "Degree-seeking student" is defined as any part-time or full-time student enrolled in an eligible program of study at an eligible institution.

E. "Eligible program" is defined as a program of study leading to: 1) the first baccalaureate degree 2) a program of study that is structured so as not to require a baccalaureate degree and leads to a graduate degree; 3) first associate's degree or two-year program that is acceptable for full credit towards a bachelor's degree; or 4) one-year program that leads to other recognized credentials (e.g., first diploma or first certificate). Study toward the first diploma or certificate may be followed by study toward the first associate's degree, which may be followed by transfer to the first baccalaureate degree or a program of study that is structured so as not to require a baccalaureate degree and leads to a graduate degree. Students who have already obtained a baccalaureate degree are not eligible for subsequent grant funds.

F. "Full-time student" shall mean a student who has matriculated into an eligible program of study, and who enrolls in a minimum of twelve credit hours during the ~~regular~~ academic semester.

G. "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."

H. "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 the educational costs. For Federal Student Aid Programs, the need analysis system is defined under Title IV of the Higher Education Act of 1965.

I. "Needy student" shall mean a post-secondary student enrolled in or accepted for enrollment in a public institution who demonstrates to the institution the financial inability, either parental, familial, or personal, to bear the total cost-of-attendance for any ~~regular~~ academic semester. The determination of need shall be made in accordance with Federal need analysis formulae and provisions.

J. An "offense" shall mean a violation of any law or rule in any state or Federal criminal justice system.

K. "One-year program" is defined as an undergraduate program of study leading to other recognized educational credentials (e.g., certificates or diplomas that prepare students for gainful employment in a recognized occupation) at a location approved by the U.S. Department of Education for participation in Federally funded financial aid programs and is authorized by either the Commission on Higher Education or the State Board for Technical and Comprehensive Education.

L. "Part-time student" shall mean a student who has matriculated into an eligible program of study, and who enrolls in a minimum of six credit hours and a maximum of eleven credit hours during the ~~regular~~ academic semester.

M. "Program of study that is structured so as not to require a baccalaureate degree" is a program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree, which will be the student's first academic degree awarded, at a location approved by the U.S. Department of Education for participation in Federally funded financial aid programs. Students are eligible to receive the grant for a maximum of eight full-time equivalent semesters as long as all other eligibility criteria are met. Students who have been awarded a baccalaureate or graduate degree are not eligible for grant funding.

N. "Public institutions" are those institutions as defined in Chapter 103 of Title 59 of the 1976 Code, which stipulates that: "1) 'public higher education' shall mean state-supported education in the post-secondary field, including comprehensive and technical education; 2) 'public institution of higher learning' shall mean any state-supported post-secondary educational institution and shall include technical and comprehensive educational institutions."

O. "Remedial coursework" shall mean sub-collegiate level preparatory courses in English, mathematics, and reading offered at the State's technical colleges.

P. "Satisfactory academic progress" shall mean the minimum academic standard for academic progress established by the public institution for the purpose of complying with Title IV regulations for Federal Student Aid Programs.

Q. "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.

62-465 Student Eligibility

A. To be eligible for a Need-based Grant each academic year, the student must:

1. Be a "needy student" following the financial need analysis as established under Title IV Regulations for determining eligibility for Federal Student Aid. The student must file the Free Application for Federal Student Aid (FAFSA) Form;

2. Be a U.S. citizen or a permanent resident that meets the definition of an eligible non-citizen under State Residency Statute;

3. Be a resident of the state of South Carolina for twelve consecutive months as defined in Chapter 112 of Title 59 of the 1976 Code of Laws governing the determination of residency for tuition and fee purposes;

4. Be enrolled or accepted for enrollment as a part-time or full-time degree-seeking student in an eligible program of study at an eligible public institution in South Carolina. A student enrolled in less than six credit hours during one semester may not receive a Need-based Grant for the semester in question but is eligible for reapplication for a grant upon return to part-time or full-time status;

5. Be enrolled and attending or have completed at the time of the grant disbursement in a minimum of six credit hours if part-time for the semester or twelve credit hours if full-time for the semester;

6. Certify that he/she has not been adjudicated delinquent or been convicted or pled guilty or nolo contendere to any felonies or any second or subsequent alcohol or drug-related offenses under the laws of this or any other state or under the laws of the United States in order to be eligible for a South Carolina Need-based Grant, except that a high school or college student otherwise qualified who has been adjudicated delinquent or has been convicted or pled guilty or nolo contendere to a second or subsequent alcohol or drug-related misdemeanor offense nevertheless shall be eligible or continue to be eligible for such grants after the expiration of one academic year from the date of the adjudication, conviction, or plea; and be eligible for the need-based grants for a maximum of four academic years of two semesters 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 a second or subsequent alcohol/drug related misdemeanor offense is 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 Need-based Grant the remainder of the academic year. However, the student will be ineligible for the Need-based Grant 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 grant eligibility; and

7. Verify that he/she does not owe a refund or repayment on a State Grant, a Pell Grant, or a Supplemental Educational Opportunity Grant and is not in default on a loan under the Federal Perkins Loan or Federal Stafford Loan Programs; and

8. Must reapply for the Need-based Grant each academic year and meet all eligibility requirements annually.

B. Students enrolled part-time or full-time may not receive a Need-based Grant for more than a maximum of eight full-time equivalent semesters. Students may only receive Need-based Grant funding for up to two semesters of the academic year. Students who have already been awarded their first baccalaureate degree are not eligible to receive a Need-based Grant.

C. Students enrolled in an eligible program of study as stated in the "Program Definitions" Section may include remedial courses as part of the minimum number of required credit hours for part-time or full-time status, as long as such courses carry credit hours and meet Title IV limitations on remedial coursework.

D. Any false information provided by the student or any attempt to obtain or expend any Need-based Grant for unlawful purposes or any purpose other than in payment or reimbursement for the cost-of-attendance at the institution authorized to award the grant will be cause for immediate cancellation of the Need-based Grant. Any student who has obtained a Need-based Grant 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 Need-based Grant.

62-470 Policies and Procedures for Awarding Need-based Grants

A. The Need-based Grants Program for the public institutions will be campus-administered. Grant funds will supplement the student financial aid awards administered by the participating public colleges and universities.

B. The participating institution will make awards in amounts to be defined in accordance with the Need-based Grants Program regulation and criteria, but not to exceed \$1,250 per eligible part-time student and \$2,500 per eligible full-time student per academic year, based on the institution's allocated funds for Need-based Grants and other financial aid awarded to individual applicants. However, the Commission, due to inflation increases or other relevant factors, may periodically adjust the maximum award for the Need-based Grants Program. A maximum of fifty percent of the grant shall be disbursed for two terms of the academic year, assuming continued eligibility.

C. Need-based Grants are to be used only towards payment for the cost-of-attendance as defined by Title IV Regulations as modified by D below for the academic year for which the award is made at the designated institution. The maximum amount awarded shall not exceed the cost-of-attendance as defined in Title IV Regulations for any year.

D. 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 on-campus meal plan, which includes 21 meals per week.

E. In determining the amount awarded for the Need-based Grant, all other sources of gift aid, including Federal, State, private and institutional funds, must be applied to the total cost-of-attendance in accordance with Title IV Regulations before calculating the unmet need and awarding the grant. The Need-based Grant shall be awarded only after all other sources of gift aid have been exhausted. Adjustments to the financial aid package will be made to the Need-based Grant in accordance with prescribed Title IV Regulations in order to prevent an over-award.

F. Institutions must give first priority and award the maximum allowable Need-based Grant (\$2,500 if full-time or \$1,250 if part-time) to students who are in the custody of the South Carolina Department of Social Services (DSS). However, institutions should not award the maximum amount if, by doing so, this causes the student to exceed the unmet need according to Title IV Regulations. Students who may be eligible under this provision are responsible for contacting the institution and providing official verification to the institution that he/she is in custody of DSS. Acceptable verification shall include a letter from DSS.

G. Participating institutions will notify students of their Need-based Grant along with the terms and conditions of the award.

H. Annual allocations of funds to the public institutions will be based on each institution's percentage of the State's total enrollment of South Carolina resident undergraduate full-time degree-seeking headcount enrollment. The percentage will be based on the previous year's total as determined by the Commission on Higher Education. Unused funds, which cannot be awarded by an institution, must be returned to the Commission on Higher Education, which may redirect the funds to institutions where unmet need exists.

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

1. Need analysis
2. Affidavit documenting that the student has never been convicted of any felonies or any second or subsequent alcohol or drug related misdemeanor offenses as stated under "Student Eligibility" and "Duration of Award and Continued Eligibility" Sections
3. Award notification
4. Institutional disbursement to student
5. Refund or repayment (if appropriate)
6. Satisfactory academic progress
7. Student's residency status
8. Enrollment and curriculum requirements
9. Student's disability (if appropriate)
10. Student is in custody of DSS (if appropriate)
11. Student award based upon approval of institutional appeal (if appropriate)

J. It is the institution's responsibility to ensure that only eligible students receive a Need-based Grant.

62-475 Duration of Award and Continued Eligibility

A. Need-based Grants shall be awarded for up to two terms each academic year. The institution shall adjust the amount of the grant award during the academic year in the event of a change in the student's eligibility.

B. Need-based Grants may be awarded annually for no more than a total of eight full-time equivalent semesters of part-time or full-time study and only for up to two terms of each academic year. Award decisions will be made annually and are not automatically guaranteed. Students who have already been awarded their first baccalaureate degree are not eligible to receive a Need-based Grant.

C. Students must reapply each academic year for a Need-based Grant in accord with these guidelines and other pertinent statutes and regulations and with application timeliness and procedures stipulated by the participating institution. Students applying for a Need-based Grant must complete a FAFSA Form and be a needy student. The student must also complete any supplemental forms that may be required by the institution.

D. The institution shall be responsible for securing institutional certification of each recipient's cumulative grade point average, credit hours attempted and earned, and satisfactory academic progress for purposes of determining eligibility for award renewal.

E. For continued eligibility, the student is required to:

1. For graduation purposes, earn at least 24 credit hours each ~~regular~~ academic year if awarded a Need-based Grant as a full-time student or earn at least twelve credit hours if awarded a Need-based Grant as a part-time student. If a student is awarded a Need-based Grant for one semester of the academic year as a part-time student and the other semester as a full-time student, the student must earn at least eighteen credit hours each ~~regular~~ academic year. If a full-time student is awarded a Need-based Grant for only one semester of the academic year, the student must earn at least twelve credit hours by the end of the academic year. A part-time student who is awarded a Need-based Grant for only one semester must earn at least six credit hours by the end of the academic year. ~~Credits earned during any additional semesters (i.e., interim, winterim or other non-regular semester) cannot be used to replace or reduce the minimum credit hour requirement for the regular academic year; and~~

2. Earn at least a cumulative 2.0 grade point average on a 4.0 scale for graduation purposes by the end of each ~~regular~~ academic year.

F. Students wishing to appeal any grant award decision must submit a written request to the institution's Director of Financial Aid. This request will be handled in accordance with the institution's financial aid appeal procedures. The institution's decision on appeals shall be final.

62-480 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" Section except for a student who is approved by the Disability Services Provider to be enrolled in less than part-time status is eligible to receive grant 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, students who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must meet all renewal requirements as defined in "Duration of Award and Continued Eligibility" Section

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 part-time status for that academic year. Students must earn the required number of hours approved by the institutional Disability Services Provider each academic year for grant renewal and earn a minimum 2.0 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 part-time status.

D. Students who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 are eligible to receive up to the maximum number of available semesters and available funds.

62-485 Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Student Exchange Programs

A. Students enrolled in an internship, cooperative work program, travel study program, or National or International Student Exchange Program approved by the student's home institution, and enrolled in fewer than six credit hours, shall not be eligible to receive a Need-based Grant during the period in which the student is enrolled in such programs or courses. Students enrolled in such programs may receive a Need-based Grant for up to two terms of the academic year if determined to be eligible.

B. 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 at least part-time transfer credit (minimum of six credit hours) are eligible to receive Need-based Grant funds during the period in which the student is enrolled in such programs. Students will be required to meet the continued eligibility requirements.

C. Eligible students may use the appropriated portion of the Need-based Grant 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 at least part-time transfer credit (minimum of six credit hours). Need-based Grant funds must be paid directly to the student's account at the home institution. The amount awarded 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 grant funds to the institutions where students will participate in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs. The institution is responsible for grant funds according to the "Program Administration and Audits" Section.

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

62-490 Institutional Disbursement of Need-based Grants

A. The participating institution will identify award amounts, which cannot exceed \$1,250 per eligible part-time student and \$2,500 per eligible full-time student per academic year. A maximum of fifty percent of the grant shall be disbursed for up to up to two terms of the academic year. The maximum amount, which may be received by a recipient for eight full-time equivalent semesters, shall be \$10,000 for students seeking their first baccalaureate degree or a program of study that is structured so as not to

require a baccalaureate degree and leads to a graduate degree, \$5,000 for students seeking their first associate's degree, and \$2,500 for students seeking their first one-year certificate or diploma. Students who have obtained an associate's degree initially are eligible to apply for a Need-based Grant upon enrollment in their first baccalaureate degree or a program of study that is structured so as not to require a baccalaureate degree. Students who have obtained a recognized educational credential in a one-year program initially are eligible for application for a Need-based Grant upon enrollment in their first associate's degree, first baccalaureate degree, or a program of study that is structured so as not to require a baccalaureate degree and leads to a graduate degree.

B. A Need-based Grant may not be applied to a second baccalaureate degree or to graduate coursework, unless the graduate coursework is required as part of a program of study that is structured so as not to require a baccalaureate degree as defined in the "Program Definitions" Section.

C. The institution shall provide an award notification each academic year to Need-based Grant recipients, which will contain the terms and conditions of the grant and other financial aid awarded. Students will be notified of adjustments in financial aid due to changes in eligibility and/or over-award issues. The Commission on Higher Education, for documentation purposes, requires that each institution obtain verification of acceptance of the Need-based Grant and terms for the award.

D. After the last day to register for each semester of the academic year, the institution will verify enrollment of each recipient as a South Carolina resident that is a part-time or full-time degree-seeking student. According to the Scholarship and Grant Programs Policies and Procedures Manual, a listing of eligible recipients by social security number with the award amounts for the semester will be sent to the Commission on Higher Education with the institution's request for funds. A year-end reconciliation report will be submitted to the Commission on Higher Education prior to June 30th. Any unused funds shall be refunded to the Commission on Higher Education no later than June 30th of each fiscal year.

62-495 Refunds and Repayments

A. In the event a student who has been awarded a Need-based Grant withdraws, is suspended from the institution, or drops below part-time (six credit hours) or full-time (twelve credit hours) status during any regular semester of the academic year, institutions must reimburse the Need-based Grants Program for the amount of the grant for the semester in question pursuant to refund policies of the institution. Collection is the responsibility of the institution.

B. The institution may redistribute such funds to other eligible students in accordance with the guidelines, or if such funds cannot be redistributed within the academic year, the institution shall return the refund amount to the Commission on Higher Education for redistribution to other institutions.

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

62-500 Program Administration and Audits

A. The South Carolina Commission on Higher Education will coordinate the oversight of functions (e.g., guidelines, policies, rules, regulations) relative to this program with eligible institutions. The Commission on Higher Education shall be responsible for the allocation of funds, promulgation of the regulation and rules, any audits, or other statewide oversight of the Need-based Grants Program as deemed necessary to monitor the expenditure of grant 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 regulations. 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. Participating institutions are authorized to establish additional guidelines, rules, and regulations for awarding the grants consistent with the South Carolina Need-based Grants Program Regulation contained herein.

D. The Chief Executive Officer at each participating institution shall identify to the Commission on Higher Education a Need-based Grant institutional representative who is responsible for the operation of the program on the campus and will serve as the contact person for the program. The institutional representative will act as the student fiscal agent to receive and deliver funds for use under the program.

62-505 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 State Need-based Grants 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 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, guidelines, rules, and regulations.

Agenda Item 7.03 A(2)

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

62-1200.1-120 Legislative Incentives for Future Excellence (LIFE) Scholarship & Legislative Incentives for Future Excellence (LIFE) Scholarship Enhancement

Preamble:

The South Carolina Commission on Higher Education proposes the following regulation to replace in its entirety R.62-900.1 through 62-900.70, LIFE Scholarship Program, to Chapter 62 regulation. The proposed regulation will provide the eligibility criteria that students must meet in order to be awarded a LIFE Scholarship and a LIFE Scholarship Enhancement. In addition, the proposed regulation also provides the procedures that institutions must follow when determining students' eligibility and when disbursing LIFE Scholarship and LIFE Scholarship Enhancement funds to eligible students.

The proposed regulation will require legislative review.

A Notice of Drafting for the proposed regulation was published in the South Carolina State Register on September 26, 2008.

Section-by-Section Discussion

- Section 62-1200.1: Provides the purpose of the LIFE Scholarship Program and the purpose of the LIFE Scholarship Enhancement.
- Section 62-1200.5: Sets forth the definition of terms used in the regulation.
- Section 62-1200.10: Provides the eligibility requirements that students are required to meet to be awarded a LIFE Scholarship and LIFE Scholarship Enhancement.
- Section 62-1200.15: Provides the continued eligibility requirements that students must meet by the end of each academic year to receive a LIFE Scholarship and a LIFE Scholarship Enhancement the following academic year.
- Section 62-1200.20: Sets forth the number of terms that students may receive a LIFE Scholarship and LIFE Scholarship Enhancement. The section stipulates the number of terms of eligibility by degree (i.e., Diploma, Associate's Degree, Bachelor's Degree) and institution (i.e., two-year or four-year).
- Section 62-1200.25: Provides the requirements that students must meet to either regain

eligibility for a LIFE Scholarship and LIFE Scholarship Enhancement after failing to meet the continued eligibility requirements at the end of a given academic year. In addition, for those students who are unable to meet the initial eligibility requirements at the time of high school graduation, this section also provides the requirements that such students must meet in order to earn eligibility for a LIFE Scholarship and a LIFE Scholarship Enhancement in college.

- Section 62-1200.30: Sets forth the requirements that transfer students must meet to receive a LIFE Scholarship and a LIFE Scholarship Enhancement.
- Section 62-1200.35: Provides the renewal requirements that must be met each academic year for students who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 each academic year for the LIFE Scholarship and LIFE Scholarship Enhancement.
- Section 62-1200.40: Sets forth the renewal requirements that must be met at the end of each academic year for students who participate in internships, cooperative work programs, travel study programs, and exchange programs for the LIFE Scholarship and LIFE Scholarship Enhancement.
- Section 62-1200.45: Sets forth the renewal requirements that must be met each academic year by students who meet the definition of active military duty (as defined in Section 62-1200.5 of this regulation) and who mobilized or deployed during war time to receive a LIFE Scholarship and a LIFE Scholarship Enhancement.
- Section 62-1200.50: Sets forth the procedures that institutions must follow to refund LIFE Scholarship and LIFE Scholarship Enhancement monies back to the State in the event of an error in award or a student withdraws from the institution.
- Section 62-1200.55: Sets forth the appeals procedures that must be used by students who fail to meet the renewal requirements at the end of each academic year to receive a LIFE Scholarship and a LIFE Scholarship Enhancement.
- Section 62-1200.60: Sets forth the policies and procedures that institutions must follow when determining students' eligibility for a LIFE Scholarship and LIFE Scholarship Enhancement each academic year.
- Section 62-1200.65: Sets forth the policies and procedures that institutions must follow when disbursing LIFE Scholarship and LIFE Scholarship Enhancement funds to eligible students each academic year.
- Section 62-1200.70: Sets forth the regulatory authority and procedure for program audits by The South Carolina Commission on Higher Education of institutional policies, practices and procedures as related to the LIFE Scholarship and the LIFE Scholarship Enhancement.
- Section 62-1200.75: Provides for the suspension and termination of institutional participation as related to the LIFE Scholarship and the LIFE Scholarship Enhancement.

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 South Carolina Commission on Higher Education on December 4, 2008, to be held in the Main Conference Room at 1333 Main Street, Suite 200, Columbia, SC. The meeting will commence at 10:00 a.m. 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 published by the Commission ten days in advance of the meeting.

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, South Carolina Commission on Higher Education, 1333 Main Street, Suite 200, Columbia, SC 29201. Comments must be received no later than 5:00 p.m. on December 3, 2008. Comments received shall be considered by the staff in formulating the final proposed regulation for the public hearing on December 4, 2008, as noticed above. Comments received by the deadline shall be submitted to the Commission in summary of public comments for consideration at the public hearing.

Preliminary Fiscal Impact Statement:

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

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION: Section 62-1200.1-120 Legislative Incentives for Future Excellence (LIFE) Scholarship Enhancement

Purpose: R.62-900.1 through 62-900.70 of Chapter 62 is being amended and replaced in its entirety. The proposed regulation provides the eligibility criteria that students must meet in order to be awarded LIFE Scholarship Enhancement funds. In addition, the proposed regulation also provides the procedures that institutions must follow when determining students' eligibility and when disbursing LIFE Scholarship Enhancement funds to eligible students.

Legal Authority: The legal authority for R.62-1200.1-120 is 1976 Code Section 59-149-10.

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

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

The proposed regulation is needed to provide information to South Carolina residents concerning the requirements to receive a LIFE Scholarship and LIFE Scholarship Enhancement and to provide guidance to state institutions when awarding LIFE Scholarship and LIFE Scholarship Enhancement funds to eligible students.

DETERMINATION OF COSTS AND BENEFITS:

Promulgation of this regulation will not result in additional costs to the state or its political subdivisions. It is believed that the proposed regulation will benefit our state by providing students with requirements for receiving funds through the LIFE Scholarship Program and institutions by providing guidance in determining student eligibility and in disbursing scholarship funds.

UNCERTAINTIES OF ESTIMATES: None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: Not applicable.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED: Not applicable.

Statement of Rationale:

This proposed regulation will clarify the policies and procedures for administering the LIFE Scholarship Program at the public and independent colleges and universities in the state. The proposed regulation includes the eligibility criteria that students must meet in order to be awarded a LIFE Scholarship and a LIFE Scholarship Enhancement. In addition, the proposed regulation also provides the procedures that institutions must follow when determining students' eligibility and when disbursing LIFE Scholarship Enhancement funds to eligible students. This regulation is being promulgated to implement this legislative mandate by including the appropriate language in the awarding procedures.

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Text:

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62-1200.1 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.

With Act 115, which was established in 2007 as Title 59 of the 1976 code during the 2007 legislative session, the General Assembly established the LIFE Scholarship Enhancement in order to increase the number of students in the State majoring in mathematics and science and 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. Students enrolled at two-year institutions are not eligible to receive a LIFE Scholarship Enhancement. In order to receive a LIFE Scholarship Enhancement, all students must qualify for the LIFE Scholarship as stipulated herein.

62-1200.5 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. A student who has earned a GED diploma or SC High School Diploma through Adult Education without a cumulative GPA may be eligible to earn the LIFE Scholarship at the end of the first academic year of a non-GED program. The student must 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. An "approved five-year bachelor's degree program" shall mean a five-year bachelor's program as defined and approved by the Commission on Higher Education to receive the LIFE Scholarship for a maximum of ten terms at the same eligible institution in order to complete the requirements for a bachelor's degree. 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 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.

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. 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.

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. "CIP Code (Classification of Instructional Program)" The U.S. Department of Education's standard for federal surveys and state reporting for institutional data (majors, minors, options and courses). For the purpose of receiving the LIFE Scholarship Enhancement, CIP codes have been approved by the Commission on Higher Education for eligible degree programs in the fields of mathematics and science.

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

K. "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.

L. "Declared major" shall be defined, for the purposes of the LIFE Scholarship Enhancement, as a degree program in which a student is enrolled as a full-time, degree-seeking student. The student must meet all requirements as stipulated by the policies established by the institution and the academic department to be enrolled as a declared major in an eligible program. Students cannot take courses related to a specific program without meeting institutional and departmental policies and be considered as a declared major. Students must be enrolled as a declared major in an eligible program that is approved and assigned a CIP code by the Commission. Eligible programs are those listed as such on the Commission's website.

M. "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. Students are eligible to receive the Scholarship for a maximum of eight terms (or its equivalent) towards an undergraduate degree, as long as all other eligibility requirements are met and the program is approved by the Commission on Higher Education. Students must be enrolled in an undergraduate degree program in order to receive a LIFE Scholarship and a LIFE Scholarship

Enhancement each academic term. In cases where students are enrolled in 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, which will be the students' first academic degree awarded, the students must maintain their undergraduate status to be awarded the LIFE Scholarship and the LIFE Scholarship Enhancement, with the exception of students declaring a major in the Master's of Science in Physician Assistant Studies Program, the Master's of Science in Cytology and Biosciences Program and the Doctor of Pharmacy Program at the University of South Carolina-Columbia and the Medical University of South Carolina. Students who have been awarded a bachelor's degree or graduate degree are not eligible to be awarded a LIFE Scholarship or a LIFE Scholarship Enhancement. Students enrolled in an approved five-year degree program may be eligible to receive a LIFE Scholarship for a fifth year of full-time, undergraduate work and a LIFE Scholarship Enhancement for a fourth year of full-time undergraduate coursework.

N. "Eligible institution" shall be 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.

O. "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. Students are eligible to receive the LIFE Scholarship for a maximum of eight terms (or its equivalent) towards an undergraduate degree as long as all 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 or Enhancement funding. Students enrolled in an approved five-year degree program may be eligible to receive a LIFE Scholarship for a fifth year of full-time, undergraduate work and a LIFE Scholarship Enhancement for a fourth year of full-time undergraduate coursework.

P. "Eligible degree program/Qualifying degree program" shall be defined, for the purposes of the LIFE Scholarship Enhancement, as a degree program in mathematics or science as approved by the SC Commission on Higher Education. These programs shall include science and mathematics disciplines, computer science or informational technology, engineering, science education, math education and health care and related disciplines including medicine and dentistry as defined by the Commission on Higher Education. Enrollment in a minor does not meet the requirement of an eligible degree program for a LIFE Scholarship Enhancement. Students must be enrolled as a declared major in an eligible program that is approved and assigned a CIP code by the Commission. Eligible programs must be approved by the South Carolina Commission on Higher Education. Eligible/Qualifying programs are those listed as such on the Commission's website.

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

R. "Fifth year/senior year" shall mean any student who is enrolled in his or her ninth or tenth semester of full-time, undergraduate coursework in an approved five-year program following high school graduation. The student is in his/her fifth year of consecutive, full-time college enrollment based on the student's initial date of college enrollment after graduation from high school.

S. "First year student/Freshman" is defined as any student who is enrolled as a first year student in his or her first or second semester of undergraduate coursework following high school graduation.

T. "Fourth year/senior year" shall mean seventh or eighth semester of full-time, undergraduate coursework following high school graduation. The student is in his/her fourth year of consecutive, full-time college enrollment based on the student's initial date of college enrollment after graduation from high school.

U. "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.

V. "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.

W. "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.

X. "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.

Y. "Independent institutions/private 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."

Z. "Ineligible degree program" shall be defined, for the purposes of the LIFE Scholarship Enhancement, as a degree program that is not included on the Commission's posted list of approved eligible programs and assigned a CIP code.

AA. "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.

BB. "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."

CC. "LIFE Scholarship recipient" is defined as a student who meets all of the eligibility requirements to receive a LIFE Scholarship and is awarded LIFE Scholarship funds during a given academic year. Students who meet the eligibility requirements for a LIFE Scholarship but do not receive any LIFE Scholarship funds, due to the cost of attendance being met by other sources of financial aid, do not meet the definition of a LIFE Scholarship recipient.

DD. "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.

EE. "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 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.

FF. "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.

GG. 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.

HH. "Private 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."

II. "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 LIFE Scholarship for a maximum of eight terms (or its equivalent) and the LIFE Scholarship Enhancement for a maximum of six 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. Students must maintain their undergraduate status in order to receive a LIFE Scholarship and a LIFE Scholarship Enhancement each academic term, with the exception of students declaring a major in the Master's of Science in Physician Assistant Studies Program, the Master's of Science in Cytology and Biosciences Program and the Doctor of Pharmacy Program at the University of South Carolina-Columbia and the Medical University of South Carolina.

JJ. "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."

KK. "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.

LL. "Satisfactory academic progress" shall be defined as the academic progress in the declared major as required by the institution and academic department in which the student is enrolled as a full-time, degree-seeking student. The student must meet all requirements for satisfactory academic progress towards completion of the declared major as established by the policies of both the institution and academic department in which the student is enrolled to meet the requirements of satisfactory academic progress.

MM. "Second year/sophomore year" shall mean any student who is enrolled in his or her third or fourth semester of full-time, undergraduate coursework following high school graduation. The student is in his/her second year of consecutive, full-time college enrollment based on the student's initial date of college enrollment after graduation from high school.

NN. "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.

OO. "Third year/junior year" shall mean the fifth or sixth semester of full-time, undergraduate coursework following high school graduation. The student is enrolled in his/her third year of consecutive, full-time enrollment based on the student's initial date of college enrollment after graduation from high school.

PP. "3 plus 2 programs" is defined, for the purposes of the LIFE Scholarship Enhancement, as a program (typically an engineering major) in which a student completes three years of a baccalaureate program at one institution, at which time the student transfers to a second institution and completes the remaining two years of an undergraduate degree program. When the student completes the fourth year of enrollment, credit hours are transferred back to the initial institution, which confers the first baccalaureate degree (e.g., physics) using articulated credits from the second institution. At the end of the second year of enrollment at the second institution, the student receives the second

baccalaureate degree (e.g., engineering). 3 plus 2 programs for the purposes of receiving the LIFE Scholarship Enhancement shall be defined and approved by the SC Commission on Higher Education. Students must be enrolled as a declared major in an eligible program that is approved and assigned a CIP code by the Commission. Enrollment in a minor does not meet the requirement of an eligible degree program for a LIFE Scholarship Enhancement award.

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

62-1200.10 Student Eligibility: LIFE Scholarship and LIFE Scholarship Enhancement

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 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.

d. For the purposes of meeting the rank criterion, the existing high school rank of a South Carolina resident attending an out-of-state high school may be used provided it is calculated pursuant to a state-approved, standardized grading scale at the respective out-of-state high school. If the eligible South Carolina institution determines that a state-approved standardized grading scale substantially deviates from the S.C. Uniform Grading Policy (UGP), the state-approved, standardized grading scale shall not be used to meet the eligibility requirements for the LIFE Scholarship. The guidance counselor from the out-of-state preparatory school also has the option of converting the cumulative GPAs of all students in the applicant's class to the S.C. UGP to determine if the student ranks within the top thirty percent of the class.

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. 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 or any second or subsequent alcohol/drug related offenses under the laws of this or any other state or under the laws of the United States in order to be eligible for a LIFE Scholarship, except that a high school or college student otherwise qualified who has been adjudicated delinquent or has been convicted or pled guilty or nolo contendere to a second or subsequent alcohol or drug-related misdemeanor offense nevertheless shall be eligible or continue to be eligible for such scholarships after the expiration of one academic year from the date of the adjudication, conviction, or plea by submitting an 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* to a second alcohol/drug related misdemeanor offense is 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 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.

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. The credit hours may be used toward the annual credit hour requirement.

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. 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 or graduate degree are not eligible to receive the LIFE Scholarship. In cases where students are enrolled in 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, which will be the students' first academic degree awarded, the students must maintain their undergraduate status in order to receive a LIFE Scholarship and a LIFE Scholarship Enhancement each academic term, with the exception of students majoring in the Master's of Science in Physician Assistant Studies Program, Master's of Science in Cytology and Biosciences Program and the Doctor of Pharmacy Program at the University of South Carolina-Columbia and the Medical University of South Carolina.

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.

O. To be eligible for a LIFE Scholarship Enhancement each academic year, the student must:

1. Meet all of the eligibility requirements at the end of each academic year to receive a LIFE Scholarship as stipulated by state law and regulation and be a recipient of LIFE Scholarship funds at the time of LIFE Scholarship Enhancement disbursement. The student must receive the underlying LIFE Scholarship;
2. Be enrolled as a full-time, degree-seeking student in a declared major of science or mathematics in an eligible program that is approved and assigned a CIP code by the Commission on Higher Education at the time of disbursement of LIFE Scholarship Enhancement funds. Eligible programs include degrees awarded in math and science fields, computer science or informational technology, engineering, science education, math education and healthcare and related disciplines including medicine and dentistry. The student must meet all requirements for satisfactory academic progress towards completion of the declared major as established by the policies of both the institution and the academic department in which the student is enrolled;
3. Be enrolled at an eligible four-year public or independent institution located in South Carolina;
4. Effective for the 2007-08 academic year only, all students who are enrolled at a four-year institution as a sophomore, junior or senior must meet the continued eligibility requirements of earning a minimum average of 30 credit hours and a minimum 3.0 LIFE GPA as stipulated by law and regulation for the LIFE Scholarship by the end of each academic year, be a recipient of LIFE Scholarship funds, and be enrolled as a full-time, degree-seeking student in a declared major of science or mathematics in an eligible program that is approved and assigned a CIP code by the Commission on Higher Education at the time of disbursement of LIFE Scholarship Enhancement funds. These students may continue to receive the LIFE Scholarship Enhancement for their remaining terms of eligibility for the LIFE Scholarship. To be awarded a LIFE Scholarship Enhancement each year, these students must meet all requirements for the LIFE Scholarship and be enrolled as a full-time, degree-seeking student in a declared major of science or mathematics in an eligible program that is approved and assigned a CIP code by the Commission on Higher Education at the time of disbursement of LIFE Scholarship Enhancement funds;
5. Beginning with the Fall 2007 freshman class and thereafter, all students must have successfully completed a total of at least fourteen credit hours of instruction in mathematics and life and physical science courses with a minimum of six hours in mathematics and a minimum of six hours in life and physical science including one laboratory course by the end of the student's first year of enrollment in college (based on initial date of college enrollment). For purposes of meeting the required minimum level of instruction in mathematics and life and physical science courses during a student's first year, Exempted Credit Hours, College Level Examination Program (CLEP), Dual Enrollment, Pass/Fail courses with a grade of "Pass" (only), International Baccalaureate (IB) courses and Advanced Placement (AP) courses in mathematics and life and physical sciences taken in high school in which the student scored a three or more on the advanced placement test and received college credit may count toward the fulfillment of this minimum requirement. The Commission will issue a list of eligible courses by CIP code for determining eligible coursework to meet the fourteen credit hour requirement. Remedial/developmental, continuing education, non-degree credit coursework and credit hours earned for courses taken after the end of the student's first year of college enrollment cannot be used to meet the specified minimum fourteen credit hour course level requirement to gain eligibility to receive the LIFE Scholarship Enhancement;
6. Meet the continued eligibility requirements for the LIFE Scholarship of a minimum 3.0 LIFE GPA and a minimum average of 30 credit hours by the end of each academic year;

7. Be in the second, third or fourth year of full-time enrollment (based on initial date of college enrollment after high school graduation) at an eligible four-year public or independent institution in South Carolina. Students enrolled full-time in an eligible, approved five-year degree program may also be eligible to receive a LIFE Scholarship Enhancement in their fifth year of college enrollment (based on initial date of college enrollment); and

8. Students who initially enroll in college mid-year (i.e., spring term) as a freshman and meet the requirements under Section 62-1200.10 may be eligible to receive a LIFE Scholarship Enhancement at the beginning of the spring term of the next academic year (i.e., beginning with the third consecutive term of full-time enrollment based on initial date of college enrollment). The student must earn a minimum average of 15 credit hours and a 3.0 LIFE GPA to be awarded a LIFE Scholarship the following academic year and a minimum average of 30 credit hours by the end of the first academic year (i.e., by the end of the fall term or second consecutive term of full-time enrollment based on initial date of college enrollment) of enrollment to receive a LIFE Scholarship Enhancement beginning the spring term of the second, third and/or fourth year of college enrollment.

P. The LIFE Scholarship and LIFE Scholarship Enhancement are to be annual awards. Half of the Scholarship and Enhancement funds are to be disbursed in the fall and half are to be disbursed in the spring. Students who change their major from an ineligible degree program to an eligible degree program during the same academic year shall not receive the LIFE Scholarship Enhancement until the beginning of the next academic year (i.e., fall term). Students who change their major from an eligible degree program to an ineligible degree program during the same academic year may continue to receive the LIFE Scholarship Enhancement during the current academic year; however, the student cannot be awarded the LIFE Scholarship Enhancement the next academic year of enrollment in an ineligible degree program.

62-1200.15 Continued Eligibility: LIFE Scholarship and LIFE Scholarship Enhancement

A. Students 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; and
3. Meet the annual credit hour requirement (or its equivalent) 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 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.

D. Students must meet the following criteria to renew eligibility for the LIFE Scholarship Enhancement:

1. Continue to meet all eligibility requirements as stated in the "Student Eligibility: LIFE Scholarship and the LIFE Scholarship Enhancement" Section;

2. Be a recipient of LIFE Scholarship funds at the time of LIFE Scholarship Enhancement disbursement; and

3. Be enrolled full-time at an eligible four-year public or independent institution as a declared major in an eligible science or mathematics program as stipulated under Section 62-1200.10.

E. 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 Enhancement if their cumulative grade point average falls below the minimum 3.0 "LIFE GPA" requirement by the end of the summer term resulting in ineligibility for a LIFE Scholarship. Students who do not meet the continued eligibility requirements to receive the LIFE Scholarship cannot receive a Scholarship or LIFE Scholarship Enhancement for the following academic year.

F. The student may be eligible to receive the maximum number of terms of eligibility (i.e., six consecutive terms) for a LIFE Scholarship Enhancement starting the second year of college enrollment (based on initial date of college enrollment after high school graduation).

62-1200.20 Terms of Eligibility: LIFE Scholarship and LIFE Scholarship Enhancement

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.) In cases where students are enrolled in 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, which will be the students' first academic degree awarded, such students must maintain their undergraduate status to be awarded the LIFE Scholarship and the LIFE Scholarship Enhancement each academic term, with the exception of students majoring in the Master's of Science in Physician Assistant Studies Program, the Master's of

Science in Cytology and Biosciences Program and the Doctor of Pharmacy Program at the University of South Carolina-Columbia and the Medical University of South Carolina. Students who have already been awarded their first bachelor's degree or graduate degree are not eligible to be awarded a LIFE Scholarship or a LIFE Scholarship Enhancement. Students are eligible to receive the LIFE Scholarship for a maximum of eight consecutive terms (or its equivalent) and a LIFE Scholarship Enhancement for a maximum of six consecutive terms (or its equivalent), as long as all other eligibility requirements are met and the program is approved by the Commission on Higher Education.

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

Degree/Program	Maximum Terms of Eligibility	Average Credit Hours Earned at the End of Each Academic Year				
		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

D. The maximum number of terms of eligibility for a LIFE Scholarship Enhancement is based on the student's continued eligibility for a LIFE Scholarship and beginning with the student's second year of college enrollment (based on initial date of 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.

E. Students may receive a LIFE Scholarship Enhancement for a maximum of six consecutive terms (i.e., three academic years) for a first bachelor's degree in an eligible program or an eligible 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, and eight consecutive terms (i.e., four academic years) towards an approved five-year bachelor's degree program and six consecutive terms towards a 3 plus 2 program. Students must be enrolled in an eligible four-year public or independent institution in South Carolina as a declared major in an eligible science or mathematics major or an eligible program that is approved and assigned a CIP code by the Commission on Higher Education. In cases where students are enrolled in 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, which will be the students' first academic degree awarded, students must maintain their undergraduate status to be awarded the LIFE Scholarship and the LIFE Scholarship Enhancement, with the exception of students declaring a major in the Master's of Science in Physician Assistant Studies Program, the Master's of Science in Cytology and Biosciences Program and the Doctor of Pharmacy Program at the University of South Carolina-Columbia and the Medical University of South Carolina. Students who have already been awarded their first bachelor's degree or graduate degree are not eligible to be awarded a LIFE Scholarship or a LIFE Scholarship Enhancement. Students are eligible to receive a LIFE Scholarship for a maximum of eight consecutive terms (or its equivalent) and a LIFE Scholarship Enhancement for a maximum of six consecutive terms (or its equivalent) towards an undergraduate degree, as long as all other eligibility requirements are met and the program is approved by the Commission on

Higher Education. Students enrolled in an approved five-year degree program may be eligible to receive a LIFE Scholarship for a fifth year of full-time, undergraduate work and a LIFE Scholarship Enhancement for a fourth year of full-time undergraduate coursework.

62-1200.25 Regaining or Earning Eligibility: LIFE Scholarship and LIFE Scholarship Enhancement

A. Students who were not initially eligible upon high school graduation or failed to meet the continued eligibility requirements may earn or regain eligibility for the LIFE Scholarship 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 the academic year;
4. 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 62-1200.25 (C) for students who initially enroll mid-year.

B. A student who has earned a GED 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 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 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 meet the annual credit hour requirement for renewal (refer to Section 62-1200.30 (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.

E. Students who were not initially eligible for a LIFE Scholarship (as stated in this section) upon high school graduation or failed to meet the continued eligibility requirements for a LIFE Scholarship may earn or regain eligibility for a LIFE Scholarship Enhancement if they:

1. Meet all eligibility requirements as stipulated in Section 62-1200.10 and are recipients of a LIFE Scholarship;
2. Earn at least a 3.0 "LIFE GPA" and meet the annual credit hour requirement by the end of each academic year based on initial college enrollment to receive a LIFE Scholarship; and

3. Be a recipient of LIFE Scholarship funds at the time of LIFE Scholarship Enhancement funds disbursement.

62-1200.30 Transfer Students: LIFE Scholarship and LIFE Scholarship Enhancement

A. Students must meet all eligibility requirements for a LIFE Scholarship and for a LIFE Scholarship Enhancement as stipulated in Section 62-1200.10.

B. 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 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.

C. For determining initial eligibility for transfer students for the first-time at an eligible public or independent institution in SC, students must meet the following requirements at the end of the previous academic year:

1. 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

(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

(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

(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

(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.

D. For eligibility in subsequent years, transfer students must earn a 3.0 LIFE GPA and 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.

E. 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.

F. Students transferring to an eligible public or independent four-year South Carolina institution may be eligible to receive a LIFE Scholarship Enhancement if they meet the requirements under Section 62-1200.10 and:

1. The student is a LIFE Scholarship recipient and transferring from an out-of-state institution or from an in-state four-year institution to an eligible public or independent four-year institution at the end of the academic year. The student must earn a minimum 3.0 LIFE GPA and a minimum average of 30 credit hours by the end of each academic year of enrollment (based on initial date of college enrollment) to receive a LIFE Scholarship Enhancement beginning the fall term of the second, third and/or fourth year of enrollment. Transfer students enrolled full-time in an eligible, approved five-year degree program may be eligible to receive a LIFE Scholarship Enhancement in their fifth year of college enrollment (based on initial date of college enrollment after high school graduation)

2. The student is a LIFE Scholarship recipient and transferring from an out-of-state institution or from an in-state four-year institution to an eligible public or independent four-year institution mid-year (i.e., spring term). The student may be eligible to receive a LIFE Scholarship Enhancement for the spring term of the second, third or fourth year of enrollment, if the student earned a 3.0 LIFE GPA and minimum average of 30 credit hours by the end of each academic year of enrollment (based on initial date of college enrollment). Transfer students enrolled full-time in an eligible, approved five-year degree program may be eligible to receive a LIFE Scholarship Enhancement in their fifth year of college enrollment (based on initial date of college enrollment after high school graduation).

3. The student is a LIFE Scholarship recipient and transferring from a two-year institution to an eligible public or independent four-year institution at the end of the academic year. The student must earn a 3.0 LIFE GPA and a minimum average of 30 credit hours by the end of each academic year of enrollment (based on initial date of college enrollment) to receive a LIFE Scholarship Enhancement beginning the fall term of the second, third and/or fourth year of enrollment. Transfer students enrolled full-time in an eligible, approved five-year degree program may be eligible to receive a LIFE Scholarship Enhancement in their fifth year of college enrollment (based on initial date of college enrollment after high school graduation).

4. The student is a LIFE Scholarship recipient and transferring from a two-year institution to an eligible public or independent four-year institution mid-year (i.e., spring term). The student may be eligible to receive a LIFE Scholarship Enhancement for the spring term of the second, third or fourth year of enrollment, if the student earned a 3.0 LIFE GPA and a minimum average of 30 credit hours by the end of each academic year of enrollment (based on initial date of college enrollment). Transfer students enrolled full-time in an eligible, approved five-year degree program may be eligible to receive a LIFE Scholarship Enhancement in their fifth year of college enrollment (based on initial date of college enrollment after high school graduation).

62-1200.35 Students with Disabilities: LIFE Scholarship and LIFE Scholarship Enhancement

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 LIFE Scholarship and LIFE Scholarship Enhancement 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 and LIFE Scholarship Enhancement, 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.

62-1200.40 Enrollment in Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs: LIFE Scholarship and LIFE Scholarship Enhancement

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 and LIFE Scholarship Enhancement 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 LIFE Scholarship and LIFE Scholarship Enhancement 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 and LIFE Scholarship Enhancement 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 LIFE Scholarship or LIFE Scholarship Enhancement 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 LIFE Scholarship and LIFE Scholarship Enhancement 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 LIFE Scholarship and LIFE Scholarship Enhancement renewal for the next academic year. Students who did not use the entire eligibility for LIFE Scholarship and LIFE Scholarship Enhancement funds during this period shall be allowed to receive LIFE Scholarship and LIFE Scholarship Enhancement 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, LIFE Scholarship and LIFE Scholarship Enhancement 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 and LIFE Scholarship Enhancement funds during this period shall be allowed to receive LIFE Scholarship and LIFE Scholarship Enhancement 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 and LIFE Scholarship Enhancement funds during this period shall be allowed to receive LIFE Scholarship and LIFE Scholarship Enhancement 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 and LIFE Scholarship Enhancement 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 "Student Eligibility" and "Continued Eligibility" Sections, 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 LIFE Scholarship and LIFE Scholarship Enhancement renewal for the next academic year.

62-1200.45 Military Mobilization: LIFE Scholarship and LIFE Scholarship Enhancement

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 for the LIFE Scholarship and LIFE Scholarship Enhancement 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 to receive LIFE Scholarship and LIFE Scholarship Enhancement. Reinstatement of the LIFE Scholarship and the LIFE Scholarship Enhancement 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 LIFE Scholarship and the LIFE Scholarship Enhancement 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 and LIFE Scholarship Enhancement funds/terms of eligibility during this period due to military mobilization shall be allowed to receive the LIFE Scholarship and LIFE Scholarship Enhancement 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 LIFE Scholarship and LIFE Scholarship Enhancement renewal for the next academic year. Service members who did not use LIFE Scholarship and LIFE Scholarship Enhancement funds/terms of eligibility during this period shall be allowed to receive the LIFE Scholarship and LIFE Scholarship Enhancement 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 and the LIFE Scholarship Enhancement 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 "Student Eligibility" and "Continued Eligibility" Sections for the LIFE Scholarship and LIFE Scholarship Enhancement, 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 LIFE Scholarship and LIFE Scholarship Enhancement 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 and towards the minimum fourteen credit hour course level requirement for the LIFE Scholarship Enhancement.

62-1200.50 LIFE Scholarship Refunds and Repayments

A. In the event a student who has been awarded a LIFE Scholarship and LIFE Scholarship Enhancement 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 and LIFE Scholarship Enhancement 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 LIFE Scholarship and LIFE Scholarship Enhancement may be retained pursuant to the refund policies of the institution.

62-1200.55 Appeals Procedures: LIFE Scholarship and LIFE Scholarship Enhancement

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

B. Students who did not meet the continued eligibility requirements for the LIFE 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. Appeal Guidelines apply only to the LIFE Scholarship, not the LIFE Scholarship Enhancement. Students cannot appeal solely on the basis of a loss of a LIFE Scholarship Enhancement. However, students who appeal and are awarded the LIFE Scholarship under this section may be eligible to receive the LIFE Scholarship Enhancement.

G. The Appeals Committee's decision is final.

62-1200.60 Institutional Policies and Procedures for Awarding: LIFE Scholarship and LIFE Scholarship Enhancement

A. All eligible institutions are responsible for ensuring that each student has met the criteria based on state law and regulation to determine eligibility for the LIFE Scholarship and the LIFE Scholarship Enhancement as stipulated in Section 62-1200.10 and Section 62-1200.15.

B. 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 F below.

C. 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.

D. 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.

E. 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:
$$\frac{(\text{Grade Points} \times \text{Attempted Credited Hours} = \text{QP})}{\text{Total Attempted Credit Hours}} = \text{LIFE GPA}$$

F. 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.

G. 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.

H. The student must 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.

I. 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 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 (maximum \$5,000 including cost-of-tuition plus 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 (not to exceed a maximum award amount of \$5,000 including cost-of-tuition plus 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. 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.

J. The LIFE Scholarship Enhancement is an annual award. Half of the funds are to be disbursed in the fall term and half to be disbursed in the spring term. Students who change their major from an ineligible degree program to an eligible degree program during the same academic year shall not receive the LIFE Scholarship Enhancement until the beginning of the next academic year (i.e., fall term). Students who change their major from an eligible degree program to an ineligible degree program during the same academic year may continue to receive the LIFE Scholarship Enhancement during the current academic year; however, the student cannot be awarded the LIFE Scholarship

Enhancement the next academic year of enrollment in an ineligible degree program.

K. The institution shall specify exact LIFE Scholarship Enhancement amounts to be used only for payment toward the cost-of-attendance as established by Title IV Regulations at eligible four-year public and independent institutions in South Carolina. The annual LIFE Scholarship Enhancement award amount shall not exceed \$2,500.00 per academic year for no more than three years of instruction if enrolled in an eligible four-year degree program or for not more than four years of instruction if enrolled in an eligible approved five-year degree program. Students enrolled in an eligible 3 plus 2 program shall receive a LIFE Scholarship for no more than four years of instruction and a LIFE Scholarship Enhancement for no more than three years of instruction. Half of the LIFE Scholarship Enhancement funds shall be awarded in the fall term and half during the spring term (or its equivalent), assuming continued eligibility. The LIFE Scholarship Enhancement 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.

L. In determining the amount awarded for the LIFE Scholarship Enhancement, all other sources of gift aid, including federal, State, private and institutional funds and the base LIFE Scholarship must be applied to the unmet total cost of attendance in accord with Title IV Regulations before calculating the LIFE Scholarship Enhancement amount and receiving the funds. Adjustments to the financial aid package will be made to the LIFE Scholarship Enhancement in accordance with prescribed Title IV Regulations in order to prevent an over award.

M. Students who have already been awarded a first bachelor's degree or graduate degree are not eligible to receive a LIFE Scholarship or a LIFE Scholarship Enhancement. Students enrolled in a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree as defined in the "Program Definitions" Section must maintain their undergraduate status in order to receive a LIFE Scholarship and a LIFE Scholarship Enhancement each academic term, with the exception of students majoring in the Master's of Science in Physician Assistant Studies Program, Master's of Science in Cytology and Biosciences Program and the Doctor of Pharmacy Program at the University of South Carolina-Columbia and the Medical University of South Carolina.

N. Eligible institutions shall provide an award notification to eligible students that contains the terms and conditions of the LIFE Scholarship and the LIFE Scholarship Enhancement. Institutions will notify students and the SC Commission on Higher Education of any adjustments in LIFE Scholarship and LIFE Scholarship Enhancement 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.

O. The institution must retain annual paper or electronic documentation for each LIFE Scholarship and LIFE Scholarship Enhancement 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 a second or subsequent 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)

13. Beginning with the 2007-08 freshman class and thereafter, all institutions must retain documentation verifying that students met the minimum fourteen credit hour course level requirement by the end of the first year of college enrollment for the LIFE Scholarship Enhancement.

14. Verification from academic department of enrollment in a declared major in an eligible degree program (Palmetto Fellows Scholarship Enhancement purposes only).

15. Documentation from Registrar or Admissions office that student's final high school GPA has been calculated pursuant to a grading scale that is at least equal to the SC UGP (For students who are attempting to use a class rank from an out-of-state institution to qualify for the LIFE Scholarship)

P. It is the institution's responsibility to ensure that only eligible students receive a LIFE Scholarship and LIFE Scholarship Enhancement award.

Q. Any student who has attempted to obtain or has obtained a LIFE Scholarship and a LIFE Scholarship Enhancement 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 and the LIFE Scholarship Enhancement.

62-1200.65 Institutional Disbursements: LIFE Scholarship and LIFE Scholarship Enhancement

A. Eligible four-year public and independent institutions shall award LIFE Scholarship 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 two-year public or technical institutions shall award LIFE Scholarship amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a three hundred dollar book allowance (not to exceed a maximum award amount of \$5,000 including cost-of-tuition plus book allowance) per academic year. For students enrolled at eligible two-year independent institutions, the award amount for a LIFE Scholarship shall not exceed the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance (not to exceed a maximum award amount of \$5,000 including cost-of-tuition plus book allowance) per academic year. Half of the LIFE Scholarship shall be awarded during the fall term and half during the spring term (or its equivalent), assuming continued eligibility. LIFE Scholarship funds 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. Eligible four-year public and independent institutions only shall award LIFE Scholarship Enhancement amounts, which cannot exceed the cost-of-attendance for thirty credit hours a year, not to exceed \$2,500 per academic year. The LIFE Scholarship Enhancement cannot be disbursed during

the summer or any interim sessions with the exception of 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 Enhancement 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.

C. The LIFE Scholarship and the LIFE Scholarship Enhancement may not be applied to a second bachelor's degree or a graduate degree program as defined in the "Program Definitions" Section. In the event of early graduation, the LIFE Scholarship and LIFE Scholarship Enhancement awards are discontinued. Students are eligible to receive the LIFE Scholarship for a maximum of eight consecutive terms (or its equivalent) and a LIFE Scholarship Enhancement for a maximum of six consecutive terms (or its equivalent) towards an undergraduate degree, as long as all other eligibility requirements are met and the program is approved by the Commission on Higher Education. In such cases where students are enrolled in 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, which will be the students' first academic degree awarded, such students must maintain their undergraduate status to be awarded the LIFE Scholarship and the LIFE Scholarship Enhancement, with the exception of students majoring in the Master's of Science in Physician Assistant Studies Program, the Master's of Science in Cytology and Biosciences Program and the Doctor of Pharmacy Program at the University of South Carolina-Columbia and the Medical University of South Carolina. Students who have already been awarded their first bachelor's degree or graduate degree are not eligible to be awarded a LIFE Scholarship or a LIFE Scholarship Enhancement. Students enrolled in an approved five-year degree program may be eligible to receive a LIFE Scholarship for a fifth year of full-time, undergraduate work and a LIFE Scholarship Enhancement for a fourth year of full-time undergraduate coursework.

D. In determining the amount awarded for the LIFE Scholarship Enhancement, all other sources of gift aid, including federal, State, private and institutional funds and the base LIFE Scholarship, must be applied to the unmet total cost-of-attendance in accord with Title IV Regulations before calculating the LIFE Scholarship Enhancement amount and receiving the funds. Adjustments to the financial aid package will be made to the base LIFE Scholarship and LIFE Scholarship Enhancement in accordance with prescribed Title IV Regulations in order to prevent an over award.

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, degree-seeking student. The institution must submit a request for LIFE Scholarship and LIFE Scholarship Enhancement funds and/or return of funds by the established deadline each term. 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. At this time any unused funds must be returned to the Commission on Higher Education immediately.

F. The Commission will disburse LIFE Scholarship and LIFE Scholarship Enhancement awards to the eligible institutions to be placed in each eligible student's account.

G. The student must be enrolled at the time of disbursement of LIFE Scholarship and LIFE Scholarship Enhancement funds as a full-time student at the home institution, and meet all requirements as established in the "Student Eligibility" Section for a LIFE Scholarship and the a LIFE Scholarship Enhancement. Students who are retroactively awarded must have been enrolled in a minimum of twelve credit hours (full-time) as a declared major in an eligible program under Section 62-1200.10 at the home institution at the time the LIFE Scholarship and LIFE Scholarship Enhancement would have been disbursed for that term.

H. The LIFE Scholarship and LIFE Scholarship Enhancement are to be annual awards. Half of the funds are to be disbursed in the fall term and half to be disbursed in the spring term. Students who change their major from an ineligible degree program to an eligible degree program during the same academic year shall not receive the LIFE Scholarship Enhancement until the beginning of the next academic year (i.e., fall term). Students who change their major from an eligible degree program to an ineligible degree program during the same academic year may continue to receive the LIFE Scholarship Enhancement during the current academic year; however, the student cannot be awarded the LIFE Scholarship Enhancement the next academic year of enrollment in an ineligible degree program.

62-1200.70 Program Administration and Audits: LIFE Scholarship and LIFE Scholarship Enhancement

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.

62-1200.75 Suspension or Termination of Institutional Participation: LIFE Scholarship and LIFE Scholarship Enhancement

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 LIFE Scholarship or LIFE Scholarship Enhancement 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.

Agenda Item 7.03 A(3)

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

69-300 Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement

Preamble:

The S.C. Commission on Higher Education proposes to amend and replace in its entirety R.62-300 of the Palmetto Fellows Scholarship Program. Revisions to the existing regulation for the Palmetto Fellows Scholarship Program are being proposed to clarify the policies and procedures for administering the Program. These changes were necessary to comply with Act 103 (2007) and Acts 178 and 235 (2008). The proposed regulation amends the language regarding alcohol or drug-related misdemeanor offenses from the first to the second or subsequent. The proposed regulation will clarify the use of class rank by students attending out-of-state preparatory schools to qualify for the Palmetto Fellows Scholarship. Finally, the proposed regulation will provide the criteria for students to be eligible for the Palmetto Fellows Scholarship Enhancement.

The proposed regulation requires legislative review.

The Notice of Drafting for the proposed regulation was published in the *State Register* on August 22, 2008.

Section-by-Section Discussion

- 62-300.B Pursuant to Act 115 and amended by Act 235 in 2008, the Commission on Higher Education shall promulgate regulation and establish procedures for administration of the Palmetto Fellows Scholarship Enhancement. The General Assembly established the Palmetto Fellows Scholarship Enhancement in order to foster scholarship among the State's postsecondary students through awards based on scholarship and achievement. The purpose of the Palmetto Fellows Scholarship Enhancement Program is to recognize the most academically talented college students throughout the state of South Carolina in the areas of mathematics and science and encourage them to attend eligible colleges or universities in the State. In order to receive a Palmetto Fellows Scholarship Enhancement, all students must qualify for a Palmetto Fellows Scholarship as stipulated herein.
- 62-305.D The Palmetto Fellows Scholarship Enhancement is contingent upon the availability of funds appropriated by the General Assembly each academic year.
- 62-310.B "Annual credit hour requirement" is defined for the Palmetto Fellows Scholarship as a minimum of thirty (30) credit hours taken and earned at the end of each academic year based on the date of initial college enrollment. Credit hours cannot include remedial, continuing education, exempted credit hours (such as AP, CLEP, IB, etc.), credit hours

earned before high school graduation (dual enrollment) and credit hours earned the summer term immediately following high school graduation.

- 62-310.C "Approved five-year bachelor's degree program" is defined as a five-year bachelor's program that is defined and approved by the Commission on Higher Education to receive the Palmetto Fellows Scholarship for a maximum of ten terms and the Scholarship Enhancement for a maximum of eight terms at the same eligible independent or public institution in order to complete the requirements for a bachelor's degree. An approved five-year bachelor's degree program does not include institutional and cooperative "3 plus 2" programs.
- 62-310.E "CIP (Classification of Instructional Program) Code" is defined as the U.S. Department of Education's standard for federal surveys and state reporting for institutional data (majors, minors, options and courses). For the purpose of receiving the Palmetto Fellows Scholarship Enhancement, CIP Codes have been approved by the Commission on Higher Education for eligible degree programs in the fields of mathematics and science.
- 62-310.F "Continuing education coursework" is defined as postsecondary courses designed for personal development and that cannot be used as credit toward a degree.
- 62-310.G "Cost-of-attendance" is defined by Title IV regulations and may include tuition, fees, books, room and board, and other expenses related to transportation, disability or dependent care.
- 62-310.H "Cumulative grade point average (GPA)" is defined as the cumulative institutional GPA used for graduation purposes, which includes dividing the total number of quality points earned in all courses by the total credit hours in all courses attempted at the student's home institution. The cumulative GPA must be at least a 3.0 at the home institution for graduation purposes at the end of each academic year based on the date of initial college enrollment.
- 62-310.I "Date of initial college enrollment" is defined as the first time a student matriculates into a postsecondary degree-granting institution after high school graduation or completion of an approved home school program, excluding the summer term immediately prior to the student's enrollment in the first regular academic year. Students must remain continuously enrolled as any break in enrollment (excluding summer) will count toward the student's terms of eligibility.
- 62-310.J For the purposes of the Scholarship Enhancement, "declared major" is defined as an eligible degree program in which a student is enrolled as a full-time, degree-seeking student. The student must meet all requirements as stipulated by the policies established by the institution and the academic department the student is enrolled in a declared major in an eligible degree program. Students cannot take courses related to a specific program without meeting institutional and departmental policies and be considered enrolled in a declared major. Students must be enrolled in a declared major in an eligible degree program that is approved and assigned a CIP code by the Commission. Eligible degree programs are those listed as such on the Commission's Web site. Students who change their declared major from an ineligible degree program to an eligible degree program within the same academic year shall not receive the Palmetto Fellows Scholarship Enhancement for that academic year. Additionally, students who

change their declared major from an eligible degree program to an ineligible degree program within the same academic year will not lose eligibility until the next academic year.

- 62-310.K "Degree-seeking student" is defined as a student enrolled full-time in a program of study that leads to the first bachelor's degree, first approved five-year bachelor's degree or program of study that is structured so as not to require a bachelor's degree at an eligible independent or public institution. Students must maintain their undergraduate status in order to receive the Palmetto Fellows Scholarship and the Scholarship Enhancement each academic year, with the exception of students enrolled in the following programs: 1) Master of Science in Physician Assistant Studies at the Medical University of South Carolina; 2) Master of Science in Cytology and Biosciences at the Medical University of South Carolina; and, 3) Doctor of Pharmacy at the Medical University of South Carolina and the University of South Carolina (S.C. College of Pharmacy).
- 62-310.L "Eligible degree program" is defined for the purposes of the Palmetto Fellows Scholarship Enhancement as a degree program in mathematics or science as approved by the SC Commission on Higher Education. These programs include science or mathematics disciplines, computer science or informational technology, engineering, health care and health care related disciplines (including nursing, pre-medicine and pre-dentistry) as defined by the Commission on Higher Education. Enrollment in a minor does not meet the requirements of an eligible degree program for the Palmetto Fellows Scholarship Enhancement. Students must be enrolled in a declared major in an eligible degree program that is approved and assigned a CIP Code by the Commission. Eligible degree programs are those listed as such on the Commission's Web site.
- 62-310.O "Fifth year" is defined as the ninth or tenth consecutive term of undergraduate coursework in an approved five-year bachelor's program. The fifth year is based on the student's date of initial college enrollment after graduation from high school.
- 62-310.P "First/freshman year" is defined as the first or second consecutive term of undergraduate coursework following high school graduation.
- 62-310.R "Fourth year" is defined as the seventh or eighth consecutive term of undergraduate coursework. The fourth year is based on the student's date of initial college enrollment after graduation from high school.
- 62-310.T "Gift aid" is defined as scholarships and grants that do not nor will not under any circumstance require repayment, and excludes any self-help aid such as student loans and work-study.
- 62-310.W "Ineligible degree program" is defined for the purposes of the Palmetto Fellows Scholarship Enhancement as any degree program that is not on the Commission's posted list of eligible degree programs.
- 62-310.AA "Palmetto Fellow" is defined as a student awarded the Palmetto Fellows Scholarship during his/her senior year of high school and continues to meet all eligibility requirements to receive the Palmetto Fellows Scholarship. A Palmetto Fellow who is not awarded any Palmetto Fellows Scholarship funds due to the cost of attendance being met by other sources of financial aid will still be classified as a Palmetto Fellow.

- 62-310.DD "Reapplication student" is defined as a student who applied for and was offered the Palmetto Fellows Scholarship as a senior in high school, but declined the award to attend an out-of-state, four-year institution the fall term immediately following high school graduation.
- 62-310.FF "Second year" is defined as the third or fourth consecutive term of full-time, undergraduate coursework. The second/sophomore year is based on the student's date of initial college enrollment after graduation from high school.
- 62-310.III "Satisfactory academic progress in a declared major" is defined for the purposes of the Scholarship Enhancement as the progress required by the institution and academic department in which the student is enrolled as a full-time, degree-seeking student. Students must meet all requirements for satisfactory academic progress toward degree completion in their declared major as established by the policies of both the institution and the declared major in which the student is enrolled to meet the requirements of satisfactory academic progress.
- 62-310.JJ "Transient student" is defined as a student enrolled in a non-matriculated status, which means he/she is granted temporary admission to earn credit hours that will transfer back to his/her home institution toward a degree. A transient student is not eligible to receive the Palmetto Fellows Scholarship or the Scholarship Enhancement unless the student is participating in a program that is both approved and accepted as full-time transfer credit by the home institution.
- 62-310.KK "Third year" is defined as the fifth or sixth consecutive term of undergraduate coursework. The third year is based on the student's date of initial college enrollment after graduation from high school.
- 62-315.A(4) Be a U.S. citizen or a lawful permanent resident as defined by the U.S. Citizenship and Immigration Services and the State Residency Regulation as promulgated by the Commission on Higher Education;
- 62-315.A(6) Certify that he/she has never been adjudicated delinquent, convicted or pled guilty or *nolo contendere* to any felonies, and any second or subsequent 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 home 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 a second or subsequent alcohol or drug related misdemeanor offense is only ineligible the next academic year of enrollment in an eligible independent or public 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 home institution, the student will continue to be eligible for the remainder of that academic year. However, the student will be ineligible the following academic year of enrollment. If a student completes a pretrial intervention program and subsequently has his/her record expunged, the conviction will not affect the student's eligibility.
- 62-315.D A student who graduates in December/January of the high school senior year (considered an early graduate) is eligible to apply for the Palmetto Fellows Scholarship, provided that the student meets all eligibility requirements as described in the "Initial Eligibility" Section and provided that the student is entering an eligible independent or

public institution no later than the fall term immediately following high school graduation. Early graduates who plan to begin college enrollment the spring term may apply to receive the LIFE Scholarship through the Commission on Higher Education. If the student is subsequently awarded the Palmetto Fellows Scholarship, then the student will receive the Palmetto Fellows Scholarship the fall term immediately following high school graduation for up to a maximum of seven terms.

62-315.E Students cannot earn eligibility for the Palmetto Fellows Scholarship after high school graduation. All students must apply and be awarded during the high school senior year.

62-318 Eligibility for Palmetto Fellows Scholarship Enhancement

A. To be eligible for the Palmetto Fellows Scholarship Enhancement each academic year, a student must be:

1. A Palmetto Fellow at the time the Scholarship Enhancement is disbursed;
2. Enrolled full-time, degree-seeking in a declared major in an eligible degree program;
3. Making satisfactory academic progress toward completion of his/her declared major; and
4. Enrolled in the second year, third year, fourth year, or fifth year (if enrolled in a C Commission approved five-year bachelor's degree) at an eligible independent or public institution.

B. Students must successfully complete at least fourteen credit hours of instruction in mathematics or life and physical science or a combination of both at the end of the first year for the 2007 freshman class and thereafter. For the purpose of meeting the fourteen credit hour requirement at the end of the student's first year, exempted credit hours (AP, CLEP, IB, etc), credit hours earned while in high school (dual enrollment), and credit hours earned during the summer session immediately prior to the student's date of initial college enrollment made be used. However, remedial coursework and continuing education coursework cannot be used to meet the fourteen credit hour requirement. Palmetto Fellows who were already enrolled in at least their second year in the 2007-2008 academic year only are not required to meet the fourteen credit hour requirement at the end of their freshman year.

C. Any student who attempts to obtain or obtains the Palmetto Fellows Scholarship Enhancement 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 Enhancement.

62-320.D(1) Score at least 1200 on the SAT or 27 on the ACT through the June test administration of the senior year; earn a minimum 3.50 cumulative GPA on the UGP at the end of the senior year; and rank in the top six percent of the class at the end of the sophomore, junior or senior year; or

62-320.G Class rank must be based on the Uniform Grading Policy using diploma candidates only. Class rank is determined at the end of the sophomore, junior and senior years (not the beginning of the next school year) before including any summer school coursework or including any students who transfer into your high school after the school year ended in May/June. Students cannot be removed from the class because they did not meet the eligibility criteria to apply, declined to apply, are not residents of the State, do not meet

citizenship requirements, plan to attend college out-of-state, etc. The class rank information must include all students who attended your high school that school year.

- 62-320.I In order to apply for the Palmetto Fellows Scholarship using rank as one of the eligibility criteria, home school students must be a member of an approved home school program (as defined in relevant State Statute) that provides an official class rank for their members. The home school association must submit a rank report on the association's letterhead that includes the class rank and GPA based on the 2007 SC Uniform Grading Policy for all home school students in the applicant's class. If a home school student is unable to obtain rank verification, he/she may also be eligible to apply using the alternative criteria of scoring at least 1400 on the SAT (or 32 on the ACT) and earning a minimum 4.00 cumulative GPA on the UGP, without regard to class rank. These students must meet all other eligibility criteria.
- 62-320.J For the purposes of meeting the rank criterion, the existing high school rank of a South Carolina resident attending an out-of-state high school may be used provided it is calculated pursuant to a state-approved, standardized grading scale at the respective out-of-state high school. If the Commission on Higher Education determines that a state-approved standardized grading scale substantially deviates from the S.C. Uniform Grading Scale, the state-approved, standardized grading scale shall not be used to meet the eligibility requirements for the Palmetto Fellows Scholarship. Students who attend out-of-state preparatory high school must be eligible to apply by using the alternative criteria of scoring at least 1400 on the SAT (or 32 on the ACT) and earning a minimum 4.00 cumulative GPA on the Uniform Grading Policy. The student's guidance counselor must convert the student's grades to the UGP to determine if the student meets the GPA requirement. These students must meet all other eligibility criteria, including South Carolina residency requirements.
- 62-325.D Deleted and moved to Section 62-340.B
- 62-330.A The institution will identify award amounts, which cannot exceed:
1. \$6,700 the freshman year and \$7,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship;
 2. \$2,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship Enhancement.
- 62-330.C Students who change their major from an ineligible degree program to an eligible degree program during the same academic year cannot be awarded the Palmetto Fellows Scholarship Enhancement until the next academic year. Additionally, students who change their major from an eligible degree program to an ineligible degree program during the same academic year will retain their Palmetto Fellows Scholarship Enhancement eligibility for the remainder of the current academic year.
- 62-330.H(2) Affidavit documenting that the student has never been convicted of any felonies and has not been convicted of any second or subsequent alcohol/drug-related misdemeanor offense within the past academic year as stated under "Initial Eligibility" and "Duration and Renewal of Awards" Sections
- 62-330.H(8) Verification of cumulative GPA and annual credit hours for renewal purposes

- 62-330.H(11) Verification student met fourteen credit hour requirement at the end of the first year of college enrollment for the 2007-08 freshman class and thereafter (Palmetto Fellows Scholarship Enhancement purposes only)
- 62-330.H(12) Verification from academic department of enrollment in a declared major in an eligible degree program (Palmetto Fellows Scholarship Enhancement purposes only)
- 62-335.C The Palmetto Fellows Scholarship may be renewed annually for no more than a total of eight terms toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for no more than a total of ten terms toward the first approved five-year bachelor's degree. The Palmetto Fellows Scholarship Enhancement may not be awarded for no more than a total of six terms toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for no more than eight terms toward the first approved five-year bachelor's degree.
- 62-335.D The institution is responsible for obtaining verification of each recipient's cumulative grade point average and annual credit hours for the purposes of determining eligibility for award renewal. For the Palmetto Fellows Scholarship Enhancement, the institution must also obtain certification from the academic department of enrollment in a declared major in an eligible degree program.
- 62-335.F(5) Certify each academic year that he/she has never been adjudicated delinquent, convicted or pled guilty or *nolo contendere* to any felonies and any second or subsequent 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 to the home institution. However, a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or *nolo contendere* of a second or subsequent alcohol or drug-related misdemeanor offense is only ineligible for the next academic year of enrollment at an eligible independent or public 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 continue to be eligible for the remainder of the academic year. However, the student will be ineligible for the Scholarship for the following academic year of enrollment. If a student completes a pretrial intervention program and his/her record is subsequently expunged, the charge will not affect Scholarship eligibility.
- 62-335.G In order to retain eligibility for the Palmetto Fellows Scholarship Enhancement, a student must:
1. Be a Palmetto Fellow at the time the Scholarship Enhancement is disbursed;
 2. Be enrolled full-time, degree-seeking in a declared major in an eligible degree program;
 3. Be making satisfactory academic progress toward completion of his/her declared major;
 4. Be enrolled in the second year, third year, fourth year or fifth year (if enrolled in a Commission approved five-year bachelor's degree) at an eligible independent or public institution; and
 5. Successfully complete at least fourteen credit hours of instruction in mathematics or life and physical science or a combination of both at the end of the first year for the 2007 freshman class and thereafter. For the purpose of meeting the fourteen credit hour requirement at the end of the student's first year, exempted credit hours (AP, CLEP, IB, etc), credit hours earned while in high school (dual enrollment), and credit hours earned during the summer session immediately prior to the student's date of initial college

enrollment may be used. However, remedial coursework and continuing education coursework cannot be used to meet the fourteen credit hour requirement. Palmetto Fellows who were already enrolled in at least their second year in the 2007-2008 academic year only are not required to meet the fourteen credit hour requirement at the end of their freshman year.

- 62-340.B A student who applied for and was offered the Palmetto Fellows Scholarship as a senior in high school, but declined the award to attend an out-of-state four-year institution the fall term immediately following high school graduation, may reapply if they transfer to an eligible independent or public institution in South Carolina. The reapplication form is available on the Commission's Web site.
- 62-340.E The eligible independent or public institution is responsible for reviewing all Palmetto Fellows transferring to their institution to determine whether the students are eligible for the Palmetto Fellows Scholarship Enhancement.
- 62-350.F The home institution will be responsible for obtaining official verification of the student's cumulative grade point average and annual credit hours. For purposes of the Palmetto Fellows Scholarship Enhancement, the home institution must also obtain verification from the academic department of enrollment in a declared major in an eligible degree program.
- 62-351.E The home institution will be responsible for obtaining official verification of the student's cumulative grade point average and annual credit hours. For purposes of the Palmetto Fellows Scholarship Enhancement, the home institution must also obtain verification from the academic department of enrollment in a declared major in an eligible degree program.
- 62-355.G Students cannot appeal solely on the loss of the Palmetto Fellows Scholarship Enhancement.
- 62-360.A The institution will identify award amounts, which cannot exceed:
1. \$6,700 per academic year the freshman year and \$7,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship;
2. \$2,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship Enhancement.
- 62-360.C The Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement cannot be applied to remedial coursework, continuing education coursework, a second bachelor's degree or to graduate coursework, unless the graduate coursework is required as part of a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree as defined in the "Definitions" Section or the student is enrolled in one of the following programs:
1. Master of Science in Physician Assistant Studies at the Medical University of South Carolina;
2. Master of Science in Cytology and Biosciences at the Medical University of South Carolina;
3. Doctor of Pharmacy at the Medical University of South Carolina and the University of South Carolina (S.C. College of Pharmacy).
In the event of early graduation, the award is discontinued.
- 62-360.E Students who change their major from an ineligible degree program to an eligible degree program during the same academic year cannot be awarded the Palmetto Fellows Scholarship Enhancement until the next academic year. Additionally, students who change

their major from an eligible degree program to an ineligible degree program during the same academic year will retain their Palmetto Fellows Scholarship Enhancement eligibility for the remainder of the current academic year.

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 South Carolina Commission on Higher Education on December 4, 2008, to be held in the Large Conference Room located at 1333 Main Street, Suite 200, Columbia, SC 29201. The meeting will commence at 10:00 a.m. 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 on the Commission's agenda to be published by at least ten days prior to the meeting. Persons desiring to make oral comments at the hearing are asked to limit their statements to five minutes or less and, as a courtesy, are asked to provide written copies of their presentation for record.

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, South Carolina Commission on Higher Education, 1333 Main Street, Suite 200, Columbia, SC 29201. Comments must be received no later than 5:00 p.m. on December 3, 2008. Comments received shall be considered by the staff in formulating the final proposed regulation for the public hearing on December 4, 2008, as noticed above. Comments received by the deadline shall be submitted to the Commission in summary of public comments for consideration at the public hearing.

Preliminary Fiscal Impact Statement:

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

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION: 62-300 Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement

Purpose: R.62-300 is being amended and replaced in its entirety. The proposed amendments to the regulation for the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement are necessary to comply with Act 103 (approved in 2007) and Acts 178 and 235 (approved in 2008). These Acts affect a student's eligibility for the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement.

Legal Authority: The legal authority for R.62-300 is Section 59-104-20, S.C. Code of Laws.

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

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

The proposed regulation will allow compliance with recently approved legislation by clarifying the policies and procedures for administering the program. Palmetto Fellows will be eligible for additional funding based upon declaring a major in an eligible degree program.

DETERMINATION OF COSTS AND BENEFITS:

The financial aid community will benefit by receiving detailed guidance in awarding students the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement. Students will benefit by receiving additional funds based on declaring a major in an eligible degree program.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

Not applicable.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

Not applicable.

Statement of Rationale:

Pursuant to Act 115 (amended by Act 235 in 2008), the Commission on Higher Education shall promulgate regulation and establish procedures for administration of the Palmetto Fellows Scholarship Enhancement.

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Indicates New Matter

Text:

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62-300 Purpose of the Palmetto Fellows Scholarship Program and Scholarship Enhancement

A. Pursuant to Act 458 and amended by Act 95 and Act 162 in 2005, the Commission on Higher Education shall promulgate regulation 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.

B. Pursuant to Act 115 and amended by Act 235 in 2008, the Commission on Higher Education shall promulgate regulation and establish procedures for administration of the Palmetto Fellows Scholarship Enhancement. The General Assembly established the Palmetto Fellows Scholarship Enhancement in order to foster scholarship among the State's postsecondary students through awards based on scholarship and achievement. The purpose of the Palmetto Fellows Scholarship Enhancement Program is to recognize the most academically talented college students throughout the state of South Carolina in the areas of mathematics and science and encourage them to attend eligible colleges or universities in the State. In order to receive a Palmetto Fellows Scholarship Enhancement, all students must qualify for a Palmetto Fellows Scholarship as stipulated herein.

62-305 ~~Funding~~ Allocation of Program Funds

A. Funds made available for higher education grants and scholarships under Chapter 143 of Title 59 of the 1976 Code, as amended 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. Fifty percent of the appropriation shall be designated for the Palmetto Fellows Scholarship Program and the remaining fifty percent shall be for the Need-based Grants Program. However, in instances where the equal division of the appropriated funds between the Palmetto Fellows Scholarship and Need-based Grants 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. The Commission on Higher Education shall award to eligible students attending eligible independent or public institutions as Palmetto Fellows Scholarships as follows:

1. 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.

2. 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 and will be determined annually by the South Carolina Commission on Higher Education and the Tuition Grants Commission.

B. Under the South Carolina Education Lottery Act, a designated amount shall be allocated for Palmetto Fellows Scholarships and shall be included in the annual appropriation to the Commission on Higher Education.

C. After expending funds appropriated for Palmetto Fellows Scholarships from all other sources, there is automatically appropriated from the general fund of the State whatever amount is necessary to provide Palmetto Fellows Scholarships to all students meeting the requirements of Section 59-104-20.

D. The Palmetto Fellows Scholarship Enhancement is contingent upon the availability of funds appropriated by the General Assembly each academic year.

62-310 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 consists of the fall, spring and immediately succeeding summer terms (or its equivalent).

B. "Annual credit hour requirement" is defined for the Palmetto Fellows Scholarship as a minimum of thirty (30) credit hours taken and earned at the end of each academic year based on the date of initial college enrollment. Credit hours cannot include remedial, continuing education, exempted credit hours (such as AP, CLEP, IB, etc.), credit hours earned before high school graduation (dual enrollment) and credit hours earned the summer term immediately following high school graduation.

C. "Approved five-year bachelor's degree program" is defined as a five-year bachelor's program that is defined and approved by the Commission on Higher Education to receive the Palmetto Fellows Scholarship for a maximum of ten terms and the Scholarship Enhancement for a maximum of eight terms at the same eligible independent or public institution in order to complete the requirements for a bachelor's degree. An approved five-year bachelor's degree program does not include institutional and cooperative "3 plus 2" programs.

BD. "Bachelor's degree program" is defined as an undergraduate program of study leading to the first bachelor's degree as defined by the U.S. Department of Education.

E. "CIP (Classification of Instructional Program) Code" is defined as the U.S. Department of Education's standard for federal surveys and state reporting for institutional data (majors, minors, options and courses). For the purpose of receiving the Palmetto Fellows Scholarship Enhancement, CIP Codes have been approved by the Commission on Higher Educations for eligible degree programs in the fields of mathematics and science.

F. "Continuing education coursework" is defined as postsecondary courses designed for personal development and that cannot be used as credit toward a degree.

G. "Cost-of-attendance" is defined by Title IV regulations and may include tuition, fees, books, room and board, and other expenses related to transportation, disability or dependent care.

H. "Cumulative grade point average (GPA)" is defined as the cumulative institutional GPA used for graduation purposes, which includes dividing the total number of quality points earned in all courses by the total credit hours in all courses attempted at the student's home institution. The cumulative GPA must be at least a 3.0 at the home institution for graduation purposes at the end of each academic year based on the date of initial college enrollment.

I. "Date of initial college enrollment" is defined as the first time a student matriculates into a postsecondary degree-granting institution after high school graduation or completion of an approved home school program, excluding the summer term immediately prior to the student's enrollment in the first regular academic year. Students must remain continuously enrolled as any break in enrollment (excluding summer) will count toward the student's terms of eligibility.

J. For the purposes of the Scholarship Enhancement, "declared major" is defined as an eligible degree program in which a student is enrolled as a full-time, degree-seeking student. The student must meet all requirements as stipulated by the policies established by the institution and the academic department the student is enrolled in a declared major in an eligible degree program. Students cannot take courses related to a specific program without meeting institutional and departmental policies and be considered enrolled in a declared major. Students must be enrolled in a declared major in an eligible degree program that is approved and assigned a CIP code by the Commission. Eligible degree programs are those listed as such on the Commission's Web site. Students who change their declared major from an ineligible degree program to an eligible degree program within the same academic year shall not receive the Palmetto Fellows Scholarship Enhancement for that academic year. Additionally, students who change their declared major from an eligible degree program to an ineligible degree program within the same academic year will not lose eligibility until the next academic year.

ⒺK. "Degree-seeking student" is defined as a student enrolled full-time in a program of study that leads to the first bachelor's degree, first approved five-year bachelor's degree or a program of study that is structured so as not to require a bachelor's degree at an eligible independent or public institution. Students must maintain their undergraduate status in order to receive the Palmetto Fellows Scholarship and the Scholarship Enhancement each academic year, with the exception of students enrolled in the following programs: 1) Master of Science in Physician Assistant Studies at the Medical University of South Carolina; 2) Master of Science in Cytology and Biosciences at the Medical University of South Carolina; and, 3) Doctor of Pharmacy at the Medical University of South Carolina and the University of South Carolina (S.C. College of Pharmacy).

L. "Eligible degree program" is defined for the purposes of the Palmetto Fellows Scholarship Enhancement as a degree program in mathematics or science as approved by the SC Commission on Higher Education. These programs include science or mathematics disciplines, computer science or informational technology, engineering, health care and health care related disciplines (including nursing, pre-medicine and pre-dentistry) as defined by the Commission on Higher Education. Enrollment in a minor does not meet the requirements of an eligible degree program for the Palmetto Fellows Scholarship Enhancement. Students must be enrolled in a declared major in an eligible degree program that is approved and assigned a CIP Code by the Commission. Eligible degree programs are those listed as such on the Commission's Web site.

GM. "Eligible high school" is defined as a public or private high school located within South Carolina, an approved home school program as defined in relevant 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 Section 59-112-10. A "preparatory high school" (out-of-state) is defined as a public or private school recognized by the state in which the school is located to offer curricula through the twelfth grade and prepares students for college entrance.

DN. "Felonies" are defined as crimes classified under State statute (Section 16-1-10) for which the punishment in federal or state law and typically requires imprisonment for more than one year.

O. "Fifth year" is defined as the ninth or tenth consecutive term of undergraduate coursework in an approved five-year bachelor's program. The fifth year is based on the student's date of initial college enrollment after graduation from high school.

P. "First/freshman year" is defined as the first or second consecutive term of undergraduate coursework following high school graduation.

EQ. "For graduation purposes" is defined as any grade or credit hour that the home institution requires in accordance with their policies and procedures for graduation of the student, including electives and additional coursework.

R. "Fourth year" is defined as the seventh or eighth consecutive term of undergraduate coursework. The fourth year is based on the student's date of initial college enrollment after graduation from high school.

FS. "Full-time student" shall mean a student who has matriculated into a program of study leading to the first bachelor's degree, first approved five-year bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree and who enrolls full-time, usually fifteen credit hours for the fall and ~~spring terms~~ fifteen credit hours for the spring term ~~or twelve credit hours for fall, eight credit hours for winter, and twelve credit hours for spring trimester terms.~~ 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~~ or continuing education coursework.

T. "Gift aid" is defined as scholarships and grants that do not nor will not under any circumstance require repayment, and excludes any self-help aid such as student loans and work-study.

HU. "Home institution" is defined as the independent or public institution where the student is currently enrolled as a full-time, degree-seeking student and may be eligible for financial aid at the same institution.

IV. "Independent institutions" are defined, for the purposes of the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement Programs, as those four-year 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; 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 institutions' for purpose of this charter". Two-year independent institutions are not eligible to participate in the Palmetto Fellows Scholarship Program.

W. "Ineligible degree program" is defined for the purposes of the Palmetto Fellows Scholarship Enhancement as any degree program that is not on the Commission's posted list of eligible degree programs.

~~KX.~~ "Military mobilization" is defined as a situation in which the U.S. Department of Defense orders service members of the United States Armed Forces to active duty away from their normal duty assignment during a time of war or national emergency. Service members include: 1) active duty and

reserve members in the Army, Navy, Air Force, Marine Corps and Coast Guard, and; 2) members of the Army and Air National Guard.

JY. "Misdemeanor offenses" are defined as crimes classified under State statute (Section 16-1-100), less serious than felonies, and are typically punishable by fine or imprisonment for less than one year. A complete listing is located under Title 16 of State statute. Examples of alcohol and/or drug-related misdemeanor offenses in South Carolina include, but are not limited to, possession of alcohol while under the age of 21, possession of marijuana/illegal drugs, open container, transfer of alcohol to persons under 21, providing false information as to age (fake identification), etc.

EZ. "Multi-handicapped student" shall be defined as a student who, in addition to being visually or hearing impaired, has at least one additional disabling condition that qualifies the student to receive specialized postsecondary education.

AA. "Palmetto Fellow" is defined as a student awarded the Palmetto Fellows Scholarship during his/her senior year of high school and continues to meet all eligibility requirements to receive the Palmetto Fellows Scholarship. A Palmetto Fellow who is not awarded any Palmetto Fellows Scholarship funds due to the cost of attendance being met by other sources of financial aid will still be classified as a Palmetto Fellow.

MBB. "Program of study that is structured so as not to require a bachelor's" shall be defined as 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, which will be the student's first academic degree awarded, as defined by the U.S. Department of Education. Students are eligible ~~to receive the Scholarship~~ for a maximum of eight terms ~~(or its equivalent)~~ as long as all other eligibility criteria are met and the program is approved by the Commission on Higher Education. Students must maintain their undergraduate status each academic term, with the exception of students enrolled in the following programs: 1) Master of Science in Physician Assistant Studies at the Medical University of South Carolina; 2) Master of Science in Cytology and Biosciences; and, 3) Doctor of Pharmacy at the University of South Carolina and the Medical University of South Carolina (S.C. College of Pharmacy). Students who have been awarded a bachelor's or graduate degree are not eligible for Scholarship funding.

NCC. "Public institutions" are defined, for the purposes of the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement Programs, as those four-year bachelor's 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 postsecondary field." Public two-year institutions and technical colleges are not eligible for participation in this Program.

DD. "Reapplication student" is defined as a student who applied for and was offered the Palmetto Fellows Scholarship as a senior in high school, but declined the award to attend an out-of-state, four-year institution the fall term immediately following high school graduation.

QEE. "Remedial/~~developmental~~ coursework" shall be defined as sub-collegiate level preparatory courses in English, mathematics, reading or any other course deemed remedial by the institution where the course is taken.

FF. "Second year" is defined as the third or fourth consecutive term of full-time, undergraduate coursework. The second year is based on the student's date of initial college enrollment after graduation from high school.

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

HH. "Satisfactory academic progress in a declared major" is defined for the purposes of the Scholarship Enhancement as the progress required by the institution and academic department in which the student is enrolled as a full-time, degree-seeking student. Students must meet all requirements for satisfactory academic progress toward degree completion in their declared major as established by the policies of both the institution and the declared major in which the student is enrolled to meet the requirements of satisfactory academic progress.

QII. "Transfer student" is defined, for the purposes of the Program, as a student who has changed full-time enrollment from ~~a four-year~~ one eligible independent or public institution to another eligible independent or public institution.

JJ. "Transient student" is defined as a student enrolled in a non-matriculated status, which means he/she is granted temporary admission to earn credit hours that will transfer back to his/her home institution toward a degree. A transient student is not eligible to receive the Palmetto Fellows Scholarship or the Scholarship Enhancement unless the student is participating in a program that is both approved and accepted as full-time transfer credit by the home institution.

KK. "Third year" is defined as the fifth or sixth consecutive term of undergraduate coursework. The third year is based on the student's date of initial college enrollment after graduation from high school.

62-315 ~~Student Eligibility~~ Initial Eligibility for Palmetto Fellows Scholarship

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

1. Meet the eligibility criteria stipulated under the "Palmetto Fellows Scholarship Application" Section;
2. Be enrolled as a senior in an eligible high school;
3. Be classified as a South Carolina resident at the time of college enrollment;
4. Be a U.S. citizen or a legal lawful permanent resident that meets the definition of an eligible non-citizen under State Residency Statute as defined by the U.S. Citizenship and Immigration Services and the State Residency Regulation as promulgated by the Commission on Higher Education;
5. Be seriously considering attending, have applied, or have been accepted for admission to an eligible four-year bachelor's degree-granting independent or public institution in South Carolina as a first-time, full-time, degree-seeking student; and
6. Certify that he/she has never been adjudicated delinquent, convicted or pled guilty or *nolo contendere* to any felonies, and any second or subsequent 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 home 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 a second or subsequent alcohol or drug related misdemeanor offense is only ineligible the next academic year of enrollment in an eligible independent or public 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 home institution, the student will continue to be eligible for the remainder of that academic year. However, the student will be ineligible the following academic year of enrollment. If a student completes a pretrial intervention program and subsequently has his/her record expunged, the conviction will not affect the student's eligibility.

7. Submit the official Palmetto Fellows Scholarship Application by the established deadline(s) and comply with all the directions contained therein.

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

C. A student who graduates immediately after the high school ~~junior~~ sophomore year is eligible to apply for the Palmetto Fellows Scholarship, providing that the student meets all eligibility requirements as described in the "~~Student-Initial~~ Eligibility" Section and providing that the student is entering an eligible independent or public institution no later than the fall term immediately following high school graduation.

D. A student who graduates in December/January of the high school senior year (considered an early graduate) is eligible to apply for the Palmetto Fellows Scholarship, provided that the student meets all eligibility requirements as described in the "Initial Eligibility" Section and provided that the student is entering an eligible independent or public institution no later than the fall term immediately following high school graduation. Early graduates who plan to begin college enrollment the spring term may apply to receive the LIFE Scholarship through the Commission on Higher Education. If the student is subsequently awarded the Palmetto Fellows Scholarship, then the student will receive the Palmetto Fellows Scholarship the fall term immediately following high school graduation for up to a maximum of seven terms.

E. Students cannot earn eligibility for the Palmetto Fellows Scholarship after high school graduation. All students must apply and be awarded during the high school senior year.

DE. Students receiving the Palmetto Fellows Scholarship are not eligible for the LIFE Scholarship, SC HOPE Scholarship or Lottery Tuition Assistance within the same academic year.

EG. Any student who attempts to obtain or obtains the Palmetto Fellows Scholarship 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.

62-318 Eligibility for Palmetto Fellows Scholarship Enhancement

A. To be eligible for the Palmetto Fellows Scholarship Enhancement each academic year, a student must be:

1. A Palmetto Fellow at the time the Scholarship Enhancement is disbursed;

2. Enrolled full-time, degree-seeking in a declared major in an eligible degree program;

3. Making satisfactory academic progress toward completion of his/her declared major; and

4. Enrolled in the second year, third year, fourth year, or fifth year (if enrolled in a Commission approved five-year bachelor's degree) at an eligible independent or public institution.

B. Students must successfully complete at least fourteen credit hours of instruction in mathematics or life and physical science or a combination of both at the end of the first year for the 2007 freshman class and thereafter. For the purpose of meeting the fourteen credit hour requirement at the end of the student's first year, exempted credit hours (AP, CLEP, IB, etc), credit hours earned while in high school (dual enrollment), and credit hours earned during the summer session immediately prior to the student's date of initial college enrollment made be used. However, remedial coursework and continuing education coursework cannot be used to meet the fourteen credit hour requirement. Palmetto Fellows who were already enrolled in at least their second year in the 2007-2008 academic year only are not required to meet the fourteen credit hour requirement at the end of their freshman year.

C. Any student who attempts to obtain or obtains the Palmetto Fellows Scholarship Enhancement 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 Enhancement.

62-320 Student Palmetto Fellows Scholarship Application

A. The Commission on Higher Education will send information regarding the application process to all South Carolina high schools, home school associations and district superintendents. High school officials will identify students who meet the specified eligibility criteria by each established deadline. Applications must be submitted no later than the established deadline(s) along with the appropriate signatures, official transcripts and test score verification to the Commission on Higher Education. Students who are enrolled at out-of-state high schools are personally responsible for contacting the Commission on Higher Education about the application process and must adhere to the same established deadline(s).

B. The high schools and home school associations must submit a list to the Commission on Higher Education indicating the names of all students who meet the eligibility criteria at their high school. The list should indicate whether the student is submitting a completed application or declining the opportunity to apply. If the student declines the opportunity to apply, 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. Students who decline to apply for the Scholarship forfeit any future eligibility under this Program.

C. Applications for early awards must be submitted to the Commission on Higher Education for the Palmetto Fellows Scholarship by the date established in December each academic year. Students must meet one of the following set of academic criteria in order to be eligible to apply for the early awards (students cannot use the early awards criteria to apply during the final awards):

1. Score at least 1200 on the SAT or 27 on the ACT through the November test administration of the senior year; earn a minimum 3.50 cumulative GPA on the 2007 SC Uniform Grading Policy (UGP) at the end of the junior year; and rank in the top six percent of the class at the end of either the sophomore or the junior year; or

2. Score at least 1400 on the SAT or 32 on the ACT through the November test administration of the senior year and earn a minimum 4.00 cumulative GPA on the UGP at the end of the junior year, without regard to class rank.

D. Applications for final awards must be submitted to the Commission on Higher Education for the Palmetto Fellows Scholarship by the date established in June each academic year. Students must meet one of the following set of academic criteria in order to be eligible to apply for the final awards:

1. Score at least 1200 on the SAT or 27 on the ACT through the June test administration of the senior year; earn a minimum 3.50 cumulative GPA on the UGP at the end of the senior year; and rank in the top six percent of the class at the end of the sophomore, junior or senior year; **OR**

2. Score at least 1400 on the SAT or 32 on the ACT through the June test administration of the senior year and earn a minimum 4.00 cumulative GPA on the UGP at the end of the senior year, without regard to class rank.

E. Students must have official verification that they earned the requisite score on the SAT I or an equivalent ACT score. The Commission on Higher Education shall convert all ACT scores to the equivalent SAT scores. In order to determine the minimum composite score for the SAT, students must use the highest Math score combined with the highest Critical Reading score (~~formally known as the Verbal score~~). However, students cannot use the Writing subsection score to meet the minimum SAT score requirement. ~~Students may use the SAT version prior to March 2005 and/or the new version to meet the SAT score requirement.~~ In order to determine the minimum composite score for the ACT, students must use the highest composite score based upon one test administration.

F. Grade point averages must be based on the 2007 Uniform Grading Scale Policy, reported with at least two decimal places, and may not be rounded up.

G. Class rank must be based on the Uniform Grading Policy using diploma candidates only. Class rank is determined at the end of the sophomore, junior and senior years (not the beginning of the next school year) before including any summer school coursework or including any students who transfer into your high school after the school year ended in May/June. Students cannot be removed from the class because they did not meet the eligibility criteria to apply, declined to apply, are not residents of the State, do not meet citizenship requirements, plan to attend college out-of-state, etc. The class rank information must include all students who attended your high school that school year.

GH. The number of students included in the top six percent of the class will be the next whole number if the top six percent is not already a whole number. For example, a class size of 185 students would include the top twelve students since 11.1 rounds up to twelve. For those high schools with fewer than twenty students in the class, the top two students (students ranked as number one and two) shall be considered for the Scholarship regardless of whether they rank in the top six percent of the class. These students must meet all other eligibility criteria.

HI. In order to apply for the Palmetto Fellows Scholarship using rank as one of the eligibility criteria, home school students must be a member of an approved home school program (as defined in relevant State Statute) that provides an official class rank for their members. The home school association must submit a rank report on the association's letterhead that includes the class rank and GPA based on the 2007 SC Uniform Grading Policy for all home school students in the applicant's class. If a home school student is unable to obtain rank verification, he/she may also be eligible to apply using the alternative criteria of scoring at least 1400 on the SAT (or 32 on the ACT) and earning a minimum 4.00 cumulative GPA on the UGP, without regard to class rank. These students must meet all other eligibility criteria.

IJ. For the purposes of meeting the rank criterion, the existing high school rank of a South Carolina resident attending an out-of-state high school may be used provided it is calculated pursuant to a state-approved, standardized grading scale at the respective out-of-state high school. If the Commission on Higher Education determines that a state-approved standardized grading scale substantially deviates from the S.C. Uniform Grading Scale, the state-approved, standardized grading scale shall not be used to meet

the eligibility requirements for the Palmetto Fellows Scholarship. Students who attend out-of-state preparatory high school ~~must~~ may also be eligible to apply by using the alternative criteria of scoring at least 1400 on the SAT (or 32 on the ACT) and earning a minimum 4.00 cumulative GPA on the Uniform Grading Scale Policy. ~~In order to meet the GPA requirement, students must request that an official designated by the Commission on Higher Education convert the students' grades to the UGS. Any fees and requirements associated with the grade conversion are the responsibility of the student. The student's guidance counselor must convert the student's grades to the UGP to determine if the student meets the GPA requirement.~~ These students must meet all other eligibility criteria, including South Carolina residency requirements.

62-325 Palmetto Fellows Scholarship Selection Process

A. The Commission on Higher Education will notify students of their selection as a Palmetto Fellow along with the terms and conditions of the award.

B. In order to accept the Scholarship, students must return a form that designates an eligible independent or public institution in which they plan to enroll by the date established by the Commission on Higher Education.

C. Visually impaired, hearing impaired or multi-handicapped students who qualify for the Scholarship may use the Palmetto Fellows Scholarship to attend a four-year out-of-state institution that specializes in educating students with their impairment upon receiving prior approval from the Commission on Higher Education. The Commission on Higher Education shall make the final decision whether an out-of-state institution specializes in the postsecondary education of visually impaired, hearing impaired or multi-handicapped students.

~~D. A student who applied for and was subsequently awarded the Palmetto Fellows Scholarship as a senior in high school, but declined the award to attend a four year out of state institution, is eligible to reapply for the Scholarship upon transferring back to an eligible independent or public institution in South Carolina. Students must have met all initial and continued eligibility requirements for the Palmetto Fellows Scholarship. The number of terms a student attended college out of state will be deducted from the eight terms of Scholarship eligibility.~~

~~E. The Commission on Higher Education shall ensure that there is equitable minority participation in the Program.~~

62-330 Policies and Procedures for Awarding the Palmetto Fellows Scholarships and the Palmetto Fellows Scholarship Enhancement

A. The institution will identify award amounts, which cannot exceed:

1. \$6700 per academic year the freshman year and \$7,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship;

2. \$2,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship Enhancement.

3. Earn a minimum of thirty credit hours for graduation purposes by the end of each academic year. Exempted credit hours (such as AP, CLEP, etc.), credit hours earned before high school graduation, and credit hours earned the summer term immediately following high school graduation cannot be used to meet the annual credit hour requirement;

4. Certify each academic year 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. Students who have not completed the 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 the state grants/scholarships, Pell Grant, Supplemental Educational Opportunity Grant, Federal Perkins or Stafford Loan; and

5. Certify each academic year that he/she has never been adjudicated delinquent, convicted or pled guilty or *nolo contendere* to any felonies and any second or subsequent 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 home institution. However, a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or *nolo contendere* of a second or subsequent alcohol or drug-related misdemeanor offense is only ineligible for the next academic year of enrollment at an eligible independent or public 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 continue to be eligible for the remainder of the academic year. However, the student will be ineligible for the Scholarship for the following ~~fall, spring and summer terms~~ (or their equivalent) academic year of enrollment. If a student completes a pretrial intervention program and his/her record is subsequently expunged, the charge will not affect Scholarship eligibility.

G. In order to retain eligibility for the Palmetto Fellows Scholarship Enhancement, a student must:

1. Be a Palmetto Fellow at the time the Scholarship Enhancement is disbursed;

2. Be enrolled full-time, degree-seeking in a declared major in an eligible degree program;

3. Be making satisfactory academic progress toward completion of his/her declared major;

4. Be enrolled in the second year, third year, fourth year or fifth year (if enrolled in a Commission approved five-year bachelor's degree) at an eligible independent or public institution; and

5. Successfully complete at least fourteen credit hours of instruction in mathematics or life and physical science or a combination of both at the end of the first year for the 2007 freshman class and thereafter. For the purpose of meeting the fourteen credit hour requirement at the end of the student's first year, exempted credit hours (AP, CLEP, IB, etc), credit hours earned while in high school (dual enrollment), and credit hours earned during the summer session immediately prior to the student's date of initial college enrollment may be used. However, remedial coursework and continuing education coursework cannot be used to meet the fourteen credit hour requirement. Palmetto Fellows who were already enrolled in at least their second year in the 2007-2008 academic year only are not required to meet the fourteen credit hour requirement at the end of their freshman year.

H. Any student who attempts to obtain or obtains a Palmetto Fellows Scholarship or Palmetto Fellows Scholarship Enhancement 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 and Palmetto Fellows Scholarship Enhancement.

62-340 Transfer of or Reapplication for the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement

A. Palmetto Fellows enrolled at an eligible four-year independent or public institution may transfer ~~the Scholarship~~ to another eligible independent or public institution in South Carolina upon obtaining prior approval from the Commission on Higher Education by submitting ~~either a transfer form or reapplication form~~, which is available on the Commission's Web site.

B. A student who applied for and was offered the Palmetto Fellows Scholarship as a senior in high school, but declined the award to attend an out-of-state four-year institution the fall term immediately following high school graduation, may reapply if they transfer to an eligible independent or public institution in South Carolina. The reapplication form is available on the Commission's Web site.

BC. Transfer students and reapplication students are only eligible to receive the Palmetto Fellows Scholarship for no more than eight terms (or its equivalent) of college attendance and the Palmetto Fellows Scholarship Enhancement for the remaining terms of eligibility (based on the date of initial college enrollment).

CD. Transfer students and reapplication students must comply with all standards for continued eligibility as defined under the "Duration and Renewal of Awards" Section in order for their award to be eligible for transfer.

E. The eligible independent or public institution is responsible for reviewing all Palmetto Fellows transferring to their institution to determine whether the students are eligible for the Palmetto Fellows Scholarship Enhancement.

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 the "Student Initial Eligibility" Section, except for the full-time enrollment requirement, in order to be 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 the "Duration and Renewal of Awards" Section, except for a student not meeting the annual credit hour requirement who is approved by the Disability Services Provider at the home institution to be enrolled in less than full-time status or less than the required annual credit hours for that academic year. Each academic year for ~~Scholarship award~~ renewal, students must earn the required number of hours approved by the institutional Disability Services Provider at the home institution and earn a minimum 3.0 cumulative grade point average at the home institution for graduation purposes. 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 prior to 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. It is the responsibility of transfer students and reapplication students to provide written documentation from the previous institutional Disability Services Provider.

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.

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 are approved by the home institution and that the home institution accepts as full-time transfer credit are eligible to receive Palmetto Fellows Scholarship and Palmetto Fellow Scholarship Enhancement 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 Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement 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. Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement funds must be paid directly to the student's account at the home institution. The amount awarded 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 funds to the institutions where students will participate in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs. The home institution is responsible for ~~Scholarship~~ funds according to the "Program Administration and Audits" 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 earn at least fifteen credit hours and a minimum 3.0 cumulative grade point average at the home institution for graduation purposes by the end of 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 (or its equivalent) at all institutions attended~~ the maximum terms of eligibility based on the date of initial college enrollment (provided the student meets the continued eligibility requirements).

D. 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 award full-time transfer credit for the entire academic year, 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 (or its equivalent) at all institutions attended~~ the maximum terms of eligibility based on the date of initial college enrollment (provided the student meets the continued eligibility requirements).

E. Students enrolling in an internship, a cooperative work program, a travel study program, or National or International Student Exchange Program that are approved by the home institution during the academic year and did not use their entire eligibility for the Palmetto Fellows Scholarship or the Palmetto Fellows Scholarship Enhancement funds during this period shall be allowed to receive one term of Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement funds during the succeeding

summer or at the end of the maximum terms of eligibility based on the date of initial college enrollment (provided the student meets the continued eligibility requirements). In order to receive the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement funds for the succeeding summer term, students must enroll in twelve credit hours at the home institution. In order to maintain eligibility for the next academic year for students who only attend summer school, the student must earn at least twelve credit hours by the end of the academic year. For students who enroll in summer school and one other term of the academic year, the student must earn a total of at least 27 credit hours (or its equivalent) by the end of the academic year. The student must meet all continued eligibility requirements, except for the completion of the ~~thirty-annual~~ credit hour requirement for the academic year.

F. The home institution will be responsible for obtaining official certification of the student's cumulative grade point average and annual credit hours earned for purposes of determining eligibility for Scholarship and Enhancement renewal for the next academic year. For purposes of Enhancement eligibility, the home institution must also obtain certification from the academic department of enrollment in a declared major in an eligible degree program.

62-351 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 term(s) while mobilized during the succeeding summer term or at the end of the maximum terms of eligibility (provided the service member meets continued eligibility requirements). The service member must re-enroll in an eligible independent or public 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 service member 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 a minimum of one academic year may renew be eligible the Scholarship for the next academic year, if they met the continued eligibility requirements at the end of the prior last academic year of attendance. Service members may continue to be eligible to receive the Palmetto Fellows Scholarship for up to a total of eight terms (or its equivalent) at all institutions attended the maximum terms of eligibility based on the date of initial college enrollment (provided the service member meets the continued eligibility requirements).

C. Service members who are enrolled in college and are mobilized for one academic term must complete at least fifteen credit hours and a minimum 3.0 cumulative grade point average at the home institution for graduation purposes by the end of the academic year to be eligible for Scholarship renewal for the next academic year. Service members may continue to be eligible to receive the Palmetto Fellows Scholarship for up to a total of eight terms (or its equivalent) at all institutions attended the maximum terms of eligibility based on the date of initial college enrollment (provided the service member meets the continued eligibility requirements).

D. In order to receive the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement for summer school for any 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 at least twenty-seven credit hours (~~or its equivalent~~) by the end of 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 at least twelve credit hours by the end of the academic year. The service member must meet all continued eligibility requirements, except for the completion of the ~~thirty~~annual credit hour requirement for the academic year.

E. The home institution will be responsible for obtaining verification of military mobilization status, cumulative grade point average and annual credit hours earned for the purpose of determining eligibility to renew the Palmetto Fellows Scholarship for the next academic year. For purposes of the Palmetto Fellows Scholarship Enhancement, the home institution must also obtain certification from the academic department of enrollment in a declared major in an eligible degree program.

62-355 Appeals Procedures

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

B. 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.

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

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 and 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, but will be awarded retroactively if the appeal is granted.

G. Students cannot appeal solely on the loss of the Palmetto Fellows Scholarship Enhancement.

GH. The Appeals Committee's decision is final.

62-360 Institutional Disbursement of Scholarship Funds

A. The institution will identify award amounts, which cannot exceed:

1. \$6,700 per academic year the freshman year and \$7,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship;

2. \$2,500 for the second year, third year, fourth year and fifth year for the Palmetto Fellows Scholarship Enhancement.

~~B.~~ Half of each Scholarship shall be awarded during the fall term and half during the spring (or its equivalent), assuming continued eligibility term. Scholarships Funds cannot be disbursed during the summer or any interim sessions ~~with the exception of~~ except for disbursements that meet the requirements ~~under the~~ made in accordance with the requirements of the "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Student Exchange Programs" or "Military Mobilization" Sections. Palmetto Fellows may not be funded for more than a total of eight terms (or its equivalent) of full-time study toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for more than a total of ten terms of study toward the first approved five-year degree. Palmetto Fellows Scholarship Enhancements may not be funded for more than a total of six terms toward the first bachelor's degree or a program of study that is structures so as not to require a bachelor's degree or for no more than a total of eight terms toward the first-approved bachelor's degree.

~~B. C.~~ The Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement cannot ~~may not~~ be applied to remedial/developmental coursework, continuing education coursework, a second bachelor's degree or to graduate coursework, unless the graduate coursework is required as part of a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree as defined in the "Program Definitions" Section or the student is enrolled in one of the following programs:

1. Master of Science in Physician Assistant Studies at the Medical University of South Carolina;
2. Master of Science in Cytology and Bioseiences at the Medical University of South Carolina;
3. Doctor of Pharmacy at the Medical University of South Carolina and the University of South Carolina (S.C. College of Pharmacy).

In the event of early graduation, the award is discontinued.

~~D.~~ Students who change their major from an ineligible degree program to an eligible degree program during the same academic year cannot be awarded the Palmetto Fellows Scholarship Enhancement until the next academic year. Additionally, students who change their major from an eligible degree program to an ineligible degree program during the same academic year will retain their Palmetto Fellows Scholarship Enhancement eligibility for the remainder of the current academic year.

~~E.~~ E. The institution shall provide each Palmetto Fellow with an award notification for each academic year, which will contain the terms and conditions of the Scholarship and other financial aid awarded. Students will be notified of adjustments in financial aid due to changes in eligibility and/or over-award issues. The Commission on Higher Education, for documentation purposes, requires that each institution obtain verification of acceptance of the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement and terms for the awards.

~~D. F.~~ F. 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.

~~G.~~ G. The institution must submit a request for funds and/or return of funds by the established deadline each term. The Commission will disburse funds to eligible independent and public institutions to be placed in each eligible student's account. In addition, a listing of eligible recipients by identification number with

the award amounts must be sent to the Commission on Higher Education by the established deadline each term. At this time, any unused funds must be returned to the Commission immediately.

EH. The Commission will disburse awards to the eligible independent and public institutions to be placed in each eligible student's account.

62-365 Refunds and Repayments

A. In the event a student who has been awarded the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement withdraws, is suspended from the institution, or drops below full-time status during any regular term of the academic year, institutions must reimburse the ~~Palmetto Fellows Scholarship~~ Program for the amount of the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement for the term in question pursuant to 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 award may be retained by the student pursuant to the refund policies of the institution.

62-370 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, regulations) relative to this Program with the eligible independent and public institutions. The Commission on Higher Education shall be responsible for the allocation of funds, promulgation of guidelines and regulation governing the ~~Palmetto Fellows Scholarship~~ Program, any audits, or other oversight as may be deemed necessary to monitor the expenditure of ~~Scholarship~~ funds.

B. According to the Audit Policies and Procedures for Scholarship and Grant Programs Manual, all eligible independent and public institutions must abide by all Program policies, rules and regulations. 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 eligible independent and public institution shall identify to the Commission on Higher Education an institutional representative who is responsible for the operation of the Program on the campus and will serve as the contact person for the Program. The institutional representative will act as the student's fiscal agent to receive and deliver funds for use under the Program.

62-375 Suspension or Termination of Institutional Participation

A. The Commission on Higher Education may review institutional administrative practices to determine 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 on Higher Education 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, 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(s) may have occurred or are occurring at any eligible independent or public 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.

B. ~~Half of each Scholarship shall be awarded during the fall term and half during the spring (or its equivalent), assuming continued eligibility term.~~ Palmetto Fellows Scholarships and Palmetto Fellows Scholarship Enhancements are to be used only toward payment for cost-of-attendance as established by Title IV Regulations with modifications set forth in ED below for the academic year for which the Scholarship the award is made at the designated independent or public institution. The maximum amount awarded shall not exceed the cost-of-attendance as established by Title IV Regulations for any academic year.

C. Students who change their major from an ineligible degree program to an eligible degree program during the same academic year cannot be awarded the Palmetto Fellows Scholarship Enhancement until the next academic year. Additionally, students who change their major from an eligible degree program to an ineligible degree program during the same academic year will retain their Palmetto Fellows Scholarship Enhancement eligibility for the remainder of the current academic year.

ED. 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.

DE. In determining the amount awarded for the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement, all other sources of gift aid, including federal, State, private and institutional funds, must be applied to the unmet cost-of-attendance in accord with Title IV regulations before calculating the Scholarship and Enhancement amounts and ~~awarding the Scholarship making the award.~~ Adjustments to the financial aid package will be made to the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement in accordance with prescribed Title IV regulations in order to prevent an over-award.

EE. Although a student may be named a Palmetto Fellow, the student may not receive a monetary award, if the award when combined with all other sources of gift aid would cause the student to receive financial assistance in excess of the student's cost-of-attendance as defined by Title IV regulations and the guidelines contained herein.

FG. Eligible independent and public institutions will notify students of their award along with the terms and conditions.

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

1. Institutional Student Information Record (ISIR) 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 and has not been convicted of any second or subsequent alcohol/drug-related misdemeanor offense within the past academic year as stated under "~~Student~~ Initial Eligibility" and "Duration and Renewal of Awards" Sections
3. Award notification
4. Institutional disbursements to student
5. Verification student is not in default and does not owe a refund or repayment (if appropriate)
6. Student's residency status and citizenship status

- 7. Enrollment status and ~~curriculum requirements~~ degree-seeking status
- 8. Verification of cumulative GPA and annual credit hours for renewal purposes
- 9. Verification from the institutional Disability Services Provider of student's disability and approval of reduced course-load requirement (if appropriate)
- 10. Military mobilization orders (if appropriate)
- 11. Verification student met fourteen credit hour requirement at the end of the first year of college enrollment for the 2007-08 freshman class and thereafter (Palmetto Fellows Scholarship Enhancement purposes only)
- 12. Verification from academic department of enrollment in a declared major in an eligible degree program (Palmetto Fellows Scholarship Enhancement purposes only)

HI. It is the institution's responsibility to ensure that only eligible students receive the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement.

62-335 Duration and Renewal of Awards

- A. The Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement where applicable shall be initially awarded for one academic year. The institution shall adjust the amount of the Scholarship and Enhancement awards during the academic year in the event of a change in the student's eligibility.
- B. Students selected as Palmetto Fellows must enter an eligible independent or public institution the fall term immediately following high school graduation.
- C. A Palmetto Fellows Scholarship may be renewed annually for no more than a total of eight terms ~~(or its equivalent)~~ of full-time study toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for no more than a total of ten terms toward the first approved five-year bachelor's degree. The Palmetto Fellows Scholarship Enhancement may not be awarded for no more than a total of six terms toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for no more than a total of eight terms toward the first approved five-year bachelor's degree. Students who have already been awarded their first bachelor or graduate degree are not eligible to receive the Palmetto Fellows Scholarship or the Palmetto Fellows Scholarship Enhancement.
- D. The institution is responsible for obtaining institutional certification of each recipient's cumulative grade point average and annual credit hours ~~earned~~ for the purposes of determining eligibility for award renewal. For the Palmetto Fellows Scholarship Enhancement, the institution must also obtain verification from the academic department of enrollment in a declared major in an eligible degree program.
- E. By the end of the spring term each academic year, the institution must notify all Palmetto Fellows who have not met the continued eligibility requirements for the next academic year. The notification should include information regarding the student's ability to attend summer school in order to meet the continued eligibility requirements.
- F. In order to retain eligibility for the Palmetto Fellows Scholarship after the initial year, the student must meet the following continued eligibility requirements:
 - 1. Enroll full-time, degree-seeking at the time of Scholarship disbursement;
 - 2. Earn at least a 3.0 cumulative GPA at the home institution for graduation purposes by the end of each academic year;



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Agenda Item 7.03 A(4)

Memorandum

TO: Dr. Layton R. McCurdy, Chairman, and Members
S.C. Commission on Higher Education

FROM: Ms. Cynthia Mosteller, Chairperson
Members of the Access & Equity and Student Services Committee

DATE: October 30, 2008

Approval of Regulations Regarding the Determination of Rates of Tuition and Fees

At the request of the institutional officers, Commission staff has made revisions to the Regulations Regarding the Determination of Rates of Tuition and Fees.

The Committee on Access & Equity and Student Services met on October 2, 2008, and considered the proposed amendments to the regulation. The Committee unanimously approved the proposed regulation for the Determination of Rates of Tuition and Fees.

The changes to the regulation include replacing the term "primary purpose" with the term "sole purpose". This change was requested by state Residency Officers in order to provide guidance on how to assess a student's reason for entering the state. Also included in the changes to the regulation are the specifications that an independent student cannot use a domicile owned by someone else as their own, and clarification as to when a person's twelve month physical presence requirement begins.

Recommendation

The Committee on Access & Equity and Student Services recommends that the S.C. Commission on Higher Education approve the proposed amendments to the regulation for the Determination of Rates of Tuition and Fees. If approved by the S.C. Commission on Higher Education, the proposed regulation will be submitted to the SC General Assembly during the 2009 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

62-600. DETERMINATION OF RATES OF TUITION AND FEES

Preamble:

The Commission on Higher Education proposes to amend and replace in its entirety R.62-600 of the SC Residency Program. Revisions to the existing regulation for the SC Residency Regulation are being considered to clarify the policies and procedures for administering the program. In the proposed amendment, the definition of a dependent is clarified and the use of voter registration cards to prove SC residency will be prohibited. In addition, institutional residency officers will be allowed to develop an appeal process for students to challenge institutional residency decisions. There are also additional clarifications being proposed, such as adding definitions and minor grammatical changes to promote consistency among the State institutions and their residency classification processes.

The proposed regulation will require legislative review.

A Notice of Drafting for the proposed regulation was published in the South Carolina State Register on September 26, 2008.

Section-by-Section Discussion

- Section 62-600: Provides the purpose of the South Carolina Residency Program.
- Section 62-601: Sets forth Statutory Authority for the South Carolina Residency Program.
- Section 62-602: Sets forth the definition of terms used in the regulation.
- Section 62-603: Provides the eligibility requirements for citizens and permanent residents.
- Section 62-604: Provides the eligibility requirements for non resident aliens, non citizens and non permanent residents.
- Section 62-605: Sets forth the requirements to demonstrate intent to become a South Carolina resident for tuition and fee purposes.
- Section 62-606: Provides the necessary requirements for individuals looking to maintain South Carolina Residency for tuition and fee purposes.
- Section 62-607: Sets forth the requirements for individuals whose domicile in this state are terminated to maintain their South Carolina Residency for tuition and fee purposes.
- Section 62-608: Addresses effect of marriage on South Carolina Residency status for tuition and fee purposes.

- Section 62-609: Sets forth the exceptions to the twelve month physical presence requirement for establishing South Carolina Residency for tuition and fee purposes.
- Section 62-610: Sets forth the procedures that individuals must follow when applying for instate residency classification.
- Section 62-611: Sets forth the procedures that institutions must follow when a student is incorrectly classified for tuition and fee purposes.
- Section 62-612: Establishes an institutional appeal process for residency classification.

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 South Carolina Commission on Higher Education on December 4, 2008, to be held in the Main Conference Room at 1333 Main Street, Suite 200, Columbia, SC. The meeting will commence at 10:00 a.m. 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 published by the Commission ten days in advance of the meeting.

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, South Carolina Commission on Higher Education, 1333 Main Street, Suite 200, Columbia, SC 29201. Comments must be received no later than 5:00 p.m. on December 3, 2008. Comments received shall be considered by the staff in formulating the final proposed regulation for the public hearing on December 4, 2008, as noticed above. Comments received by the deadline shall be submitted to the Commission in summary of public comments for consideration at the public hearing.

Preliminary Fiscal Impact Statement:

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

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION: 62-600 DETERMINATION OF RATES OF TUITION AND FEES

Purpose: R.62-600 of Chapter 62 is being amended and replaced in its entirety. Revisions to the existing regulation for the SC Residency Regulation are being considered to clarify the policies and procedures for administering the program. In the proposed amendment, the definition of a dependent is clarified and the use of voter registration cards to prove SC residency will be prohibited. In addition, institutional residency officers will be allowed to develop an appeal process for students to challenge institutional residency decisions. There are also additional clarifications being proposed, such as adding definitions and minor grammatical changes to promote consistency among the State institutions and their residency classification processes.

Legal Authority: The legal authority for R.62-900.85-140 is 1976 Code Section 59-149-10.

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

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The proposed regulation is needed to provide information to South Carolina residents concerning the requirements to receive in state tuition and fee classification and to provide guidance to state institutions when classifying students as in state students for tuition and fee purposes.

DETERMINATION OF COSTS AND BENEFITS: Promulgation of this regulation will not result in additional costs to the state or its political subdivisions. It is believed that the proposed regulation will benefit our state by providing students with requirements for receiving in state classification and institutions by providing guidance in determining student residency classification.

UNCERTAINTIES OF ESTIMATES: None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: Not applicable.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED: Not applicable.

Statement of Rationale:

The Commission on Higher Education proposes to amend and replace in its entirety R.62-600 of the SC Residency Program. Revisions to the existing regulation for the SC Residency Regulation are being considered to clarify the policies and procedures for administering the program. In the proposed amendment, the definition of a dependent is clarified and the use of voter registration cards to prove SC residency will be prohibited. In addition, institutional residency officers will be allowed to develop an appeal process for students to challenge institutional residency decisions. There are also additional clarifications being proposed, such as adding definitions and minor grammatical changes to promote consistency among the State institutions and their residency classification processes.

~~Indicates Matter Stricken~~

Indicates New Matter

Text:

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- 62-610. Application for Change of Resident Status.
- 62-611. Incorrect Classification.
- 62-612. Inquiries and Appeals.

62-600. Rates of Tuition and Fees.

A. Resident classification is an essential part of tuition and fee determination, admission regulations, scholarship eligibility, and other relevant policies of the state. It is important that institutions have fair and equitable regulations that can be administered consistently and are sensitive to the interests of both students and the state. The Commission on Higher Education hereby establishes regulations for the Statute Governing Residency for Tuition and Fee Purposes to be applied consistently by all South Carolina institutions of higher education. These regulations do not address residency matters relating to in county categories used within the State's technical colleges.

B. Institutions of higher education are required by the Statute to determine the residence classification of applicants. The initial determination of one's resident status is made at the time of admission. The determination made at that time, and any determination made thereafter, prevails for each subsequent semester until information becomes available that would impact the existing residency status and the determination is successfully challenged. The burden of proof rests with the students to show evidence as deemed necessary to establish and maintain their residency status.

62-601. Code of Laws Governing Residence.

Rules regarding the establishment of legal residence for tuition and fee purposes for institutions of higher education are governed by Title 59, Chapter 112 of the 1976 South Carolina Code of Laws, as amended.

62-602. Definitions.

A. "Academic Session" is defined as a term or semester of enrollment. (62-607.B)

B. "Continue to be Enrolled" is defined as continuous enrollment without an interruption that would require the student to pursue a formal process of readmission to that institution. Formal petitions or applications for change of degree level shall be considered readmissions. (62-607.A)

C. "Dependent Person" is defined as one whose predominant source of income or support is from payments from a parent, spouse, or guardian, who claims the dependent person on his/her federal income tax return. In the case of those individuals who are supported by family members who do not earn enough reportable income for taxation purposes, a dependent person can be defined as one who qualifies as a dependent or exemption on the federal income tax return of the parent, spouse, or guardian. A dependent person is also one for whom payments are made, under court order, for child support and the cost of the dependent person's college education. A dependent person's residency is based upon the residency of the person upon whom they are dependent. (62-602.G) (62-602.N) (62-603.B) (62-605.C) (62-607.A)

D. "Domicile" is defined as the true, fixed, principal residence and place of habitation. It shall indicate the place where a person intends to remain, or to where one expects to return upon leaving without establishing a new domicile in another state. For purposes of this section, one may have only one legal domicile. One is presumed to abandon automatically an old domicile upon establishing a new one. Housing provided on an academic session basis for student at institutions shall be

presumed not to be a place of principal residence, as residency in such housing is by its nature temporary. (62-602.E) (62-602.K) (62-602.M) (62-602.N) (62-603.A) (62-603.B) (62-605.B) (62-605.C) (62-607.A) (62-607.B) (62-608.A) (62-608.C) (62-608.D) (62-609.A.3) (62-609.A.4)

E. "Family's Domicile in this State is Terminated" is defined as an employer directed transfer of the person upon whom the student is dependent and is not construed to mean a voluntary change in domicile. Also included is a relocation of the person upon whom the student is dependent who is laid off through no fault of their own, e.g., plant closure, downsizing, etc., who accepts employment in another state prior to relocating. (62-607.A)

F. "Full time employment" is defined as employment that consists of at least thirty seven and one half hours a week on a single job in a full time status. However, a person who works less than thirty seven and one half hours a week but receives or is entitled to receive full time employee benefits shall be considered to be employed full time if such status is verified by the employer. A person who meets the eligibility requirements of the Americans with Disabilities Act must present acceptable evidence that they satisfy their prescribed employment specifications in order to qualify as having full time employment. (62-605.C.1) (62-609.A.2) (62-609.A.3)

G. "Guardian" is defined as one legally responsible for the care and management of the person or property of a minor child based upon the five tests for dependency prescribed by the Internal Revenue Service; provided, however, that where circumstances indicate that such guardianship or custodianship was created primarily for the purpose of conferring South Carolina domicile for tuition and fee purposes on such child or dependent person, it shall not be given such effect. (62-602.C) (62-602.E) (62-602.I) (62-602.M) (62-603.B) (62-605.C)

H. "Immediately Prior" is defined as the period of time between the offer of admission and the first day of class of the term for which the offer was made, not to exceed one calendar year. (62-607.A)

I. "Independent Person" is defined as one in his/her majority (eighteen years of age or older) or an emancipated minor, whose predominant source of income is his/her own earnings or income from employment, investments, or payments from trusts, grants, scholarships, commercial loans, or payments made in accordance with court order. An independent person must provide more than half of his or her support during the twelve months immediately prior to the date that classes begin for the semester for which resident status is requested. An independent person cannot claim the domicile of another individual as their own for the purposes of establishing intent to become a South Carolina resident. An independent person must have established his/her own domicile for twelve months prior to receiving in-state tuition and fees. An independent person cannot be claimed as a dependent or exemption on the federal tax return of his or her parent, spouse, or guardian for the year in which resident status is requested. (62-602.N) (62-603.A) (62-605.C) (62-607.B) (62-608.B)

J. "Minor" is defined as a person who has not attained the age of eighteen years. An "emancipated minor" shall mean a minor whose parents have entirely surrendered the right to the care, custody and earnings of such minor and are no longer under any legal obligation to support or maintain such minor. (62-602.G)

K. "Non-resident Alien" is defined as a person who is not a citizen or permanent resident of the United States. By virtue of their non-resident status "non-resident aliens" generally do not have the capacity to establish domicile in South Carolina. (62-602.M) (62-604.A)

L. "Parent" is defined as the father, mother, stepfather, stepmother, foster parent or parent of a legally adopted child. (62-602.C) (62-602.E) (62-602.I) (62-602.J) (62-602.M) (62-603.B) (62-603.C) (62-605.C)

M. "Reside" is defined as continuous and permanent physical presence within the State, provided that absences for short periods of time shall not affect the establishment of residence. Excluded are absences associated with requirements to complete a degree, absences for military training service, and like absences, provided South Carolina domicile is maintained. (62-603.A) (62-606.B) (62-609.A) (62-609.A.3) (62-609.A.4) (62-609.B)

N. "Resident" for tuition and fee purposes is defined as an independent person who has abandoned all prior domiciles and has been domiciled in South Carolina continuously for at least twelve months immediately preceding the first day of class of the term for which resident classification is sought and for whom there is an absence of domiciliary evidence in other states or countries, notwithstanding other provisions of the Statute. (62-600.A) (62-600.B) (62-602.I) (62-602.K) (62-602.M) (62-603.A) (62-603.B) (62-603.C) (62-604.A) (62-605.A) (62-605.C) (62-605.C.7) (62-606.A) (62-606.A.5) (62-606.B) (62-607.A) (62-608.B) (62-609.A.3) (62-610.A) (62-610.B) (62-611.A) (62-611.B)

O. "Spouse" is defined as the husband or wife of a married person in accordance with Title 20, Chapter 1 of the 1976 South Carolina Code of Laws, as amended. (62-602.C) (62-602.F) (62-602.I) (62-602.M) (62-603.B) (62-605.C)

P. "Temporary Absence" is defined as a break in enrollment during a fall or spring semester (or its equivalent) during which a student is not registered for class. (62-606.A)

Q. "Terminal Leave" is defined as a transition period following active employment and immediately preceding retirement (with a pension or annuity), during which the individual may use accumulated leave. (62-609.A.4)

R. "United States Armed Forces" is defined as the United States Air Force, Army, Marine Corps, Navy, and Coast Guard. (62-606.B) (62-609.A(1))

S. "Trust" is defined as a legal entity created by a grantor for the benefit of designated beneficiaries under the laws of the state and the valid trust instrument. However, that where circumstances indicate that such trust was created primarily for the purpose of conferring South Carolina domicile for tuition and fee purposes on such child or independent person, it shall not be given such effect.

62-603. Citizens and Permanent Residents.

A. Independent persons who have physically resided and been domiciled in South Carolina for twelve continuous months immediately preceding the date the classes begin for the semester for which resident status is claimed may qualify to pay in state tuition and fees. The twelve month residency period starts when the independent person establishes the intent to become a South Carolina resident per Section 62-605 entitled "Establishing the Requisite Intent to Become a South Carolina Domiciliary." The twelve month residency period cannot start until the absence of indicia in other states is proven. Absences from the State during the twelve month period may affect the establishment of permanent residence for tuition and fee purposes.

B. The resident status of a dependent person is based on the resident status of the person who provides more than half of the dependent person's support and claims or, only in the case of those individuals who are supported by family members who do not earn enough reportable income for taxation purposes, qualifies to claim the dependent person as a dependent for federal income tax purposes. Thus, the residence and domicile of a dependent person shall be presumed to be that of their parent, spouse, or guardian.

C. In the case of divorced or separated parents, the resident status of the dependent person may be based on the resident status of the parent who claims the dependent person as a dependent for tax purposes; ~~or based on the resident status of the parent and~~ who has legal custody or legal joint custody of the dependent person; or based on the resident status of the person who makes payments under a court order for child support and at least the cost of his/her college tuition and fees.

62-604. Non-Resident Aliens, Non-Citizens, and Non-Permanent Residents.

A. Except as otherwise specified in this section or as provided in Section 62-609 (1) & (2), independent non-citizens and non-permanent residents of the United States will be assessed tuition and fees at the non-resident, out of state rate. Independent non-resident aliens, including refugees, asylees, and parolees may be entitled to resident, in state classification once they have been awarded permanent resident status by the U.S. Department of Justice and meet all the statutory residency requirements provided that all other domiciliary requirements are met. Time spent living in South Carolina immediately prior to the awarding of permanent resident status does not count toward the twelve month residency period. Certain non resident aliens present in the United States in specified visa classifications are eligible to receive in state residency status for tuition and fee purposes as prescribed by the Commission on Higher Education. They are not, however, eligible to receive state sponsored tuition assistance/scholarships.

B. Title 8 of the Code of Federal Regulations (CFR) serves as the primary resource for defining visa categories.

62-605. Establishing the Requisite Intent to Become a South Carolina Domiciliary.

A. Resident status may not be acquired by an applicant or student while residing in South Carolina for the ~~sole~~ primary purpose of enrollment in an institution or for access to state supported programs designed to serve South Carolina residents.

B. If a person asserts that his/her domicile has been established in this State, the individual has the burden of proof. Such persons should provide to the designated residency official of the institution to which they are applying any and all evidence the person believes satisfies the burden of proof. The residency official will consider any and all evidence provided concerning such claim of domicile, but will not necessarily regard any single item of evidence as conclusive evidence that domicile has been established.

C. For independent persons or the parent, spouse, or guardian of dependent persons, examples of intent to become a South Carolina resident may include, although any single indicator may not be conclusive, the following indicia:

1. Statement of full time employment;
2. Designating South Carolina as state of legal residence on military record;
3. Possession of a valid South Carolina driver's license, or if a non-driver, a South Carolina identification card. Failure to obtain this within 90 days of the establishment of the intent to become a South Carolina resident will delay the beginning date of residency eligibility;

4. Possession of a valid South Carolina vehicle registration card. Failure to obtain this within 45 days of the establishment of the intent to become a South Carolina resident will delay the beginning date of residency eligibility;
5. Maintenance of domicile in South Carolina;
6. Paying South Carolina income taxes as a resident during the past tax year, including income earned outside of South Carolina from the date South Carolina domicile was claimed;
7. Ownership of principal residence in South Carolina; and
8. Licensing for professional practice (if applicable) in South Carolina.

D. The absence of indicia in other states or countries is required before the student is eligible to pay in state rates.

62-606. Maintaining Residence.

A. A person's temporary absence from the State does not necessarily constitute loss of South Carolina residence unless the person has acted inconsistently with the claim of continued South Carolina residence during the person's absence from the State. The burden is on the person to show retention of South Carolina residence during the person's absence from the State. Steps a person should take to retain South Carolina resident status for tuition and fee purposes include:

1. Continuing to use a South Carolina permanent address on all records;
2. Maintaining South Carolina driver's license;
3. Maintaining South Carolina vehicle registration;
4. Satisfying South Carolina resident income tax obligation. Individuals claiming permanent residence in South Carolina are liable for payment of income taxes on their total income from the date that they established South Carolina residence. This includes income earned in another state or country.

B. Active duty members of the United States Armed Forces and their dependents are eligible to pay in state tuition and fees as long as they continuously claim South Carolina as their state of legal residence during their military service. Documentation will be required in all cases to support this claim. South Carolina residents who change their state of legal residence while in the military lose their South Carolina resident status for tuition and fee purposes.

62-607. Effect of Change of Residency.

A. Notwithstanding other provisions of this section, any dependent person of a legal resident of this state who has been domiciled with his/her family in South Carolina for a period of not less than three years and whose family's domicile in this state is terminated immediately prior to his/her enrollment may enroll at the in state rate. Any dependent person of a legal resident of this state who has been domiciled with his/her family in South Carolina for a period of not less than three years and whose family's domicile in this state is terminated after his/her enrollment may continue to receive in state rates, however, a student must continue to be enrolled and registered for classes (excluding summers) in order to maintain eligibility to pay in state rates in subsequent semesters. Transfers within or between South Carolina colleges and universities of a student seeking a certificate, diploma, associate, baccalaureate, or graduate level degree does not constitute a break in enrollment.

B. If a dependent or independent person voluntarily leaves the state, and information becomes available that would impact the existing residency status ~~has been domiciled in South Carolina for less than three years~~, eligibility for in state rates shall end on the last day of the academic session during which domicile is lost. Application of this provision shall be at the discretion of the institution

involved. However, a student must continue to be enrolled and registered for classes (excluding summers) in order to maintain eligibility to pay in state rates in subsequent semesters.

62-608. Effect of Marriage.

A. In ascertaining domicile of a married person, irrespective of gender, such a review shall be determined just as for an unmarried person by reference to all relevant evidence of domiciliary intent.

B. If a non-resident marries a South Carolina resident, the non-resident does not automatically acquire South Carolina resident status. The non-resident may acquire South Carolina resident status if the South Carolina resident is an independent person and the non resident is a dependent of the South Carolina resident.

C. Marriage to a person domiciled outside South Carolina shall not be solely the reason for precluding a person from establishing or maintaining domicile in South Carolina and subsequently becoming eligible or continuing to be eligible for residency.

D. No person shall be deemed solely by reason of marriage to a person domiciled in South Carolina to have established or maintained domicile in South Carolina and consequently to be eligible for or to retain eligibility for South Carolina residency.

62-609. Exceptions.

A. Persons in the following categories qualify to pay in state tuition and fees without having to establish a permanent home in the state for twelve months. Persons who qualify under any of these categories must meet the conditions of the specific category on or before the first day of class of the term for which payment of in state tuition and fees is requested. The following categories apply only to in state tuition and do not apply to State supported scholarships and grants. Individuals who qualify for in state tuition and fees under the following exceptions do not automatically qualify for LIFE, SC HOPE or Palmetto Fellows Scholarships.

1. "Military Personnel and their Dependents": Members of the United States Armed Forces who are permanently assigned in South Carolina on active duty and their dependents are eligible to pay in state tuition and fees. When such personnel are transferred from the State, their dependents may continue to pay in state tuition and fees as long as they are continuously enrolled. Such persons (and their dependents) may also be eligible to pay in state tuition and fees as long as they are continuously enrolled after their discharge from the military, provided they have demonstrated an intent to establish a permanent home in South Carolina and they have resided in South Carolina for a period of at least twelve months immediately preceding their discharge. Military personnel who are not stationed in South Carolina and/or former military personnel who intend to establish South Carolina residency must fulfill the twelve month "physical presence" requirement for them or their dependents to qualify to pay in state tuition and fees.

2. "Faculty and Administrative Employees with Full Time Employment and their Dependents": Full time faculty and administrative employees of South Carolina state supported colleges and universities and their dependents are eligible to pay in state tuition and fees.

3. "Residents with Full Time Employment and their Dependents:" Persons who reside, are domiciled, and are full time employed in the State and who continue to work full time until they meet the twelve month requirement and their dependents are eligible to pay in state tuition and fees, provided that they have taken steps to establish a permanent home in the State. Steps an independent

person must take to establish residency in South Carolina are listed in Section 62-605 entitled ("Establishing the Requisite Intent to Become a South Carolina Domiciliary").

4. "Retired Persons and their Dependents:" Retired persons who are receiving a pension or annuity who reside in South Carolina and have been domiciled in South Carolina as prescribed in the Statute for less than a year may be eligible for in state rates if they maintain residence and domicile in this State. Persons on terminal leave who have established residency in South Carolina may be eligible for in state rates even if domiciled in the State for less than one year if they present documentary evidence from their employer showing they are on terminal leave. The evidence should show beginning and ending dates for the terminal leave period and that the person will receive a pension or annuity when he/she retires.

B. South Carolina residents who wish to participate in the Contract for Services program sponsored by the Southern Regional Education Board must have continuously resided in the State for other than educational purposes for at least two years immediately preceding application for consideration and must meet all other residency requirements during this two year period.

62-610. Application for Change of Resident Status.

A. Persons applying for a change of resident classification must complete a residency application/petition and provide supporting documentation prior to a reclassification deadline as established by the institution.

B. The burden of proof rests with those persons applying for a change of resident classification who must show required evidence to document the change in resident status.

62-611. Incorrect classification.

A. Persons incorrectly classified as residents are subject to reclassification and to payment of all non-resident tuition and fees not paid. If incorrect classification results from false or concealed facts, such persons may be charged tuition and fees past due and unpaid at the out of state rate. The violator may also be subject to administrative, civil, and financial penalties. Until these charges are paid, such persons will not be allowed to receive transcripts or graduate from a South Carolina institution.

B. Residents whose resident status changes are responsible for notifying the Residency Official of the institution attended of such changes.

62-612. Inquiries and Appeals.

A. Inquiries regarding residency requirements and determinations should be directed to the institutional residency official.

B. Each institution will develop an appeals process to accommodate persons wishing to appeal residency determinations made by the institution's residency official. Each institutions appeal process should be directed by that institutions primary residency officer, in conjunction with those individuals who practice the application of State residency regulations on a daily basis. The professional judgment of the residency officer and administrators will constitute the institutional appeal process. Neither the primary residency official nor appellate official(s) may waive the provisions of the Statute or regulation governing residency for tuition and fee purposes.



South Carolina Commission on Higher Education

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Dr. Bettie Rose Horne, Vice Chair
Douglas R. Farbes, D.M.D.
Mr. Kenneth W. Jackson
Dr. Raghu Korrapati
Dr. Louis B. Lynn
Ms. Cynthia C. Mosteller
Mr. James R. Sanders
Mr. Y. W. Scarborough, III
Mr. Charles L. Talbert, III, CPA
Mr. Hood Temple
Mr. Kenneth B. Wingate
Mr. Neal J. Workman, Jr.
Dr. Mitchell Zais

Dr. Garrison Walters, Executive Director

Agenda Item 7.03 B

Memorandum

TO: Dr. Layton R. McCurdy, Chairman, and Members
S.C. Commission on Higher Education

FROM: Ms. Cynthia Mosteller, Chairperson
Members of the Access & Equity and Student Services Committee

DATE: October 30, 2008

Addition of E-2 Visa Classification to CHE Approved Visa Classification List

Commission staff has reviewed the list of CHE approved visa classifications through which a student can receive in-state status for tuition and fee purposes. At the request of some of our state's colleges and universities, staff has also researched the possibility of adding the E-2 visa to the CHE Approved Visa Classification List.

The E-2 visa allows an alien to enter the United States under and in pursuance of the provisions of a treaty of commerce and navigation between the United States and the foreign state of which he is a national, solely to develop and direct the operations of an enterprise in which he has invested, or of an enterprise in which he is actively in the process of investing a substantial amount of capital. The spouse and children of any such alien if accompanying or following may join them under the specifications of this visa.

The Committee on Access & Equity and Student Services met on October 2, 2008, and considered adding the E-2 Visa classification to the CHE Approved Visa classification List. At that meeting, the Committee received both written and verbal testimony from USC, Clemson University and the SC Department of Commerce regarding the addition of the E-2 Visa to the CHE Approved Visa Classification list. The Committee unanimously approved the addition of the E-2 Visa to the CHE Approved Visa Classification list.

Recommendation

The Committee on Access & Equity and Student Services recommends that the S.C. Commission on Higher Education approve the addition of the E-2 Visa classification to the CHE Approved list. If approved by the S.C. Commission on Higher Education, the E-2 Visa classification will be added to the CHE Approved list.



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Agenda Item 7.03 B

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Agenda Item 7.03 C

Memorandum

TO: Dr. Layton R. McCurdy, Chairman, and Members
S.C. Commission on Higher Education

FROM: Ms. Cynthia Mosteller, Chairperson
Members of the Access & Equity and Student Services Committee

DATE: October 30, 2008

Consideration of FY 2007 – 2008 Program Summaries and Appropriation Requests for FY 2009-2010 for EIA Funded Teacher Recruitment Projects

History/Background

During the 1986 legislative session, the General Assembly authorized the SC Commission on Higher Education to award grants to the public and/or private colleges and universities to improve the recruitment of teacher education candidates, allocating 236,000 in Education Improvement Act (EIA) funds for this purpose. A consortium made up of a majority of teacher training institutions in the State submitted one combined proposal to establish the SC Teacher Recruitment Center. The proposed Center was approved by the Commission and has been funded annually since FY 1986-87.

In FY 1986-87, separate appropriations to SC State University were made by the General Assembly to improve the recruitment of minority teacher candidates. Since FY 1986-87, continuing appropriations to SC State University have been made, both through the EIA and General Fund. Beginning in FY 1990-91, appropriations for the SC Teacher Recruitment Center and the Program for the Recruitment and Retention of Minority Teachers at SC State University were made solely through EIA.

Beginning in FY 1988-89, the Commission on Higher Education was required, by a proviso in the General Appropriations Act, to "monitor the use" of these funds and to report on the "effectiveness of the programs" to the Senate and House Committee and to the EIA Select Committee. The Commission has done so since 1988-89.

The FY 1990-91 Appropriations Act included a more comprehensive proviso which instructed the Commission to "ensure that all funds are used to promote teacher recruitment on a statewide basis...ensure the continued coordination of efforts among the ...teacher recruitment projects...review the use of funds and ...have prior program and budget approval."

The Annual Reports from the Center for Educator Recruitment, Retention & Advancement (CERRA) and the South Carolina Program for the Recruitment and Retention of Minority Teachers (SC-PRRMT) at SC State University are submitted by the Commission to the Senate and House Education Committees and to the Education Oversight Committee each December. In addition to the annual reports, historical and cumulative data are included at the request of the Access & Equity and Student Services Committee (**Attachments I and II**).

The SC Program for the Recruitment and Retention of Minority Teachers (SC-PRRMT)

The South Carolina Program for the Recruitment and Retention of Minority Teachers (SC-PRRMT) is located at South Carolina State University and is structured under the aegis of the Division of Academic Affairs. The mission of the Program is to increase the pool of minority teachers in the State by making education accessible to non-traditional students (teacher aides, technical college transfer students and career path changers) and by providing an academic support system to help students meet entry, retention, and exit program requirements. In collaboration with South Carolina State University's School of Education, SC-PRRMT is authorized to establish and maintain Satellite Teacher Education Program sites in twenty-one geographic areas throughout the State. SC-PRRMT also administers a Forgivable Loan Program and participates in state, regional, and national teacher recruitment initiatives.

SC-PRRMT reports annually to the SC Commission on Higher Education (CHE), through which the Program's EIA-based appropriations are approved. The Commission is authorized to review the Program's annual budget and monitor the effectiveness of SC-PRRMT. Budget review authority is also given to the General Assembly's Education Oversight Committee.

As of May 2008, SC-PRRMT has graduated 134 students. Among those graduates, 128 (96%) were placed as teachers and 42 (31%) are employed in state-declared critical need subject areas. In addition, of the 134 graduates, 112 are employed in SC critical geographic schools. During FY 2007-2008, 46 students were awarded forgivable loans. The total loan amount disbursed during this period was \$200,000.

SC-PRRMT FY 2009-2010 Appropriations Request

	2008-2009 Budget	Change	2009-2010 Proposed Budget
<u>Personnel Services</u>			
1. Salaries	\$174,223	\$5226.69	\$179,449.69
2. Fringes	42,417	1,272.51	43,689.51
Total Personnel	\$216,640	6,449.20 ¹	223,139.20
 <u>Other Expenditures</u>			
Office Support	2,000		2,000
Postage	2,000		2,000
Telephone (WATS LINE)	2,000		2,000
Equipment & Maintenance	2,599		2,599
Printing (Newsletter/ Report and other documents)	5,261		5,261
Forgivable Loans	200,000		200,000
Promotional Service (TV Ad)	8,000		8,000
Summer Institute and Conferences/Workshops	18,000	(6,499.20) ¹	11,500.80
Travel National/regional meetings Education Conferences/ CHE and EOC meetings Recruitment Visitations/ Exhibitions	10,500		10,500
Total Other Expenditures	\$250,360.00	(\$6,449.20)	\$243,860.80
 TOTAL EXPENDITURES	 \$467,000.00		 \$467,000.00

Budget Notes:

1 - Three (3) percent cost of living increases for employees. See adjustment under Summer Institute and Conferences/Workshops.

Under Personnel Services, the FY 2009-10 SC-PRRMT budget request shows an increase in salaries (\$5,226.69) and fringe salaries (\$1272.51) which totals \$6499.20. This reflects a cost of living adjustment. The total budget request (\$467,000) remains unchanged due the adjustment to the Summer Institute and Conferences/Workshops budget item.

Center for Educator Recruitment, Retention and Advancement (CERRA)

Established by the Commission on Higher Education in December 1985 out of a concern for the condition of South Carolina's teacher supply pool and a need for a centralized teacher recruitment effort, the purpose of CERRA is to provide leadership in identifying, attracting, placing and retaining well-qualified individuals for the teaching profession in our state. As a part of its mission, CERRA's responsibilities include adapting and responding "to changing needs for teachers from underrepresented populations, in critical subject fields and in under-served geographic areas in South Carolina." CERRA directs a variety of pre-collegiate and college programs in order to attract middle school, high school and college students (ProTeam/Team9, Teacher Cadet, College Partners, Teaching Fellows, Minority Recruitment) as well as a mid-life career changers, such as military retirees and downsized workers to education careers. Along with its recruiting efforts, CERRA is focused on retaining and advancing the careers of experienced teachers already in South Carolina's schools. In addition, CERRA provides program support for the State's teacher leaders through work with the district teachers of the year, Teacher in Residence Program, as well as National Board candidates and National Board Certified Teachers. The Annual Report includes the total amount of funds expended on each program from FY 2003 to FY 2008 (**Attachment II**).

The CERRA Board of Directors, which oversees the Center's budget and operations, includes representatives from colleges and universities, state education agencies, professional education associations, the General Assembly and private businesses and industry. CERRA reports annually to the SC Commission on Higher Education (CHIE), through which the Center's EIA-based appropriations flow. The Commission is charged with monitoring the effectiveness of CERRA and is authorized to review the Center's budget. Budget review authority is also given to the General Assembly's Education Oversight Committee.

CERRA FY 2009-2010 Appropriations Request

	2008-2009 Budget	Change	2009-2010 Proposed Budget
Office Salaries & Fringes (11 full time positions)	\$654,070	\$19,625 ¹	\$673,695
Office Support	195,615		195,615
Board of Directors	9,250		9,250
Staff Travel (11 full time positions)	37,600	\$10,000 ²	47,600
Teacher Leaders (Teacher Forum & Advisory Board)	128,810		128,810
Teacher Database	24,000		24,000
Teacher Cadet Program	90,265		90,265
Teacher Educators	119,405		119,405
ProTeam/Team9 Program	50,405		50,405
Teaching Fellows	3,545,379	2,154,621 ³	5,700,000
Minority Recruitment	162,589		162,589
Marketing/Publications	25,544		25,544
Retention/Mentoring	23,203	15,000 ⁴	38,203
Target Recruitment	23,203		23,203
TOTAL EXPENDITURES	\$5,089,338	\$2,199,246	\$7,288,584

Budget Notes:

- 1 = Three (3) percent cost of living increases for employees. In addition, CERRA must meet the salary increases given to Teachers in Residence by their district of record, an average of 6.5 percent, as well as an increase of 14 percent in the salary and fringes differential between the 2008 State Teacher of the Year and new 2009 State Teacher of the Year.
- 2 = The general economic impact of travel costs has risen as well as Winthrop's mandatory increase in rate-per-mile for FY 09.
- 3 = Funding has been able to support 175 Fellowships per year. Due to EIA budget reductions, the budget for FY 09 will support funding for 140. To restore funding to the 2008 level, to encourage Fellows from high turnover districts to return to those districts as teachers, and to offer an additional 50 scholarships and add at least two additional Fellows institutions will cost \$2,154,621.
- 4 = CERRA provides mentor training and train-the-trainer workshops as stipulated in the *South Carolina Mentoring and Induction Guidelines*. To provide advanced training as stipulated in the *Guidelines* requires continual staff professional development to support training and mentoring efforts as requested by school districts.

The EIA budget restrictions for FY 2009-2010 will significantly decrease funding support for Teaching Fellows. The present budget will only support 140 Fellows beginning FY 2009-2010. The CERRA budget request for FY 2009-2010 reflects a restoration of the budget to FY 2008 funding levels and was approved by the CERRA Executive Committee on September 5, 2008. This request will allow CERRA to offer 50 more Fellowships. In addition, this budget request will add at least two additional Teaching Fellows institutions, thereby increasing the number of Fellows institutions in the state from ten to twelve.

In addition, CERRA requests funding to increase the retention of teachers in high-turnover districts. Seventy-five Fellows from high-turnover districts who return to teach in their home district would receive an additional \$1,000 per year. The total cost for 75 students is \$300,000 (75 students x \$1000 per year x 4 years). By adding 50 Fellows, two additional Fellows institutions in the state and awarding \$1000 to a maximum of 75 Teacher Fellows who return to teach in high turnover districts, the increased amount is \$2,154,621. Therefore, the total request for the Teaching Fellows Program for FY 2009-2010 is \$5,700,000.

The budget reflects a three (3) percent inflationary salary increase for CERRA staff. CERRA must meet the salary increases given to Teachers in Residence by their district of record, an average of 6.5 percent, as well as an increase of 14 percent in the salary and fringes differential between the 2008 State Teacher of the Year and new 2009 State Teacher of the Year.

The additional budget requests include \$15,000 to provide professional development (advanced mentor training workshops as stipulated in the *South Carolina Mentoring and Induction Guidelines*) as requested by school districts and a \$10,000 increase in travel costs (general and mandatory rate-per-mile increase in travel).

Recommendation

The Committee on Access & Equity and Student Services recommends that the S.C. Commission on Higher Education approve the FY 2009-10 budgets in the amount of \$467,000 for the SC Program for the Recruitment and Retention of Minority Teachers and \$7,288,584 for the Center for Educator Recruitment, Retention and Advancement.