

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

62-900.1-75 Legislative Incentives for Future Excellence (LIFE) Scholarship

Synopsis:

House Bill 4535, Legislative Incentives for Future Excellence (LIFE) Scholarship, was approved by the General Assembly during the 1998 legislative session and amended during the 2001 legislative session under the South Carolina Education Lottery Act. This Act authorizes funding for scholarships in the *amount of the cost-of-tuition for thirty credit hours for the past academic year plus a \$300 per year book allowance to eligible students attending four-year public institutions. For students attending an eligible four-year independent institution, the award amount may not exceed the average annual cost-of-tuition at four-year public institutions in South Carolina for the past academic year.* The purpose of the LIFE Scholarship Program is: to increase 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, to improve SAT scores, and to graduate from college on time. H.4535 authorizes the Commission on Higher Education to promulgate regulations for administration of the LIFE Scholarship program.

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Instructions: Add new 62-900.1 through 62-900.75, Legislative Incentives for Future Excellence (LIFE) Scholarship, to Chapter 62 regulations.

Text:

62-900.1 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 a fall, spring and summer term (or its equivalent).

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

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

D. "**Cost-of-attendance**" includes tuition, fees and the student's living expenses while he or she is attending school, and other costs such as costs related to disability or dependent care. The cost-of-attendance must conform to Title IV regulations.

E. "**Cost-of-tuition**" shall mean the amount charged for registering for credit hours of instruction for the previous academic year as determined by the Commission on Higher Education and shall not include other fees, charges, or cost of textbooks.

F. "**Degree-seeking student**" is defined as any full-time student enrolled in a program at an eligible institution that leads to the first baccalaureate degree or first professional degree. Upon completion of the first baccalaureate degree, the student cannot use scholarship funds to pursue a second baccalaureate degree.

G. "**Eligible institution**" shall be defined as a public or independent bachelor's level institution.

H. "**Eligible program of study**" is defined as a program of study leading to the first baccalaureate degree or first professional degree, which meets all other Title IV regulations as authorized by the U.S. Department of Education for participation in federally funded financial aid programs.

I. "**First professional degree program**" 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. Students are eligible to receive the scholarship for a maximum of eight terms as long as all other eligibility requirements are met.

J. "**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 eleven credit hours for fall, eight credit hours for winter, and eleven credit hours for spring trimester terms. The student must earn an average of thirty credit hours per year to receive a LIFE Scholarship. In order for the student to be eligible for scholarship disbursement, the student must be enrolled full-time as stipulated by Title IV Regulations, except that credit hours may not include remedial coursework.

K. "**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 where 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. 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.

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

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

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

O. "**South Carolina Resident**" shall be defined as an individual who satisfies the requirements of residency in accordance with the State Statute for Tuition and Fees, Statute 59-112-10, and all related guidelines and regulations promulgated by the Commission on Higher Education.

P. "**Transfer student**" shall be defined as a student who has changed enrollment from one institution to an eligible institution.

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

62-900.5 Student Eligibility

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

- (1) Be a U.S. citizen or a permanent resident that meets the definition of an eligible non-citizen under State Residency Statutes;
- (2) Be a South Carolina Resident as set forth by 59-112-10 and graduated from a high school located in the State of South Carolina or graduated from a high school outside of the state, while a dependent of a parent or legal guardian who is a legal resident of South Carolina consistent with the Statute Chapter 62 59-149-50 and 59-112-10;
- (3) Meet two of the following three criteria: 1) 3.0 cumulative grade point average (GPA) on a 4.0 scale; 2) a score of 1100 on the Scholastic Assessment Test (SAT) or an equivalent ACT score of 24; and/or 3) rank in the top thirty percent of the graduating class.
 - (a) *Grade point averages may not be rounded. Due to the different grading scales used throughout the State, the State Board of Education adopted the Uniform Grading Policy for the State of South Carolina in December 1999. Until 2004, students may qualify for the LIFE Scholarship using the new Uniform Grading Policy or the grade point calculation policy established by the high school. If a weighted grade point average is provided by the high school, the institution shall use the high school's weighted grade point average based on the approved policies of the high school in determining whether the student meets the "B" average. The high school must specify which grading scale was used. If more than one final grade average is reported by the high school on the final transcript, the institution may use the highest grade point average. Beginning with students graduating in 2004, scholarship eligibility will be based upon the Uniform Grading Scale only. No other grading policy will be allowed to qualify for a State scholarship.*
 - (b) Test scores will be accepted through the June National test administration of the SAT and ACT during the year of high school graduation. It is permissible to select an SAT verbal score and math score from different test administrations.

(c) *Ranking percentages may not be rounded. Until 2004, the institution shall use the class rank based on the approved policies of the high school in determining whether the student ranks within the top thirty percent of their graduating class or the rank based upon the Uniform Grading Scale. Beginning with the class of 2004, the rank must be based upon the Uniform Grading Scale only. To determine the top 30% for home schools and high schools who have three or less students in the graduating class, the student who is ranked number one in the class, would be considered in the top 30% for LIFE Scholarship eligibility.*

- (4) Be admitted, enrolled full-time, and classified as a degree-seeking student in an eligible public or independent institution in South Carolina;
- (5) Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol, or drug related offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit each academic year to the institution testifying to the fact, except that a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or nolo contendere of an alcohol or drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea; and
- (6) Certify that he/she has not defaulted and does not owe refunds on any Federal or State financial aid. If a student has a Student Aid Report (SAR) or its equivalent on file or has applied for Title IV financial assistance by completing the Free Application for Federal Student Aid (FAFSA) form, the Student Aid Report (SAR) information will be used to verify default status or refunds owed on Federal or State financial aid. Students who have not completed a Free Application for Federal Student Aid (FAFSA) to receive Title IV financial assistance must have an affidavit on file to certify that he/she is not in default or owes a refund on Federal or State financial aid or repayment including: a State Grant, 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 credit hours do not count against the semester limits as provided in State Statute, 59-149-60. The credit hours earned before high school graduation can be used toward the credit hour requirement. Credit hours earned through the College Level Examination Program (CLEP) or AP and accepted by the institution can be used toward the credit hour requirement.

C. First-time entering freshman will not be penalized for any credit hours earned during the summer session immediately prior to the students' initial award year and credit hours earned will not count against the term.

D. Students receiving a Palmetto Fellows or SC *HOPE Scholarship* are not eligible for a LIFE Scholarship.

E. First-time entering freshmen, who do not meet initial eligibility requirements, may be eligible to receive the LIFE Scholarship in subsequent years, if they meet the grade point average and minimum credit hour requirements at the end of the academic year, according to section 62-900.20

F. Students who have already been awarded their first baccalaureate degree are not eligible to receive the LIFE Scholarship.

H. All documents required for determining LIFE Scholarship eligibility must be submitted to the institution by their established deadline(s).

62-900.10 Continued Eligibility

A. In order to renew eligibility for the LIFE Scholarship Program, the student must:

- (1) Enroll full-time at the time of the scholarship disbursement;
- (2) Earn and maintain at least a cumulative 3.0 grade point average on a 4.0 scale by the end of the academic year consistent with the policies and procedures of the institution for graduation purposes;
- (3) Complete an average of thirty credit hours for graduation purposes consistent with the policies and procedures of the institution. Students who fail to do so will lose the scholarship for the next academic year.
- (4) Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol, or drug related offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit each academic year to the institution testifying to the fact, except that a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or nolo contendere of an alcohol or drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea;
- (5) Certify that he/she has not defaulted and does not owe refunds on any Federal or State financial aid. If a student has a Student Aid Report (SAR) or its equivalent on file or has applied for Title IV financial assistance by completing the Free Application for Federal Student Aid (FAFSA) form, the Student Aid Report (SAR) information will be used to verify default status or refunds owed on Federal or State financial aid. Students who have not completed a Free Application for Federal Student Aid (FAFSA) to receive Title IV financial assistance must have an affidavit on file to certify that he/she is not in default or owes a refund on Federal or State financial aid or repayment including: a State Grant, Federal Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan and Federal Stafford Loan; and
- (6) Submit all documents required for determining LIFE Scholarship eligibility to the institution by their established deadline(s).

62-900.15 Terms of Eligibility

A. Students may receive a LIFE scholarship for a maximum of eight terms for the first baccalaureate or first professional degree or ten terms for an approved five-year baccalaureate degree.

B. The number of available terms of LIFE Scholarship eligibility is based upon the student's classification. The student must be classified based upon the institution's policy regarding classification. The number of available terms and minimum credit hour requirement is determined at the time of initial college enrollment at a four-year institution and is based upon the initial classification of the student at the four-year institution. The number of available terms will be determined based on the following classification:

First Baccalaureate or First Professional Degree Program

| <u>Classification</u> | <u>Cumulative GPA</u> | <u>Total Minimum Credit Hours</u> | <u>Years Available</u> | <u>Terms Available</u> |
|-----------------------|-----------------------|-----------------------------------|------------------------|------------------------|
| <i>Freshman</i> | 3.0 | N/A | 4 | 8 |
| <i>Sophomore</i> | 3.0 | 30 | 3 | 6 |
| <i>Junior</i> | 3.0 | 60 | 2 | 4 |
| <i>Senior</i> | 3.0 | 90 | 1 | 2 |

Approved Five-Year Baccalaureate Degree Program

| <u>Classification</u> | <u>Cumulative GPA</u> | <u>Total Minimum Credit Hours</u> | <u>Year(s) Available</u> | <u>Terms Available</u> |
|-----------------------|-----------------------|-----------------------------------|--------------------------|------------------------|
| <i>Freshman</i> | 3.0 | N/A | 5 | 10 |
| <i>Sophomore</i> | 3.0 | 30 | 4 | 8 |
| <i>Junior</i> | 3.0 | 60 | 3 | 6 |
| <i>Senior</i> | 3.0 | 90 | 2 | 4 |
| <i>Fifth year</i> | 3.0 | 120 | 1 | 2 |

C. Students who initially enroll mid-year at an eligible institution are eligible to receive the LIFE Scholarship for one term (or its equivalent). At the end of the academic year, if the student has earned a minimum of 15 credit hours and a 3.0 cumulative grade point average, the student would be eligible to receive the LIFE Scholarship his or her sophomore year.

D. Student who have already been awarded a baccalaureate degree are not eligible to receive the LIFE Scholarship, even if they are enrolling in an entry-level degree program in fields where such programs are typically offered at the graduate level. The Commission on Higher Education will make the final decision as to which programs qualify under this provision.

62-900.20 Regaining or Earning Eligibility

A. Students who fail to earn a cumulative 3.0 grade point average and earn an average of thirty credit hours at the end of the academic year consistent with the policies and procedures of the institution for graduation purposes may regain eligibility, if they:

- (1) Enroll full-time at the time of the scholarship disbursement;
- (2) Earn and maintain at least a cumulative 3.0 grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes;
- (3) Complete an average of thirty credit hours by the end of the academic year consistent with the policies and procedures of the institution for graduation purposes. Students who fail to do so will lose the scholarship for the next academic year.
- (4) Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol, or drug related offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit each academic year to the institution testifying to the fact, except that a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or nolo contendere of an alcohol or drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea;

- (5) Certify that he/she has not defaulted and does not owe refunds on any Federal or State financial aid. If a student has a Student Aid Report (SAR) or its equivalent on file or has applied for Title IV financial assistance by completing the Free Application for Federal Student Aid (FAFSA) form, the Student Aid Report (SAR) information will be used to verify default status or refunds owed on Federal or State financial aid. Students who have not completed a Free Application for Federal Student Aid (FAFSA) to receive Title IV financial assistance must have an affidavit on file to certify that he/she is not in default or owes a refund on Federal or State financial aid or repayment including: a State Grant, Federal Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan and Federal Stafford Loan; and
- (6) Submit all documents required for determining LIFE Scholarship eligibility to the institution by their established deadline(s).

B. A South Carolina Resident as set forth by 59-112-10 who has earned a GED diploma in the State of South Carolina, or earned a GED diploma outside of the State, while a dependent of a parent or legal guardian who is a legal resident of South Carolina consistent with the Statute Chapter 62 59-149-50 and 59-112-10 may be eligible to earn the LIFE Scholarship their 2nd year at an eligible institution, if they earn an average of 30 credit hours and a cumulative 3.0 grade point average at the end of the academic year and has met all eligibility requirements.

62-900.25 Transfer Students

A. Students transferring from an institution to an eligible institution who may be eligible to receive a LIFE Scholarship must submit an official transcript(s) from the transferring institution, which provides evidence of meeting the following eligibility criteria:

(1) earned a cumulative 3.0 grade point average on a 4.0 scale at all four-year institutions of attendance. For future eligibility in subsequent years, the student must earn a cumulative 3.0 grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes;

(2) earned an minimum of thirty credit hours or an annual equivalent for a student who begins mid-year at the participating institution and all four-year institutions of attendance for the previous academic year to be eligible for the scholarship as a continuing student (second year) and/or consistent with the policies and procedures of the institution; or

(3) earned a minimum of sixty credit hours at the participating institution and all four-year institutions of attendance or an annual equivalent to be eligible for the scholarship as a continuing student (third year) and /or consistent with the policies and procedures of the institution; or

(4) earned a minimum of ninety credit hours or an annual equivalent at the participating institution and all four-year institutions of attendance or an annual equivalent to be eligible for the scholarship as a continuing student (fourth year) and /or consistent with the policies and procedures of the institution.

B. For students transferring from an institution to an eligible institution, in order to determine remaining terms of eligibility, the institution where the student is transferring will use the initial four-year college enrollment date and initial classification from the four-year institution consistent with the policies and procedures for graduation purposes.

C. Students who received the scholarship and transferred mid-year from an eligible institution to another eligible institution may be eligible to receive the scholarship for the spring term (or its equivalent) at the institution where the student transferred. The student must submit an official transcript from the transferring institution to verify that he/she met the requirements for continued eligibility at the beginning of the academic year prior to transfer. The scholarship amount for the spring term must comply with section 62-900.60.

62-900.30 Students with Disabilities

A. First-time entering freshman who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must meet all eligibility requirements as defined in section 62-900.5 except for a student who is approved by the Disability Services Provider to be enrolled in less than "full-time" status is eligible to receive the LIFE Scholarship if the annual credit hour requirements were not met. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

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

C. For renewal students who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must meet all continuing eligibility requirements as defined in section 62-900.10, except that if a student does not meet the annual credit hour requirement, the student must have been approved by the Disability Services Provider in the prior academic year to be enrolled in less than "full-time" status or less than the required 30 credit hours. Students must complete the required number of hours approved by the institutional Disability Services Provider each academic year for scholarship renewal and earn a minimum 3.0 cumulative grade point average on a 4.0 scale by the end of the academic year. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

D. Students who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 may receive the maximum number of available terms and available funds as stated in section 62-900.15.

E. In order to be eligible for the LIFE Scholarship, students who no longer qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must comply with all requirements set forth under sections 62-900.5, 62-900.10, and 62-900.20.

62-900.35 Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs

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

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

C. Students who enroll in one term at the home institution during the academic year and also enroll in an internship, cooperative work program, travel study program or National or International Student Exchange Program that is approved by the home institution but does not receive full-time academic credit during the same academic year must complete fifteen credit hours and earn a 3.0 cumulative grade point

average on a 4.0 scale at the end of the academic year to be eligible for scholarship renewal for the next academic year.

D. For students 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 receive full-time academic credit for the entire academic year, scholarship renewal for the next academic year will be based on the prior year's eligibility.

E. Students enrolling in an internship program, a cooperative work program, a travel study program or National and International Student Exchange Programs that are approved by the home institution during the academic year and did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer *or at the end of the maximum terms available based on the initial four-year college enrollment date and initial classification (provided the student meets continued eligibility requirements)*. In order to receive LIFE Scholarship funds for summer school, 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 for the academic year. The student must meet all continued eligibility requirements as specified in 62-900.10, except for the completion of the thirty credit hour requirement for the academic year.

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

62-900.40 Withdrawal, Suspension or Dropping below Full-time Status

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

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

62-900.45 Student Appeals Procedures

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

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

C. An appeal must be filed with the Commission on Higher Education by no later than **October 15th** of the academic year that scholarship aid is requested. The student must complete an Application for Appeal, attach a letter requesting an appeal and describing extenuating circumstances, and attach any other supporting documentation. The student must also request an official academic transcript(s) from all prior institutions in a sealed envelope to be mailed to the Commission on Higher Education.

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

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

F. The Appeals Committee's decision is final.

62-900.50 Policies and Procedures for Awarding

A. LIFE Scholarship awards are to be used only for payment for cost-of-attendance as established by Title IV regulations. A student who has earned a baccalaureate degree is not eligible to receive the LIFE scholarship to obtain another baccalaureate degree.

B. The institution must retain annually appropriate documentation to include at a minimum:

- (1) award notification
- (2) refunds and repayments
- (3) institutional disbursements to students
- (4) student residency status
- (5) enrollment status (full-time as defined by Title IV of Higher Education Act), cumulative grade point average and cumulative number of credits hours earned
- (6) affidavit documenting that the student has never been convicted of any felonies, alcohol/drug related misdemeanor offenses
- (7) Institutional Student Aid Report (SAR) or affidavit documenting that the student is not in default or owes a refund on Federal or State financial aid or repayment, including a State Grant, Federal Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan and Federal Stafford Loan
- (8) High school transcripts verifying grade point averages (first-time entering freshmen)
- (9) High school graduation date (or home-school completion date)
- (10) SAT or ACT scores (first-time entering freshmen)
- (11) High school transcript verifying class rank (first-time entering freshmen)

C. Any student who has attempted to obtain or has obtained a LIFE Scholarship award through means of 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.

D. Each participating institution shall identify to the Commission on Higher Education a LIFE Scholarship institutional representative whom is responsible for the operation of the LIFE Scholarship 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.

62-900.55 Institutional Procedures for Award Notification

A. The institution shall provide an award notification to LIFE Scholarship recipients that will contain the terms and conditions of the scholarship. Institutions will notify students of all adjustments in scholarship funds that may result from an over-award, changes in eligibility, changes in the student's residency or financial status, or other matters.

B. Participating *eligible public and independent institutions* will identify students who meet the eligibility requirements for the LIFE Scholarship:

- (1) Enrollment status (full-time as defined by Title IV of Higher Education Act)
- (2) Classification
- (3) SAT (verbal and math) or ACT test scores (first-time entering freshmen)
- (4) Top 30% of high school graduating class (first-time entering freshmen)

- (5) High school graduation date (or home-school completion date)
- (6) High school grade point average (first-time entering freshmen)
- (7) Residency status
- (8) Degree level
- (9) Cumulative credit hours (continuing students)
- (10) Cumulative grade point averages (continuing students)

62-900.60 Scholarship Disbursements

A. Eligible public institutions shall identify award amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a \$300 book allowance per academic year. For students enrolled at eligible independent institutions, the award amounts shall not exceed the average annual cost-of-tuition at eligible public institutions. Half shall be disbursed during the fall term and half during the spring term (or its equivalent), assuming continued eligibility. Scholarships cannot be disbursed during the summer or any interim sessions with the exception to disbursements that meet the requisites under section 62-900.35.

B. Four-year public institutions will send social security numbers of eligible students, amount per student, and an Interdepartmental Transfer (STAR 40) form to the Commission by no later than October 1 for fall term and March 1 for spring term.

C. Four-year independent institutions will send social security numbers of eligible students, amount per student, and an invoice to the Commission by no later than October 1 for fall term and March 1 for spring term.

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

E. Adjustments for fall term disbursements will be made in the spring report after confirmation of CHEMIS data and CHEMIS disbursement fall reports. Adjustments for the spring term will be made in the summer reconciliation report after confirmation of the CHEMIS disbursement spring report. All participating institutions will submit a reconciliation report to the Commission at the end of the academic year. Along with this report the institution may submit any additional requests for disbursements and/or return any unused funds to the Commission. The deadline for summer reconciliation is June 30 of the fiscal year.

62-900.65 Verification of Scholarships

A. Public institutions: the Commission will verify enrollment, grade point average, and residency data of students who were determined to be eligible through CHEMIS reports. CHEMIS reports are due by October 31.

B. Independent institutions: the Commission will verify enrollment, grade point average, and residency data of students who were determined to be eligible through CHEMIS disbursement reports. Reports are due by October 31.

C. Student information to be submitted annually to the Commission by October 31 (fall term):

- (1) Social security number
- (2) Enrollment status (full-time as defined by Title IV of Higher Education Act)
- (3) Classification
- (4) SAT (verbal and math) or ACT test scores (first-time entering freshmen)
- (5) High school graduation date (or home-school completion date)
- (6) High school grade point average (first-time entering freshmen)

- (7) Residency status
- (8) Degree level
- (9) Race and Gender
- (10) Cumulative credit hours (continuing students)
- (11) Cumulative grade point averages (continuing students)

D. The Commission on Higher Education may request additional information regarding verification of scholarships.

62-900.70 Program Administration and Audits

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

B. The Commission will schedule and conduct periodic Program Audit Reviews at all eligible institutions that receive the LIFE Scholarship funds to ensure compliance with the State Statute, regulations, pertinent statutes, and program guidelines.

C. The Commission will develop and issue standard audit policies and procedures for the scholarships and grant programs to all eligible institutions that administer the LIFE Scholarship funds.

D. Institutions are required to ensure that the appropriate staff person(s) and applicable records are accessible and available during the on-site review.

E. The Commission staff shall have the right to examine and obtain copies of all source documentation (student data and fiscal records) pertaining to the LIFE Scholarship awards as set forth in 34 CFR, Sections 99.31 (a) (3) and 99.35 (a) and (b) of the Family Educational Rights and Privacy Final Regulations.

62-900.75 Suspension or Termination of Institutional Participation

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

B. Upon receipt of evidence that an institution has failed to comply with program rules, regulations, or guidelines, the Commission on Higher Education shall notify the institution in writing of the nature of such allegations and conduct an audit.

C. If an audit indicates that a violation or violations may have occurred or are occurring at any public or independent college or university, the Commission on Higher Education shall secure immediate reimbursement from the institution in the event that any funds were expended out of compliance with the provisions of the Act, any relevant Statutes, pertinent rules, and these regulations.

Fiscal Impact Statement:

Any increase in funding to the LIFE Scholarship Program is dependent upon the proceeds generated by the SC Education Lottery.