

**Commission on
Higher Education**

Rayburn Barton
Executive Director

MEMORANDUM

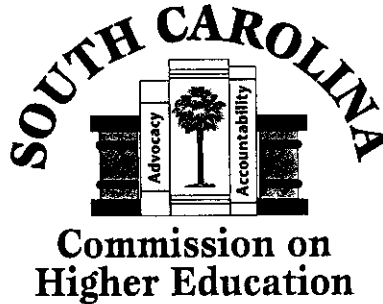
DATE: June 27, 2002
TO: Members, Commission on Higher Education
FROM: Rayburn Barton, Executive Director

Enclosed is the agenda for the New Member Orientation, Commission Meeting and Planning Session to be held at **10 a.m. on Tuesday, July 9, 2002, in the Commission Conference Room (1333 Main Street, Suite 200)**. Also enclosed are the proposed regulations and regulation amendments to be considered during the short Commission meeting at 1:00 p.m.

Parking spaces for Commission Meetings are available in the Municipal Parking Garage (corner of Washington and Assembly Streets) near the Fleet Building. The entrance to the parking garage is on Washington Street between Assembly and Main Streets.

We are also enclosing the new list of Commission members' mailing addresses, telephone and fax numbers. If there are any changes, or if you prefer another address for Commission contact, please let Betsy Gunter (803) 737-2275 know so we can make any necessary correction(s) by the July 9th meeting.

Attachments



Rayburn Barton
Executive Director

July 9, 2002

MEMORANDUM

To: Mr. Dalton Floyd, Chair, and Members,
Commission on Higher Education

From: Ms. Susan Cole, Chair,
Committee on Access & Equity and Student Services

Lottery Tuition Assistance Program for Two-Year Institutions
Proposed Regulations - 2002-03 Academic Year

During the 2002 legislative session, the General Assembly approved H.4879. A part of that legislation requires the Commission on Higher Education promulgate regulation for a new Lottery Tuition Assistance Program for the two-year institutions. The State Board for Technical and Comprehensive Education is responsible for the oversight of the Lottery Tuition Assistance Program at the technical colleges. Funding is dependent upon revenue generated by the S.C. Education Lottery. The program provides tuition assistance (less any federal or need-based grants) to eligible students who meet the following criteria:

- Be a South Carolina resident for a minimum of one year
- Be enrolled in a minimum of six credit hours each semester
- Make satisfactory academic progress
- File a Free Application for Federal Student Aid (FAFSA) form
- Not a LIFE recipient

For renewal students are required to earn a minimum 2.0 cumulative grade point average. Additionally, students cannot receive Lottery Tuition Assistance for more than one certificate, diploma, or degree within any five-year period unless the additional certificate, diploma, or degree constitutes progress in the same field of study.

Recommendation

The Committee on Access & Equity and Student Services recommends that the Commission on Higher Education approve the proposed regulation for the Lottery Tuition Assistance Program for the two-year institutions. If approved by the Commission on Higher Education, the new regulation will be submitted to the General Assembly for approval under the Administrative Procedures Act.

Document Number
COMMISSION ON HIGHER EDUCATION
Chapter 62
Statutory Authority: 1976 Code Section 59-150-360

62-900.150 Lottery Tuition Assistance Program for Two-Year Public and Independent Institutions

Synopsis: In accordance with section 59-150-360 of the 1976 Code of Laws, the Commission on Higher Education shall promulgate regulation and establish procedures to administer the Lottery Tuition Assistance Program at the two-year public and independent institutions. The purpose of the Lottery Tuition Assistance Program is to provide resources that supplement, not supplant, existing resources for educational purposes to South Carolina's students. The program will assist students who wish to attend two-year public or independent colleges in the State.

Instructions: Add new R.62-900.150, Lottery Tuition Assistance Program, to Chapter 62 regulations.

Text:

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62-900.150 Purpose of the Lottery Tuition Assistance Program

Pursuant to Conference Report S.496, the Commission on Higher Education shall promulgate regulations and establish procedures to administer the Lottery Tuition Assistance Program at the State two-year public and independent institutions. The purpose of the Lottery Tuition Assistance Program is to provide resources to the extent that funds are available that supplement, not supplant, existing resources for educational purposes to South Carolina's students. The program will assist students who wish to attend two-year public or independent colleges in South Carolina.

62-900.155 Allocation of Funds

- A. This program is dependent upon sufficient annual funding from the S.C. Education Lottery Account.
- B. Of the monies in the Education Lottery Account, funds shall be appropriated to the Commission on Higher Education for free tuition at two-year public and independent institutions as provided in Section 59-150-360 and for an institutional academic fee to mitigate the impact of increased enrollment at these

institutions as a result of the provision of free tuition.

62-900.160 Program Definitions

A. "Academic year" is defined as the fall, spring, and summer terms.

B. "Associate degree program" is defined as a two-year or 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. "Cost-of-tuition" is defined as the amount charged for registering for credit hours of instruction and mandatory fees accessed to all students. Other fees, charges, or cost of textbooks cannot be included.

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 an associate's degree or at least a two-year program that is acceptable for full credit towards a bachelor's 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.

F. "Field of study" shall mean an area in which a certificate, diploma, or degree is awarded. A certificate or diploma earned that relates to the associate degree constitutes the same field of study.

G. "Full-time student" shall mean a student who has matriculated into an eligible program, and who enrolls in a minimum of twelve credit hours (or the equivalent) during an academic term.

H. "Independent two-year institutions" shall mean independent two-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 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." Institutions whose sole purpose is religious or theological training or the granting of professional degrees do not meet the definition of an eligible institution.

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

J. "Part-time student" shall mean a student who has matriculated into an eligible program, and who enrolls in a minimum of six credit hours and a maximum of eleven credit hours (or its equivalent) during an academic term.

K. "Remedial coursework" shall mean sub-collegiate level preparatory courses in English, mathematics, and reading.

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

M. "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, unless the student qualifies for an exception as defined in the residency regulation promulgated by the Commission on Higher Education as determined by the institutional residency officer each academic year.

N. "Two-year public institutions" shall mean two-year institutions defined by Chapter 103 of Title 59 of the 1976 Code, which stipulates a "public institution of higher learning shall mean any state-supported-post-secondary educational institution."

62-900.165 Student Eligibility

A. To be eligible for Lottery Tuition Assistance each academic year, the student must:

(1) File the Free Application for Federal Student Aid (FAFSA) form and complete the process to determine eligibility for federal student aid each academic year;

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

(3) Qualify for in-state tuition and be a resident of the State of South Carolina for a minimum of one year of Title 59 of the 1976 Code of Laws governing the determination of residency for tuition and fee purposes, unless the student qualifies for an exception as defined in the residency regulation promulgated by the Commission on Higher Education;

(4) Be enrolled or accepted for enrollment as a part-time or full-time degree-seeking student in an eligible program at an eligible two-year public or independent college in South Carolina and be making satisfactory academic progress towards completion of the requirements of the program as provided by Title IV Regulations. A student enrolled in less than six credit hours during one term may not receive Lottery Tuition Assistance for the term in question but is eligible for reapplication for the award upon return to part-time or full-time status;

(5) Be enrolled or have completed at the time of funds disbursement a minimum of six credit hours for the term of eligibility;

(6) 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;

(7) Not be eligible for or a recipient of a LIFE Scholarship during the academic year; and

(8) Meet all eligibility requirements annually.

B. Students shall not be eligible to receive Lottery Tuition Assistance for more than one certificate, diploma, or degree earned within any five-year period unless the additional certificate, diploma, or degree constitutes progress in the same field of study.

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 Lottery Tuition Assistance for unlawful purposes or any purpose other than in payment or reimbursement for the cost of tuition at the institution authorized to award the funds will be cause for immediate cancellation of Lottery Tuition Assistance. Any student who has attempted to or obtained Lottery Tuition Assistance 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 Lottery Tuition Assistance.

62-900.170 Policies and Procedures for Awarding Lottery Tuition Assistance

A. The Lottery Tuition Assistance Program will be campus-administered, and the funds will supplement the student financial aid awards.

B. Actual award amounts are dependent upon the number of eligible students and the amount of funding available for the academic year. Lottery Tuition Assistance may not exceed the cost of in-state tuition at State two-year public institutions for the academic year for which the award is made at the designated institution. At independent two-year institutions, the award amount is limited to the highest in-state tuition rate at a two-year public institution. In calculating the amount awarded in Lottery Tuition Assistance, any all federal grants and Need-based Grants must be awarded first before determining the amount eligible in Lottery Tuition Assistance to be used for payment towards cost-of-tuition.

C. Adjustments to the financial aid package will be made to Lottery Tuition Assistance when federal grants and Need-based Grants can be applied towards cost-of-tuition.

D. Participating institutions will notify students of their Lottery Tuition Assistance with the terms and conditions of the award

E. The institution must retain annually appropriate paper or electronic documentation for each award to include at a minimum:

- (1) Institutional Student Information Report (ISIR)
- (2) Award notification
- (3) Institutional disbursements to student
- (4) Refund and repayment (if appropriate)
- (5) Satisfactory academic progress
- (6) Student's residency status
- (7) Enrollment and curriculum requirements
- (8) Student's disability (if appropriate)
- (9) Student award based upon approval of institutional appeal (if appropriate)

F. It is the institution's responsibility to ensure that no ineligible student receives Lottery Tuition Assistance.

62-900.175 Duration of Award and Continued Eligibility

A. Award decisions will be made annually and are not automatically guaranteed. The institution shall adjust the amount of the award during the academic year in the event of a change in the student's enrollment status.

B. Each academic year, students applying for Lottery Tuition Assistance must file a Free Application for Federal Student Aid and any supplemental forms, which may be required by the institution. Students must meet all eligibility requirements as stated in the "Student Eligibility" Section. Students must adhere to these guidelines and other pertinent statutes and regulations and with application timeliness and procedures stipulated by the institutions.

C. After attempting 24 credit hours for continued eligibility, the student is required to 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.

D. The institution shall be responsible for maintaining institutional certification of each recipient's continuous part-time and/or full-time enrollment in an eligible program of study.

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

62-900.180 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 funding. 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 part-time status.

62-900.185 Institutional Disbursement of Funds

A. Actual award amounts are dependent upon the number of eligible students and the amount of funding available for the academic year. Lottery Tuition Assistance may not exceed the cost of in-state tuition at State two-year public institutions for the academic year for which the award is made at the designated institution. At independent two-year institutions, the amount cannot exceed the highest in-state tuition rate at a two-year public institution. In calculating the amount awarded in Lottery Tuition Assistance, any all federal grants and Need-based Grants must be awarded first before determining the amount eligible in Lottery Tuition Assistance to be used for payment towards cost-of-tuition.

B. The institution shall provide an award notification to Lottery Tuition Assistance Program recipients, which will contain the terms and conditions of the award and other financial aid awarded. Students will be notified of adjustments in financial aid due to changes in eligibility and/or over-award issues.

C. After the last day to register for each term of the academic year, the institution will verify that each recipient is a South Carolina resident who 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.

62-900.190 Refunds and Repayments

A. In the event a student who has been awarded Lottery Tuition Assistance withdraws or is suspended from the institution, or drops below part-time (six credit hours) or full-time (twelve credit hours) status during any term of the academic year, institutions must reimburse the Lottery Tuition Assistance Program for the term in question pursuant to refund policies of the institution.

B. 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.

62-900.195 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 two-year public and independent institutions in South Carolina. The Commission on Higher Education shall be responsible for the allocation of funds, promulgation of the regulations and rules, and statewide oversight of the Lottery Tuition Assistance Program.

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. The Chief Executive Officer at each participating 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.

62-900.200 Suspension or Termination of Institutional Participation

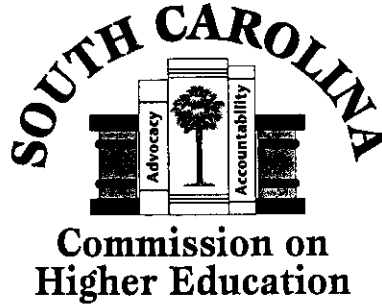
A. The Commission may review institutional administrative practices to determine institutional compliance with rules and regulations, pertinent statutes, and program guidelines. If such a review determines that an institution has failed to comply with program statutes, rules, or regulations, the Commission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

B. Upon receipt of evidence that an institution has failed to comply with program statutes, rules, regulations, 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, 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 this regulation.

Fiscal Impact Statement:

Funding for the Lottery Tuition Assistance Program is provided for under the SC Education Lottery Act.



Rayburn Barton
Executive Director

July 9, 2002

MEMORANDUM

To: Mr. Dalton B. Floyd, Jr., Chair, and Members
Commission on Higher Education

From: Ms. Susan Cole, Chair, and Members,
Committee on Access & Equity and Student Services

SC HOPE Scholarship Program for Four-Year Institutions
Proposed Regulations - 2002-03 Academic Year

During the 2002 legislative session, the General Assembly approved H.4879. The Bill authorizes scholarship funding to cover the cost-of-attendance up to a maximum of \$2,500 plus a \$150 book allowance per academic year to eligible students attending a four-year public or independent institution during the first year of attendance only. H.4879 requires the Commission on Higher Education to promulgate regulations for a new SC HOPE Scholarship Program for students who do not qualify for a LIFE or Palmetto Fellows Scholarship. Funding is dependent upon the revenue generated by the SC Education Lottery and will be provided to students who meet the following criteria:

- Be a South Carolina resident
- Be admitted and enrolled full-time as a degree-seeking student
- Earn a 3.0 grade point average upon graduating from high school
- Not be a LIFE or Palmetto Fellows Scholarship recipient

Students who qualify for the SC HOPE Scholarship may become eligible to receive the LIFE Scholarship, if the student earns a cumulative 3.0 grade point average and 30 credit hours at the end of the first academic year of attendance.

Recommendation

The Access & Equity and Student Services Committee recommend that the Commission on Higher Education approve the proposed regulation for the South Carolina HOPE Scholarship Program. If approved, the amended regulation will be submitted to the General Assembly for approval under the Administrative Procedures Act.

Document No.
COMMISSION ON HIGHER EDUCATION
CHAPTER 62
Statutory Authority: 1976 Code Section 59-150-360

62-900.85-140 South Carolina HOPE Scholarship

Synopsis:

The South Carolina HOPE Scholarship established under the South Carolina Education Lottery Act was approved by the General Assembly during the 2001 legislative session and signed into law on June 13, 2001. Bill H.4879 authorizes funding for scholarships to cover the cost of attendance, up to a maximum of two thousand six hundred fifty dollars (includes \$150 book allowance) to eligible students attending four-year public and independent institutions in South Carolina. The purpose of the SC HOPE Scholarship program is to provide funding to students who graduate from high school with a 3.0 cumulative grade point average, but are not eligible to receive the LIFE or Palmetto Fellows Scholarships. The Bill authorizes the Commission on Higher Education to create regulations for administration of the SC HOPE Scholarship program.

62-900.85	Funding
62-900.90	Program Definitions
62-900.95	Student Eligibility
62-900.100	Duration of Award
62-900.105	Transfer Students
62-900.110	Students with Disabilities
62-900.115	Refunds or Repayments
62-900.120	Appeals Procedures
62-900.125	Institutional Policies and Procedures for Awarding
62-900.130	Institutional Disbursements
62-900.135	Program Administration and Audits
62-900.140	Suspension and Termination of Institutional Participation

Instructions: Add new 62-900.85 through 62-900.140, South Carolina HOPE Scholarship, to Chapter 62 regulations.

Text:

62-900.85 Funding

Funds made available for SC HOPE Scholarships under the South Carolina Education Lottery Act, shall be included in the annual appropriation to the Commission on Higher Education. This program is dependent upon the annual proceeds generated by the lottery. The Commission on Higher Education shall award funds to eligible students as SC HOPE Scholarships.

62-900.90 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 fall, spring, and summer terms or spring, summer, and fall terms (or its equivalent).

B. "Baccalaureate program" is defined as a 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 towards the cost-of-attendance including the cost of textbooks.

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

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

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

G. "Eligible program of study" is defined as a program of study leading to the first baccalaureate 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.

H. "Freshmen year" shall mean the first academic year the student matriculates in an institution after high school graduation or completion of an approved home school program.

I. "Full-time student" shall mean a student who has matriculated into an eligible program of study and who enrolls full-time, usually fifteen semester 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. 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.

J. "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. 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.

K. "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 chartered before 1962 whose major campus and headquarters are located within South Carolina; or an independent bachelor's level institution which has attained 501(c)(3) tax status and is accredited by the Southern Association of Colleges and Secondary Schools or the New England 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 'independent institution' for purposes of this chapter. However, independent two-year institutions are not eligible for participation in this program.

L. "Initial college enrollment" shall mean the first time the student matriculates into a post-secondary educational institution after high school graduation or completion of an approved home school program.

M. An "offense" shall mean a violation of any law or rule in any 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 of South Carolina 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.

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

62-900.95 Student Eligibility

A. To be eligible for a SC HOPE 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 for in-state tuition purposes at the time of enrollment at the institution as set forth by Section 59-112-10 and graduated from a high school according to State Statute, Section 59-149-50A.

(3) Earn a 3.0 cumulative grade point average (GPA) on a 4.0 scale. 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. A student who earns a 3.00 GPA or above is eligible. Until 2004, students may qualify for the SC HOPE Scholarship using the Uniform Grading Scale (UGS) or the grade point calculation policy approved by the school district. Institutions shall use the final GPA as reported by the high school. If a weighted GPA is provided, the institution shall use the high school's weighted GPA based upon the approved policies of the school district in determining whether the student meets the "B" average. The high school must specify which grading scale was used. If more than one grade point average is reported by the final official transcript, the institution may use the grading scale that would be to the student's advantage. Beginning with students graduating in 2004, scholarship eligibility will be based upon the UGS only. No other grading policy will be allowed to qualify for a State scholarship.

(4) Be admitted, enrolled full-time, and classified as a degree-seeking undergraduate student in an eligible institution in South Carolina; and

(5) Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol or other 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 other drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea.

B. 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 SC HOPE Scholarship pending the approval of the Commission on Higher Education (CHE). The institutional representative must complete and submit an Early Graduation Application Form and all appropriate documentation as deemed necessary by CHE for each student. The student must request and submit a letter from the high school principal verifying that he/she has met all graduation requirements.

C. Early graduates who enroll mid-year and are classified as degree-seeking will officially begin their initial college enrollment.

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

E. Students who meet all eligibility requirements for the SC HOPE Scholarship are eligible to receive scholarship funds for the freshmen year of attendance only.

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

62-900.100 Duration of Award

A. Students are eligible to receive the SC HOPE Scholarship for no more than two terms (or its equivalent) during the freshman year of attendance only.

B. The maximum number of terms of eligibility is based on the student's initial college enrollment with the exception of credit hours earned during the summer session immediately prior to the student's initial college enrollment.

C. If a student enrolls mid-year (spring term) and qualifies to receive the LIFE Scholarship at the end of the summer term, then the student will not be eligible to receive the SC HOPE Scholarship. If the student does not meet the requirements to qualify for the LIFE Scholarship, then the student may receive the SC HOPE Scholarship the next term of eligibility.

62-900.105 Transfer Students

A. A student who transfers from one institution to an eligible institution during the freshman year of attendance is eligible to receive the SC HOPE Scholarship if the student met the eligibility requirements as stated in the "Student Eligibility" Section at the beginning of the academic year.

B. A student who transfers from a two-year or technical institution to an eligible four-year institution who enrolled in remedial courses during the freshman year may be eligible to receive the SC HOPE Scholarship. The terms of eligibility to receive scholarship funds must not include the period of time the student was enrolled in remedial courses at a two-year or technical institution, unless the student completed at least twelve credit hours of non-remedial course work during the first term(s) during the freshman year. The student will be eligible to receive the scholarship for the maximum number of terms of eligibility following completion of remediation if the student was eligible to receive the SC HOPE Scholarship upon high school graduation.

C. Students who did not meet the scholarship eligibility requirements upon high school graduation and enrolled in remedial courses during the first term(s) during the freshman year will not be eligible to receive the SC HOPE Scholarship at the completion of remediation.

62-900.110 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 the "Student Eligibility" Section except for the full-time enrollment requirement, if approved by the Disability Services Provider.

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 during the freshman year verifying that the student is approved to be enrolled in less than full-time status.

C. Students who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 may receive the maximum number of available terms of eligibility as stated in the "Duration of Award" Section.

D. In order to be eligible for the SC HOPE Scholarship, students who no longer qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must comply with all requirements set forth under the "Student Eligibility" Section.

62-900.115 Refunds or Repayments

A. In the event a student who has been awarded a SC HOPE 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 SC HOPE Scholarship Program for the amount of the scholarship for the term(s) 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.

62-900.120 Appeals Procedures

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

B. Students who did not receive the maximum number of terms of eligibility for the scholarship at the end of the first 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 at the end of the first 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.

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

F. The Appeals Committee's decision is final.

62-900.125 Institutional Policies and Procedures for Awarding

A. SC HOPE Scholarship awards are to be used only for payment toward the cost-of-attendance as established by Title IV regulations. The award amount shall not exceed two thousand six hundred fifty dollars (includes \$150 book allowance) during the freshman year only.

B. Eligible institutions shall provide an award notification to eligible students that will include the book allowance and also 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, change in eligibility, change in the student's residency or financial status or other matters.

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

- (1) Award notification
- (2) Institutional disbursement to student
- (3) Student's residency status
- (4) Refund and repayment (if appropriate)
- (5) Enrollment and curriculum requirements
- (6) Affidavit documenting that the student has never been convicted of any felonies,
Alcohol or other drug related misdemeanor offenses
- (7) High school transcript(s) verifying high school graduation
or home-school completion date and cumulative grade point average (freshmen only)
- (8) Verification of student's disability (if appropriate)

D. Any student who has attempted to obtain or obtained a SC HOPE 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 SC HOPE Scholarship.

E. It is the institution's responsibility to ensure that only eligible students receive the scholarship.

62-900.130 Institutional Disbursements

A. The eligible institution will identify award amounts, which cannot exceed two thousand six hundred fifty dollars (includes \$150 book allowance) for students enrolled at four-year public and independent institutions for the freshmen year of attendance only. Half shall be disbursed during the fall term and half during the spring term (or their equivalents). Scholarships cannot be disbursed during the summer or any interim sessions.

B. The student must be enrolled at the time of disbursement as a full-time student.

C. After the last day to register for each term of the academic year, the institution will verify enrollment of each recipient as a South Carolina resident who is a full-time degree-seeking student. According to the Scholarship and Grant Programs Policies and Procedures Manual, a listing of all eligible recipients by social security numbers with award amounts for the term must 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 of each fiscal year. The reconciliation report shall include any additional requests for funds and/or return of unused funds.

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

62-900.135 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 participating institutions. The Commission on Higher Education shall be responsible for the allocation of funds, promulgation of guidelines and regulations governing the SC Hope 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 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 participating institution shall identify to the Commission on Higher Education a SC HOPE Scholarship institutional representative who is responsible for the operation of the program on the campus and will serve as the contact person. The institutional representative will act as the student's fiscal agent to receive and deliver funds for use under the program.

62-900.140 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 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 SC HOPE 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 regulations.

Fiscal Impact Statement:

Funding for the SC HOPE Scholarship Program is dependent upon the proceeds generated by the SC Education Lottery.



**Commission on
Higher Education**

Rayburn Barton
Executive Director

July 9, 2002

MEMORANDUM

To: Mr. Dalton Floyd, Chair, and Members,
Commission on Higher Education

From: Ms. Susan Cole, Chair
Committee on Access & Equity and Student Services

Palmetto Fellows Scholarship Program
Proposed Regulatory Amendments - 2002-03 Academic Year

During the 2002 legislative session, the General Assembly approved legislation that will fund an increase in the award amount for the Palmetto Fellows Scholarship through revenues generated by the South Carolina Education Lottery. The current award amount for the Palmetto Fellows Scholarship is up to \$5000 per academic year. According to Section 59-114-20, each Palmetto Fellow shall receive a scholarship in an amount not to exceed \$6700. The proposed amendments to the Palmetto Fellows Scholarship regulation include a recommendation to increase the current maximum award amount of \$5000 to \$6700 per academic year.

Additionally, the proposed amendments to the Palmetto Fellows Scholarship regulation include a recommendation to allow students who are pursuing a program of study that is structured so as not to require a baccalaureate degree eligibility for scholarship funding. "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 Student Aid Programs. 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. Students who have been awarded a baccalaureate or graduate degree are not eligible for scholarship funding.

Recommendation

The Committee on Access & Equity and Student Services recommends that the Commission on Higher Education approve the proposed amendments to the regulation for the Palmetto Fellows Scholarship Program. If approved by the Commission on Higher Education, the amended regulation will be submitted to the General Assembly for approval under the Administrative Procedures Act.

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

62-300 Palmetto Fellows Scholarship Program

Synopsis:

The Commission on Higher Education proposes to amend and replace in its entirety R.62-300 of the Palmetto Fellows Scholarship Program. The proposed amendments will clarify the policies and procedures for administering the Palmetto Fellows Scholarship. Beginning with the 2002-03 academic year, the proposed amendments will increase the Palmetto Fellows Scholarship from a maximum annual award amount of up to \$5000 to \$6700 per academic year. The proposed regulation also includes language that will allow students who are pursuing a program of study that is structured so as not to require a baccalaureate degree to receive the scholarship for up to eight terms (or its equivalent).

Instructions: Add new R.62-300, Palmetto Fellows Scholarship Program, to Chapter 62 regulations.

Text:

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62-300	Purpose of the Palmetto Fellows Scholarship Program

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

62-305 Allocation of Palmetto Fellows Scholarship 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 attending public or independent eligible 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.

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 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 the first bachelor's degree at a location approved by the U.S. Department of Education for participation in federally funded Student Aid Programs.

C. "Degree-seeking student" is defined as any student enrolled full-time in a program of study that leads to the first baccalaureate degree or a program of study that is structured so as not to require a baccalaureate degree at an eligible institution.

D. "Full-time student" shall mean a student who has matriculated into a program of study leading 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 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. 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.

E. "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.

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

G. "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 Student Aid Programs. 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. Students who have been awarded a baccalaureate or graduate degree are not eligible for scholarship funding.

H. "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.

I. "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, 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.

J. "Transfer student" is defined, for the purposes of this program, as a student who has changed full-time enrollment from one eligible institution to another eligible institution.

62-315 Student Eligibility

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

1. Be enrolled as a senior in a public or private high school or any other high school program of study approved and certified by that school district as conforming to relevant State Statute at the time of application and be a legal resident of South Carolina as defined in applicable State Statute governing the determination of residency for tuition and fee purposes at the time of college enrollment;

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

3. Meet the following three criteria: a minimum score of 1200 on the Scholastic Assessment Test (SAT) or an equivalent ACT score, and a cumulative 3.5 grade point ratio (GPR) on the Uniform Grading Scale at the end of the junior year, and rank in the top five percent of the class at the end of either the sophomore or the junior year. Qualifying scores must be certified by the high school on the Palmetto Fellows

Scholarship application by no later than the scholarship application deadline;

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

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

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

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

F. Any student who attempts to obtain or obtains a 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.

62-320 Student Application

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

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

C. Students must have certification that they earned a cumulative 3.5 GPR on the Uniform Grading Scale at the end of the junior year.

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

E. For those high schools that have fewer than twenty students in the class, the high school can submit up to two applications (an application for the student who is ranked number one in the sophomore class and, if different, an application for the student who is ranked number one in the junior class). For those high schools that have fewer than forty students but greater than twenty students in the class, the high school can submit up to four applications (up to two applications for the students ranked number one – one for the student who is ranked number one in the sophomore class and, if different, one for the student who is ranked number one in the junior class; and up to two applications for the students ranked number two in the class – one for the student who is ranked number two in the sophomore class and, if different, one for the student who is ranked number two in the junior class). These students must meet all other eligibility criteria.

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

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

62-325 Selection Process

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

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

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

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

and lower SAT scores. The formula will be as follows:

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

2. The following ranking points shall be awarded based on the achieved cumulative GPR on the Uniform Grading Scale at the end of the junior year:

<u>Points</u>		<u>GPR</u>
25	=	4.50 and better
24	=	4.40 – 4.49
23	=	4.30 – 4.39
22	=	4.20 – 4.29
21	=	4.10 – 4.19
20	=	4.00 – 4.09
19	=	3.90 – 3.99
18	=	3.80 – 3.89
17	=	3.70 – 3.79
16	=	3.60 – 3.69
15	=	3.50 – 3.59

3. The following ranking points shall be awarded to the applicant based on the percentage of the class the student ranks in at the end of either the sophomore or the junior year:

<u>Points</u>		<u>Rank</u>
25	=	.50% and better
24	=	.51 - 1.00%
23	=	1.01 - 1.50%
22	=	1.51 - 2.00%
21	=	2.01 - 2.50%
20	=	2.51 - 3.00%
19	=	3.01 - 3.50%
18	=	3.51 - 4.00%
17	=	4.01 - 4.50%
16	=	4.51 - 5.00%
15	=	Points awarded to students who are eligible based on the fact that they rank #1 or #2 in the class.

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

	<u>Possible Points</u>	<u>Explanation</u>
Activity/Experience	= 12	The applicant can list up to six extracurricular activities/work experiences worth two points each for a possible total of twelve points.
Grade Level	= 1	The applicant will mark the grade level(s) that each activity/experience was performed. One point will be awarded for marking at least twelve blocks under the grade level section.
Total Hours	= 1	The applicant will be awarded one point for

Positions Held = 1

having expended at least 360 hours in extracurricular and/or work activities. The applicant will be awarded one point for holding either two leadership positions or one top leadership position (president, editor, etc.).

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

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

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

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

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

F. The Commission on Higher Education shall ensure that there is equitable minority participation in the program.

62-330 Policies and Procedures for Awarding Palmetto Fellows Scholarships

A. The institution shall specify exact award amounts based upon applying the Palmetto Fellows Scholarship Regulation and criteria stipulated herein. The annual award amount for each Palmetto Fellow shall not exceed \$6700 per academic year.

B. Palmetto Fellows Scholarships are to be used only towards payment for cost-of-attendance as established by Title IV Regulations with modifications set forth in C below for the academic year for which the scholarship is made at the designated institution. The maximum amount awarded shall not exceed the cost-of-attendance as established by Title IV Regulations for any year.

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

1. Room charges shall not exceed the average cost of on-campus residential housing; and
2. Board charges shall not exceed the cost of the least expensive campus meal plan that includes 21 meals per week.

D. In determining the amount awarded for the Palmetto Fellows Scholarship, all other sources of gift assistance, including Federal, State, private and institutional funds, must be applied to the unmet total cost-of-attendance in accord with Title IV Regulations before calculating the scholarship amount and awarding the scholarship. Adjustments to the financial aid package will be made to the Palmetto Fellows Scholarship in

accordance with prescribed Title IV Regulations in order to prevent an over-award.

E. Although a student may be named a Palmetto Fellow, the student may not receive a monetary award if the award, when added to other financial resources, would cause the student to receive total assistance in excess of the student's cost-of-attendance as defined by Title IV Regulations and these guidelines.

F. Participating institutions will notify students of their award along with the terms and conditions of the award.

G. 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, alcohol or drug related misdemeanor offenses as stated under "Student Eligibility" and "Duration and Renewal of Awards" Sections
3. Award notification
4. Institutional disbursement to student
5. Refund or repayment (if appropriate)
6. Student's residency status
7. Enrollment and curriculum requirements
8. Student's disability (if appropriate)

H. It is the institution's responsibility to ensure that only eligible students receive the scholarship.

62-335 Duration and Renewal of Awards

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

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

C. A Palmetto Fellows Scholarship may be renewed annually for no more than a total of eight terms (or its equivalent) of full-time study toward 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. Renewal decisions will be made annually and are not automatically guaranteed. Students who have already been awarded their first baccalaureate or graduate degree are not eligible to receive the Palmetto Fellows Scholarship.

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

1. Enroll full-time at the time of the scholarship disbursement;
 2. Earn at least a cumulative 3.0 grade point average (GPA) on a 4.0 scale for graduation purposes by the end of each academic year;
 3. 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.) 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 a FAFSA Form 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 Grant, Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan or Federal Stafford Loan; and
 5. Certify each academic year 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.
- F. Any student who attempts to obtain or obtains a 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.

62-340 Transfer of Palmetto Fellows Scholarship

A. Palmetto Fellows enrolled at an eligible public or independent institution as defined in Chapter 103 of Title 59 of the 1976 Code may transfer the scholarship to another eligible institution only if the institution is the same type (i.e., public to public or independent to independent) and upon obtaining prior approval from the Commission on Higher Education.

B. Transfer students shall receive the scholarship for no more than eight terms (or its equivalent) at all public or independent institutions attended.

C. Transfer students must comply with all standards for continued eligibility as defined under "Duration and Renewability of Award" Section in order for their scholarship to be eligible for transferal.

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 "Student Eligibility" Section except for the full-time enrollment requirement is eligible to receive scholarship funding. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

B. For renewal, Palmetto Fellows who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must meet all renewal requirements as defined in 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 to be enrolled in less than full-time status or less than the required number of annual credit hours for

that academic year. Students must earn the required number of hours approved by the institutional Disability Services Provider each academic year for scholarship renewal and earn a minimum 3.0 cumulative grade point average on a 4.0 scale by the end of the academic year. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

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

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

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 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 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 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. The Commission on Higher Education will not transfer scholarship 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 scholarship funds according to the "Program Administration and Audits" Section.

C. Students who enroll in one term of the academic year at the home institution and also enroll in an internship, cooperative work program, travel study program, or National or International Student Exchange Program that are approved by the home institution and that do not award full-time transfer credit during the same academic year must earn fifteen credit hours and a 3.0 cumulative grade point average on a 4.0 scale within the academic year to be eligible for scholarship renewal for the next academic year. The student may continue to be eligible to receive the Palmetto Fellows Scholarship for up to a total of eight terms (or its equivalent) at all public or independent institutions attended. Students will be required to meet 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, scholarship renewal for the next academic year will be based on the prior year's eligibility. The student may continue to be eligible to receive the Palmetto Fellows Scholarship for up to a total of eight terms (or its equivalent) at all public or independent institutions attended. Students will be required to meet 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 Palmetto Fellows Scholarship funds during this period shall be

allowed to receive one term of Palmetto Fellows Scholarship funds during the succeeding summer. In order to receive Palmetto Fellows Scholarship funds for summer school, students must enroll in 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 for the academic year. For students who enroll in summer school and one other term of the academic year at the home institution, the student must earn a total of 27 credit hours (or its equivalent) for the academic year. The student must meet all continued eligibility requirements, 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, and satisfactory academic progress for the purposes of determining eligibility for scholarship renewal for the next academic year.

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

62-355 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 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. The Appeals Committee's decision is final.

62-360 Institutional Disbursement of Scholarship Funds

A. The institution will identify award amounts, which cannot exceed \$6700 per academic year. Half of each scholarship shall be disbursed during the fall term and half disbursed during the spring term of each year (or its equivalent), assuming continued eligibility. Palmetto Fellows may not be funded for more than a total of eight terms (or its equivalent) of full-time study toward 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.

B. The Palmetto Fellows Scholarship 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 and leads to a graduate degree as defined in the "Program Definitions" Section. In the event of early graduation, the award is discontinued.

C. The institution shall provide an award notification each academic year to Palmetto Fellows recipients, 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 terms for the award.

D. 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. 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 term must 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.

E. The Commission will disburse awards to the participating 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 a Palmetto Fellows Scholarship 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 scholarship 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 participating 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 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 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 participating institution shall identify to the Commission on Higher Education a Palmetto Fellows Scholarship 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

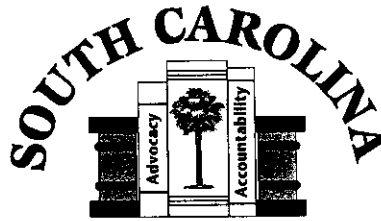
A. The Commission on Higher Education may review institutional administrative practices to determine institutional compliance with pertinent statutes, guidelines, rules or regulations. If such a review determines that an institution has failed to comply with program statutes, guidelines, rules or regulations, the Commission 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 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.

Fiscal Impact Statement:

Any increase in funding for the Palmetto Fellows Scholarship Program would be dependent upon additional funding appropriated by the General Assembly.



**Commission on
Higher Education**

July 9, 2002

Rayburn Barton
Executive Director

MEMORANDUM

To: Mr. Dalton B. Floyd, Jr., Chair, and Members
Commission on Higher Education

From: Ms. Susan Cole, Chair, and Members,
Committee on Access & Equity and Student Services

LIFE Scholarship Program
Proposed Regulatory Amendments - 2002-03 Academic Year

During the 2002 legislative session, the General Assembly approved H.4879, which amends the South Carolina Education Lottery Act approved by the General Assembly during the 2001 legislative session. Currently students attending a four-year institution must meet a 3.0 cumulative grade point average and score a 1050 on the SAT or 22 ACT. The current award amount is up to \$3,000 for eligible students attending a four-year public or independent institution. Beginning academic year 2002-03, the following amendments are being proposed:

According to Section 59-149-50 of the Education Lottery Act, the initial eligibility criteria for the LIFE Scholarship is revised so that students are only required to meet two of the following three criteria: 1) earn a 3.0 cumulative GPA on a 4.0 scale; 2) score an 1100 SAT or 24 ACT; and/or 3) graduate in the top thirty percent of the graduating class.

In addition, as stated in Section 59-149-10(E1)(E2), the award amount for eligible four-year public institutions will increase from \$3,000 up to the cost-of-tuition, not to exceed \$4,700, plus a \$300 book allowance per academic year. Eligible four-year independent institutions will award up to a maximum of the average annual cost-of-tuition at the state's four-year public institutions, not to exceed \$4,700, plus a \$300 book allowance per academic year. Students attending an eligible two-year public or technical institution will receive up to the cost-of-tuition plus a \$300 book allowance. Eligible students attending a two-year independent institution will receive the maximum annual cost-of-tuition at the two-year USC regional institutions plus a \$300 book allowance.

H.4879 also waived the high school graduation date of May 1995 or thereafter and removed the requirement that students must enroll within two years and three months of high school graduation.

The proposed amendments to the LIFE Scholarship regulation include a recommendation to allow students enrolled in a "program of study" to be eligible for scholarship funding. "Program of study" 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 criteria are met. Students who have been awarded a baccalaureate degree are not eligible for scholarship funding.

The LIFE Scholarship regulation is also amended to allow General Educational Development (GED) recipients to qualify for the LIFE Scholarship based on their higher education academic performance. GED recipients may be eligible to receive LIFE Scholarship funding, if they meet the continued eligibility requirements at the end of the first academic year of attendance.

In addition, the LIFE Scholarship regulation was amended to allow students who complete their high school graduation requirements early to qualify for the LIFE Scholarship prior to officially graduating from high school.

Finally, the LIFE Scholarship regulation was amended to allow students who participate in internships, cooperative programs, travel study programs, or International and National student exchange programs to receive the maximum number of available terms.

The financial aid officers representing the public and independent higher education institutions met on May 30, 2002, to provide the Commission staff with their input regarding the proposed amendments to the LIFE Scholarship regulation. Their recommendations were incorporated into the proposed regulation.

Recommendation

The Access & Equity and Student Services Committee recommend that the Commission on Higher Education approve the proposed amendments to the regulations for the LIFE Scholarship Program. If approved, the amended regulation will be submitted to the General Assembly for approval under the Administrative Procedures Act.

Document No. 2674
COMMISSION ON HIGHER EDUCATION
CHAPTER 62
Statutory Authority: 1976 Code Section 59-149-10

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

Synopsis:

The South Carolina Commission on Higher Education proposes to add in its entirety R.62-900 of the Legislative Incentives for Future Excellence (LIFE) Scholarship Program. Bill H.4879 authorizes funding for scholarships up to the cost-of-tuition, 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) for students attending a four-year public institution. Eligible students attending a four-year independent institution may receive funding to cover the cost-of-attendance up to a maximum of the average annual cost-of-tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (Maximum \$5,000 including cost-of-tuition plus book allowance). A two-year public or technical college may award up to the cost-of-tuition plus a three hundred dollar book allowance. Two-year independent institutions may award the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance. The Commission on Higher Education shall develop the LIFE Scholarship Program in order 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, and to encourage students to graduate from college on time. The law authorizes the Commission on Higher Education to promulgate regulations to administer and set forth the terms of the LIFE Scholarship Program.

Instructions: Add new 62-900.1 through 62-900.70, Legislative Incentives for Future Excellence (LIFE) Scholarship, to Chapter 62 regulations.

Text:

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62-900.1 Purpose of the LIFE Scholarship Program

House Bill 4535, Legislative Incentives for Future Excellence (LIFE) Scholarships, was approved by the General Assembly during the 1998 legislative session and signed into law on Friday, June 19, 1998. This Bill authorizes the Commission on Higher Education to promulgate regulation for administration of the LIFE Scholarship program. The General Assembly established the LIFE Scholarship Program in order to increase the access to higher education, improve the employability of South Carolina's students so as to attract business to the State, provide incentives for students to be better prepared for college, and to encourage students to graduate from college on time.

62-900.5 Program Definitions

- A. "Academic year" is defined as the twelve-month period during which a full-time student is expected to earn thirty credit hours. The period of time used to measure the academic year will consist of a fall, spring and summer term (or its equivalent).
- B. An "approved five-year baccalaureate degree program" shall mean a five-year baccalaureate program approved by the Commission on Higher Education to receive the LIFE Scholarship for ten terms.
- C. "Associate degree program" is defined as a two-year technical or occupational program, or a two-year program that is acceptable for full credit towards a baccalaureate degree as defined by the U.S. Department of Education for participation in Federally funded financial aid programs.
- D. "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.
- E. "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.
- F. "Cost-of-attendance" as established by Title IV Regulations may include tuition, fees, living expenses, and other expenses such as costs related to disability or dependent care.
- G. "Cost-of-tuition" shall mean the amount charged for registering for credit hours of instruction and mandatory fees assessed to all students. Other fees, charges, or cost of textbooks cannot be included.
- H. "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 baccalaureate or 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. Upon completion of the first one-year certificate, first two-year program or associate's degree, or first baccalaureate or 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. The student cannot use scholarship funds to pursue a program in the same or preceding level.
- I. "Eligible institution" shall be defined as a public or independent institution.
- J. "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 baccalaureate degree; 4) first baccalaureate degree; or 5) 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.

K. "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 as stipulated by Title IV Regulations, except that credit hours may not include remedial coursework.

L. "General Educational Development (GED) diploma" is defined as a GED 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 student. A student who earns a GED cannot receive a LIFE Scholarship during his/her initial year (or equivalent) of college enrollment.

M. "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. 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.

N. "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 chartered before 1962 whose major campus and headquarters are located within South Carolina; or an independent bachelor's level institution which has attained 501(c)(3) tax status and is accredited by the Southern Association of Colleges and Secondary Schools or the New England 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 'independent institution' for purposes of this chapter.

O. "Initial college enrollment" shall mean the first time the student matriculates into a post-secondary educational institution after high school graduation or completion of an approved home school program.

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

Q. A "one-year educational program" is defined as an undergraduate program of study leading to other 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.

R. "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 (or its equivalent) as long as all other eligibility requirements are met. Students who have been awarded a baccalaureate or graduate degree are not eligible for scholarship funding.

S. "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 post-secondary educational institution and shall include technical and comprehensive educational institutions."

T. "Remedial coursework" shall mean sub-collegiate level preparatory courses in English, mathematics, and reading.

U. "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.

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

62-900.10 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 Statute;

2. Be a South Carolina resident for in-state purposes at the time of enrollment at the institution, as set forth by Section 59-112-10 and graduated from a high school according to State Statute, Section 59-149-50A;

3. First-time entering freshman at four-year eligible institutions must meet two of the following three criteria:

- a. Earn a 3.0 cumulative grade point average (GPA) on a 4.0 scale. 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. A student who earns a 3.00 GPA or above is eligible. Until 2004, students may qualify for the LIFE Scholarship using the Uniform Grading Scale (UGS) or the grade point calculation policy approved by the school district. Institutions shall use the final GPA as reported by the high school. If a weighted GPA is provided, the institution shall use the high school's weighted GPA based upon the approved policies of the school district in determining whether the student meets the "B" average. The high school must specify which grading scale was used. If more than one grade point average is reported on the final official transcript, the institution may use the grading scale that would be to the student's advantage. Only one system can be used to determine GPA and class rank for each student. For example, a high school cannot report the UGS grade point ratio (GPR) and then report the rank using the school district's approved policy for ranking. Beginning with students graduating in 2004, scholarship eligibility will be based upon the UGS only. No other grading policy will be allowed to qualify for a State scholarship.

- 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. It is permissible to select an SAT verbal score and math score from different test administrations.

- c. Rank in the top thirty percent of the graduating class. 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. Until 2004, the institution shall use the class rank based on the approved policies of the high school or the UGS in determining whether the student ranks within the top thirty percent of their graduating class. If more than one rank is reported by the high school on the final

official transcript, the institution must use the same system used to determine GPA eligibility. Only one system can be used to determine GPA and class rank for each student. Beginning with students graduating in 2004, the rank must be based upon the UGS only. To determine the top thirty percent for approved 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 thirty percent for LIFE Scholarship eligibility.

4. For first-time entering freshmen at eligible two-year or technical institutions, students must earn a 3.0 cumulative grade point average (GPA) on a 4.0 scale. 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. A student who earns a 3.00 GPA or above is eligible. Until 2004, students may qualify for the LIFE Scholarship using the Uniform Grading Scale (UGS) or the grade point calculation policy approved by the school district. Institutions shall use the final GPA as reported by the high school. If a weighted GPA is provided, the institution shall use the high school's weighted GPA based upon the approved policies of the school district in determining whether the student meets the "B" average. The high school must specify which grading scale was used. If more than one grade point average is reported on the final official transcript, the institution may use the grading scale that would be to the student's advantage. Only one system can be used to determine GPA and class rank for each student. For example, a high school cannot report the UGS grade point ratio (GPR) and then report the rank using the school district's approved policy for ranking. Beginning with students graduating in 2004, scholarship eligibility will be based upon the UGS only. No other grading policy will be allowed to qualify for a State scholarship.

5. Be admitted, enrolled full-time, and classified as a degree-seeking student in an eligible institution in South Carolina;

6. Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol or other 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 other drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea; and

7. 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) form 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, 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 (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 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 student's initial college enrollment. The credit hours earned will not count against the terms of eligibility, but may be used toward the credit hour requirement.

D. 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 institutional representative must complete and submit an Early Graduation Application Form and all appropriate documentation as deemed necessary by CHE for each student. The student must also request and submit a letter from the high school principal verifying that he/she has met all graduation requirements.

E. Early graduates who enroll mid-year (spring term) and are classified as degree-seeking 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 cumulative grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes 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.

F. LIFE Scholarship funds may not be applied to the costs of continuing education or remedial courses as stated in State Statute Section 59-149-110B. Twelve hours of the course-load must be non-remedial or noncontinuing education courses in order to receive LIFE Scholarship funds. Remedial and continuing education courses will not be included in the cumulative grade point average or credit hour calculations.

G. First-time entering freshmen attending eligible two-year or technical colleges who enroll in remedial courses during the first term(s) will not be eligible for scholarship funds during this term(s) unless the student is enrolled in at least twelve hours of non-remedial courses. Credit hours earned during the term(s) of remedial enrollment will not be used to determine remaining scholarship eligibility at the completion of remediation unless the student has completed at least twelve hours of non-remedial course work 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.

H. The terms of eligibility to receive the LIFE Scholarship shall not include the period of time the student is enrolled in remedial courses, as in Section G above. Students who were eligible for the LIFE Scholarship based on high school record but required more than one academic year of remedial course work will not be eligible for the LIFE Scholarship the term after completion of remediation. To gain eligibility, these students must meet the conditions set forth in Section I below.

I. Students who do not meet the scholarship eligibility requirements upon high school graduation and enroll in remedial courses during the first year must meet the scholarship requirements for eligibility (earn a minimum 3.0 cumulative grade point average on a 4.0 scale and earn an average of thirty credit hours for the academic year) at the end of the first year of enrollment in non-remedial courses to be eligible to receive the scholarship for the second year.

J. Students who are eligible for or are recipients of a LIFE Scholarship cannot receive a Palmetto Fellows Scholarship, SC HOPE Scholarship or Lottery Tuition Assistance.

K. Students who have already been awarded their first baccalaureate degree, graduate degree or 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 are not eligible to receive the LIFE Scholarship.

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

62-900.15 Continued Eligibility

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

1. Meet all eligibility requirements as stated in the "Student Eligibility" Section;
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; and
3. Earn an average of thirty credit hours (or its equivalent) by the end of each academic year consistent with the policies and procedures of the institution for graduation purposes.

B. Students who meet the continued eligibility requirements by the end of the spring term and who enroll in a summer session(s) will not be eligible to receive the LIFE scholarship if their cumulative grade point average falls below a 3.0 at the end of the summer session.

62-900.20 Terms of Eligibility

A. Students may receive a LIFE Scholarship for a maximum of two terms for a one-year certificate or diploma program, four terms for an associate's degree program or a two-year program that is acceptable for full credit towards a baccalaureate degree, eight terms (or its equivalent) towards the first baccalaureate or 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 program or ten terms towards an approved five-year baccalaureate degree program.

B. The maximum number of terms of eligibility is based on the student's initial college enrollment with the exception of credit hours earned during the summer session immediately prior to the student's initial college enrollment and remedial coursework taken during the first academic year.

C. If a student pursues the following program, the terms of eligibility and credit hours are required for renewal:

<u>Degree/Program:</u>	<u>Terms of Eligibility</u>	<u>*Total Minimum Credit Hours for Renewal</u>
One-year Certificate/ Diploma Program	2	30
Two-year Program	4	30/60
Associate's Degree Program	4	30/60
Baccalaureate Degree Program	8	30/60/90
Approved Five-year Baccalaureate Degree Program	10	120
<u>Baccalaureate Degree Program:</u>		
Freshman	8	30
Sophomore	6	60
Junior	4	90
Senior	2	N/A

Approved Five-year Baccalaureate Degree Program:

Freshman	8	30
Sophomore	6	60
Junior	4	90
Senior	2	120
Fifth year	10	N/A

*(State Statute 59-149-110B) Any credit hours attempted or earned before high school graduation, hours exempted by examination, or advanced placement 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 the College Level Examination Program (CLEP) and accepted by the institution can be used toward the credit hour requirement.

D. For the purpose of the scholarship program:

(1) The institution where the student is transferring to will determine the classification of the entering student.

(2) Students will be classified according to the minimum credit hours and 3.0 GPA on the above chart based on initial college enrollment.

(3) Students who received scholarship funds and complete a one-year certificate or diploma program will have two terms remaining to pursue a two-year program.

(4) Students who receive scholarship funds and complete a one-year certificate or diploma program and enter a four-year college in a baccalaureate program will have six terms of eligibility remaining if they meet the eligibility requirements. In an approved five-year baccalaureate degree program, a student will have eight terms of eligibility remaining if they meet the eligibility requirements.

(5) Students who receive scholarship funds for a two-year program or associate's degree program and enter a four-year institution in a baccalaureate program will have four terms of eligibility remaining if they meet the eligibility requirements. In an approved five-year baccalaureate degree program, students will have six terms of eligibility remaining if they meet eligibility requirements.

62-900.25 Regaining or Earning Eligibility

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

1. Meet all eligibility requirements as stated in the "Student Eligibility" Section;
2. Earn 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. Earn 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;
 - (a) earn a minimum of 30 (or the equivalent) credit hours if a rising sophomore; or
 - (b) earn a minimum of 60 (or the equivalent) credit hours if a rising junior; or
 - (c) earn a minimum of 90 (or the equivalent) credit hours if a rising senior; or
 - (d) earn a minimum of 120 (or its equivalent) credit hours if entering the fifth year of an approved five-year baccalaureate degree program.

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 based on the student's initial college enrollment. The student must earn a

minimum of thirty credit hours (or equivalent) and a cumulative 3.0 grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes at the end of the first academic year and has met all other eligibility requirements as stated in A above.

C. Students who enroll 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 a 3.0 cumulative grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes 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.

62-900.30 Transfer Students

A. Transfer students must comply with all student and continued eligibility requirements as defined in the "Student Eligibility, Continued Eligibility, or Regaining or Earning Eligibility" Sections, including the cumulative 3.0 grade point average requirement on a 4.0 scale.

B. Students transferring from one institution to an eligible institution who may be eligible to receive a LIFE Scholarship must submit an official transcript(s) from the transferring institution(s), which provides evidence of current credit hours earned and cumulative grade point average. For students transferring from an institution out-of-state, you must meet the eligibility requirements as stated in the "Student Eligibility" and "Regaining or Earning Eligibility" Sections.

C. Students who transfer mid-year from one institution to an eligible institution may be eligible to receive the LIFE Scholarship. The student must submit an official document from the transferring institution to verify that he/she met the eligibility requirements at the beginning of the academic year prior to transfer. The scholarship amount for the spring term must comply with the award amount specified in the "Institutional Disbursements" Section.

D. For determining initial eligibility for the first time at an institution, transfer students must have:

1. earned a cumulative 3.0 grade point average on a 4.0 scale at all transferring institutions. 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; and

2. earned a minimum of thirty credit hours or an annual equivalent for a student who begins mid-year at an eligible institution and all prior institutions for the previous academic year to be eligible for the scholarship as a continuing student and/or consistent with the policies and procedures of the institution for graduation purposes; or

3. earned a minimum of sixty credit hours or an annual equivalent at the eligible institution and all prior institutions to be eligible for the scholarship as a continuing student and/or consistent with the policies and procedures of the institution for graduation purposes; or

4. earned a minimum of ninety credit hours or an annual equivalent at the eligible institution and all prior institutions to be eligible for the scholarship as a continuing student and/or consistent with the policies and procedures of the institution for graduation purposes.

E. For determining remaining terms of eligibility, the institution where the student is transferring will determine the classification of the entering transferring student and use this classification to determine the remaining terms of eligibility in compliance with the "Terms of Eligibility" Section.

62-900.35 Students with Disabilities

A. Students who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must meet all eligibility requirements as defined in "Student Eligibility, Continued Eligibility, Regaining or Earning Eligibility, or Transfer Students" Sections except for the full-time enrollment requirement, if approved by the Disability Services Provider. 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 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 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. 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 ADA and Section 504 of the Rehabilitation Act of 1973 may receive the maximum number of terms of eligibility as stated in the "Terms of Eligibility" Section.

E. In order to be eligible for the LIFE Scholarship, students who no longer qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must comply with all requirements set forth under "Student Eligibility, Continued Eligibility, Regaining or Earning Eligibility, or Transfer Students" Sections.

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

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

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

C. Students who enroll in one 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 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 cumulative grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes at the end of the academic year to be eligible for scholarship renewal for the next academic year. Students who did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on the initial college enrollment date (provided the student meets continued eligibility requirements).

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

E. Students enrolled in an internship, a cooperative work program, a travel study program or National or International Student Exchange Program during the academic year that is approved by the home institution and did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on the initial college enrollment date (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 (or its equivalent) for the academic year. The student must meet all eligibility requirements as specified in the "Continued Eligibility" Section, except for the completion of the 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, and satisfactory academic progress for the purposes of determining eligibility for scholarship renewal for the next academic year.

62-900.45 Refunds and Repayments

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

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

62-900.50 Appeals Procedures

- A. The Commission on Higher Education shall define the appeals procedures.
- B. Students who did not meet the continued eligibility requirements for the scholarship at the end of the academic year due to an extenuating circumstance may request an appeal with the Commission on Higher Education.
- C. The Commission on Higher Education will allow a student to submit only one appeal each academic year based on an extenuating circumstance.
- D. A completed appeal's application must be filed with the Commission on Higher Education by the established deadline of the academic year the scholarship is requested. The student must provide a completed application for appeal, a letter requesting an appeal describing the extenuating circumstance, official transcripts from all prior institutions, and any other supporting documentation to substantiate the basis for the appeal.
- E. The LIFE Scholarship shall be suspended during the appeal period, but will be awarded retroactively if the appeal is granted.
- F. The Appeals Committee's decision is final.

62-900.55 Institutional Policies and Procedures for Awarding

- A. 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 institutions shall identify award amounts up to the cost-of-tuition for thirty credit hours, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (Maximum \$5,000 including cost-of-tuition plus book allowance) per academic year. Eligible four-year independent institutions shall identify award amounts that cover the cost-of-attendance up to a maximum of the average annual cost-of-tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (Maximum \$5,000 including book allowance) per academic year. Eligible two-year public or technical institutions shall identify award amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a three hundred dollar book allowance per academic year. For students enrolled at eligible two-year independent institutions, the award amount shall not exceed the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance.
- B. Students who have already been awarded a first baccalaureate degree, graduate degree or 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 are not eligible to receive the LIFE Scholarship.
- C. Eligible institutions shall provide an award notification to eligible students that will include the book allowance and also 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, change in eligibility, change in the student's residency or financial status or other matters.
- D. The institution must retain annual paper or electronic documentation for each award to include at a minimum:
 - 1. Award notification
 - 2. Institutional disbursement to student

3. Student's residency status
4. Refund and repayment (if appropriate)
5. Enrollment and curriculum requirements
6. Cumulative 3.0 grade point average and required number of earned credit hours
7. Affidavit documenting that the student has never been convicted of any felonies, any alcohol or other drug-related misdemeanor offenses
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 or GED Diploma, grade point averages and class rank (first-time entering freshmen)
10. SAT or ACT scores (first-time entering freshmen)
11. Verification of student's disability (if appropriate)

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

F. 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.

62-900.60 Institutional Disbursements

A. Eligible four-year public institutions shall award amounts, which cannot exceed the cost-of-tuition for thirty credit hours a year, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance per academic year. Eligible four-year independent institutions shall award amounts that cover the cost-of-attendance up to a maximum of the average annual cost-of-tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance per academic year. Eligible two-year public or technical institutions shall award amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a three hundred dollar book allowance per academic year. For students enrolled at eligible two-year independent institutions, the award amount shall not exceed the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance per academic year. Half shall be 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 the "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs" Section.

B. The LIFE Scholarship may not be applied to a second baccalaureate degree or 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 program as defined in the "Program Definitions" Section. In the event of early graduation, the scholarship award is discontinued.

C. After the last day to register for each term of the academic year, the institution will verify enrollment of each recipient as a South Carolina resident who is a full-time degree-seeking student. According to the Scholarship and Grant Programs Policies and Procedures Manual, a listing of all eligible recipients by social security numbers with award amounts for the term must 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. The reconciliation report shall include any additional requests for funds and/or return of unused.

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

62-900.65 Program Administration and Audits

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

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

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

62-900.70 Suspension or Termination of Institutional Participation

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

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

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

Fiscal Impact Statement:

Funding for the LIFE Scholarship Program is appropriated by the General Assembly annually.