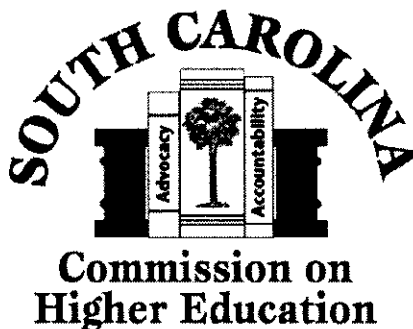


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August 9, 2004

MEMORANDUM

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

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

Legislative Incentive for Future Excellence (LIFE) Scholarship Program
Proposed Regulatory Amendments - 2005-06 Academic Year

The Legislative Incentive for Future Excellence (LIFE) Scholarship Program, a merit-based scholarship, was implemented in Fall 1998. The purpose of the program is to increase access to higher education, improve the employability of South Carolina's students so as to attract business to the State, provide incentives for students to be better prepared for college, and encourage students to graduate from college on time.

During the 2002 Legislative Session, the General Assembly approved the South Carolina Education Lottery Act. The SC Education Lottery Act amended the initial eligibility requirements as well as increased the annual award amount for the LIFE Scholarship Program. The Commission staff is preparing to submit the proposed regulation to be considered by the 2005 General Assembly including the amendments that were made under the Life Sciences Act (Act 187) during the 2004 Legislative Session which amended the continued eligibility requirements for students to renew, earn, or regain the LIFE Scholarship.

Based on the amendments made under Act 187, the Commission on Higher Education proposes the following amendments to the LIFE Scholarship Program. The first amendment allows South University, a for-profit institution, to participate in the LIFE Scholarship Program by removing the 501(c)(3) tax status requirement under Section 62-900.5(P), Definition of "Independent institutions."

The second amendment changes the continued eligibility requirements to renew, earn or regain the LIFE Scholarship. Prior to the approval of Act 187, the 3.0 GPA requirement was based on the policies and procedures of the institution. However, with the passing of Act 187, the 3.0 GPA requirement is now based on all grades earned at any eligible SC institution.

For the 2004-05 academic year, a one year proviso has been implemented to allow students the option to qualify under the old or new LIFE guidelines. Effective Fall 2005, students must earn a 3.0 GPA based on all grades earned at any eligible SC institution. The proposed regulation has been updated to reflect the calculation of the new LIFE GPA as stipulated in Section 62-900.55 ("Institutional Policies and Procedures").

Additionally, the following modifications are also being proposed for consideration:

- 62-900.5(D) – The definition of "Attempted credit hours" was added in order to define which credit hours should be used in calculating the new "LIFE GPA." It excludes courses taken out-of-state, exempted credit hours, AP, CLEP, remedial/developmental courses, non-degree credit courses for an associate degree or higher, Pass/Fail, and non-penalty withdrawal credit hours.
- 62-900.5(L) – Language was added to exclude non-degree credit courses for an associate degree or higher.
- 62-900.5(O) – The definition for "Home institution" was added to define which institution students are eligible to receive scholarship funds.
- 62-900.5(P) – Deleted language from the definition of "Independent institutions" that allowed Johnson & Wales University to participate as an eligible institution. This is a result of the institution's relocation to Charlotte, North Carolina. As of Fall 2003, the University is no longer accepting new students for enrollment into the Charleston campus. The Charleston campus will remain open until the continuing students who enrolled prior to Fall 2003 complete their programs. Until then, they may continue to award the LIFE Scholarship to these students if they meet the continued eligibility requirements and have not exceeded the maximum eight terms of eligibility.
- 62-900.5(Q) – Language was added to the definition of "Initial college enrollment" to clarify that the eight terms of eligibility are based on continuous enrollment (except summer).
- 62-900.5(R) – The definition for "LIFE grade point average" was added in order to define which courses are to be used to calculate the new "LIFE GPA."
- 62-900.5(S) – The definition for "Non-degree credit courses" was added in order to clarify that these courses must not be used in calculating the "LIFE GPA" or credit hour requirements if the student is enrolled in an associate degree or higher.
- 62-900.10(A)(3)(b) – Added language that includes the new Writing subsection of the SAT I that will be implemented in Spring 2005 as another way to meet the minimum 1100 SAT score requirement for initial eligibility for the scholarship. In order for students to be eligible for the LIFE Scholarship upon high school graduation, they must meet two of three of the following criteria: score at least 1100 on the SAT (or 24 on the ACT); earn a cumulative 3.0 grade point ratio

based on the Uniform Grading Scale (UGS) upon high school graduation; rank in the top thirty percent of the graduating class based on the UGS.

Currently, SAT scores may be the best combined scores from the Math and Verbal subsections. The proposed amendment will allow students to use the highest Math score combined with the highest Critical Reading score (formerly known as the Verbal score) or the highest Math score combined with the highest Writing score. Students cannot use both Critical Reading and Writing subsection scores to meet the minimum 1100 SAT score.

- 62-900.10(A)(5) – Language was added to provide specific instructions for verification of the cumulative 3.0 GPR and top 30% class rank requirements based on the UGS for home school and out-of-state students to determine scholarship eligibility.
- 62-900.10(C) – Language was added to allow service members to earn credit hours while on active duty without penalty. The credit hours will not count against the maximum terms of eligibility.
- 62-900.10(H) – Language was added to allow non-degree credit courses to be used to meet the full-time eligibility criteria for students enrolled in a diploma or certificate program only. The student must sign an affidavit certifying that the non-degree credit hours will not be used in calculating the “LIFE GPA” or credit hour requirements if they are enrolled in an associate degree or higher.
- 62-900.10(N) – Language was added to clarify that the student must submit transcripts from all previous and current institutions in order to determine eligibility for the LIFE Scholarship. This includes courses taken at any time during the academic year at another institution.
- 62-900.20(C) – A table was added to determine the remaining terms of eligibility based on the student’s initial college enrollment date.
- 62-900.41 – This section was added for service members of the United States Armed Forces who are called to active duty to allow them to receive the maximum terms of eligibility. Due to the events that occurred on September 11, 2001, service members of the United States Armed Forces are being called to active duty and are required to withdraw from college due to deployment. The Commission on Higher Education does not want to penalize these students for events that are beyond their control. The term(s) the service member is called to active duty will not count against the eight terms of maximum eligibility. The institution must provide the student with a refund based on the institution’s policies and procedures, but are strongly encouraged to provide a full refund or credit in a comparable amount. Thus, the inclusion of Section 62-900.41 (“Military Mobilization”) in the proposed regulation will allow each institution the authority to reinstate the scholarship upon the service member’s re-enrollment.

Recommendation

The Committee on Student Services and Access and Equity recommends that the Commission on Higher Education approve the proposed amendments to the regulation for the South Carolina LIFE 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 59-149-10

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

Synopsis:

The Commission on Higher Education proposes to add in its entirety R.62-900.1-70 for the Legislative Incentives for Future Excellence (LIFE) Scholarship Program. The LIFE Scholarship Program was established under Act 418 in 1998 and amended by the S.C. Education Lottery Act during the 2002 legislative session and the Life Sciences Act during the 2004 legislative session. 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 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 Program, to Chapter 62 regulations.

Text:

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62-900.1 Purpose of the LIFE Scholarship Program

Act 418, Legislative Incentives for Future Excellence (LIFE) Scholarship Program, was approved by the General Assembly during the 1998 legislative session and signed into law on June 19, 1998. The Act authorizes the Commission on Higher Education to promulgate regulations 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. An approved five-year baccalaureate degree program does not include inter-institutional and cooperative "3+2" programs (normally in a science degree field and an engineering program).

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. "Attempted credit hours" shall be defined as courses in which a student earns a grade and is included in the grade point calculation for that institution. Out-of-state credit hours, exempted credit hours, Advanced Placement, CLEP, remedial/developmental courses, non-degree credit courses for an associate degree or higher, Pass/Fail and non-penalty withdrawal credit hours are excluded from the "attempted credit hours."

E. "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.

F. "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.

G. "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.

H. "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.

I. "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.

J. "Eligible institution" shall be defined as a public or independent institution.

K. "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.

L. "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/developmental, continuing education, and non-degree credit courses for an associate degree or higher.

M. "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.

N. "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.

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

P. "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~~ who had a major campus and headquarters located within South Carolina and was accredited by the Southern Association of Colleges and Secondary Schools ~~or the New England Association of Colleges and Schools~~ as of March 17, 2004." 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.

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

R. "LIFE grade point average" shall be defined as the cumulative grade point average calculation that includes attempted credit hours at all eligible SC public and independent institutions based on a 4.0 scale. The LIFE grade point average must not include attempted credit hours earned at out-of-state institutions study abroad or exchange programs outside the home institution, continuing education courses, distance education courses offered through out-of-state institutions, non-degree credit courses for an associate degree or 3higher and remedial/developmental courses. See Section 62-900.55 for the steps to calculate the "LIFE GPA".

S. “Non-degree credit courses” shall be defined as courses that count towards graduation in a certificate or diploma program only. Non-degree credit courses must not be used in the “LIFE GPA” calculation or towards the 30 credit hour requirement for an associate degree or higher.

T. An “offense” shall mean a violation of any law or rule in any State or Federal criminal justice system.

U. 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.

V. “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 and the program is approved by the Commission on Higher Education. Students who have been awarded a baccalaureate or graduate degree are not eligible for scholarship funding.

W. “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.”

X. “Remedial/developmental coursework” shall mean sub-collegiate level preparatory courses in English, mathematics, and reading.

Y. “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.

Z. “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 Statutes;

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 be either a member of a class graduating from a high school located in this State, a student who has successfully completed at least three of the final four years of high school within this State, a home school student who has successfully completed a high school home school program in this State in the manner required by law, or a student graduating from a preparatory high school outside this State, while a dependent of a parent or guardian who is a legal resident of this State and has custody of the dependent according to State Statute, Section 59-149-50A;

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

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

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

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

4. For first-time entering freshmen at eligible two-year or technical institutions, students must earn a cumulative 3.0 grade point ratio (GPR) upon high school graduation on the Uniform Grading Scale. No other grading policy will be allowed to qualify for the LIFE Scholarship. Grade point ratios must be reported to two decimal places (minimum) and may not be rounded. For example, a student who earns a 2.99 GPA is not eligible.

5. In order to meet the GPR and class rank requirements, home school and out-of-state students may request an official rank and GPR verification based on the Uniform Grading Scale from either the approved home school association or the public high school they would have attended. An official letter on the public high school's letterhead must be written to the eligible institution stating the student's class rank (hypothetical) and total class size and GPR based on the Uniform Grading Scale upon high school graduation. The hypothetical class rank will not count against the number of students eligible from that high school for LIFE Scholarship eligibility.

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

7. 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 after the date of the adjudication, conviction or plea; and

8. Certify that he/she has not defaulted and does not owe a refund or repayment on any Federal or State financial aid. If a student has an Institutional Student Information Record (ISIR) or its equivalent on file, the ISIR information will be used to verify default status or refund/repayment owed on any Federal or State financial aid. Students who have not completed a Free Application for Federal Student Aid (FAFSA) 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 will be used toward the credit hour requirement.

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

D. 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.

E. Students who complete their high school graduation requirements prior to the official graduation date reported on the final high school transcript may be eligible to receive the LIFE Scholarship dependent on the approval of the Commission on Higher Education (CHE). The 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 an official high school transcript and an official letter from the high school principal verifying that he/she has met all graduation requirements.

F. 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 "LIFE GPA" at the end of the academic year. The student will be eligible to receive the maximum number of terms of eligibility based on initial college enrollment.

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

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

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

J. The terms of eligibility to receive the LIFE Scholarship shall not include the period of time the student is enrolled in remedial/developmental courses, as in Section I above. Students who were eligible for the LIFE Scholarship based on high school record but required more than one academic year of remedial/developmental 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 K below.

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

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

M. 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.

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

62-900.15 Continued Eligibility

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

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

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

C. Students who initially enroll in college mid-year (spring term) may be eligible to receive the LIFE Scholarship the next academic year, if the student earns a minimum of fifteen credit hours and a 3.0 "LIFE GPA" at the end of the academic year. For subsequent years, the student must earn an average of 30 credit hours for renewal. The student may be eligible to receive the maximum number of terms of eligibility based on initial college enrollment.

62-900.20 Terms of Eligibility

A. The maximum number of terms of eligibility is based on the student's initial college enrollment with the exception of the summer term attended immediately prior to the student's initial college enrollment and remedial/developmental coursework taken during the first academic year.

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

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

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

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 at least a 3.0 "LIFE GPA" by the end of each academic year;
3. Earn an average of thirty credit hours for graduation purposes by the end of each academic year based on initial college enrollment:
 - (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 3.0 "LIFE GPA" at the end of the first academic year. To qualify for subsequent years, the student must meet all eligibility requirements as stated in Section A above.

C. Students who initially enroll in college mid-year (spring term) may be eligible to receive the LIFE Scholarship the next academic year, if the student earns a minimum of fifteen credit hours and a 3.0 "LIFE GPA" at the end of the academic year. For subsequent years, the student must earn an average of 30 credit hours for renewal. The student may be eligible to receive the maximum number of terms of eligibility based on initial college enrollment.

62-900.30 Transfer Students

A. Transfer students must meet all eligibility requirements as defined in the "Continued Eligibility" or "Regaining or Earning Eligibility" Sections, except for the credit hour requirement according to Section C below.

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

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

1. earned a cumulative 3.0 grade point average on a 4.0 scale at all prior institutions. For eligibility for subsequent years, the student must earn a 3.0 "LIFE GPA"; and
2. earned a minimum of thirty credit hours (or equivalent) at all institutions as a rising sophomore or consistent with the institutional policies for graduation purposes; or
3. earned a minimum of sixty credit hours (or equivalent) at all institutions as a rising junior or consistent with the institutional policies for graduation purposes; or
4. earned a minimum of ninety credit hours (or equivalent) at all institutions as a rising senior or consistent with the institutional policies for graduation purposes; or
5. earned a minimum of one hundred twenty credit hours (or equivalent) at all institutions as a rising fifth year student in an approved five-year baccalaureate degree program or consistent with the policies for graduation purposes.

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

62-900.35 Students with Disabilities

A. Students who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must meet all eligibility requirements as defined in "Student Eligibility, Continued Eligibility, Regaining or Earning Eligibility, or Transfer Students" Sections except for the full-time enrollment requirement, if approved by the Disability Services Provider. 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. Each academic year, students must complete the required number of credit hours approved by the institutional Disability Services Provider for scholarship renewal and earn a 3.0 "LIFE GPA". Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

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

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

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

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

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

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

D. For students enrolled in an internship, cooperative work program, travel study program or National or International Student Exchange Program during the entire academic year that is approved by the home institution but does not award full-time transfer credit for the entire academic year, scholarship renewal for the next academic year will be based on the prior year's eligibility. Students who did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship

funds during the succeeding summer or at the end of the maximum terms of eligibility based on initial college enrollment (provided the student meets the continued eligibility requirements).

E. Students enrolled in an internship, a cooperative work program, a travel study program or National or International Student Exchange Program during the academic year that is approved by the home institution and did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on initial college enrollment (provided the student meets the continued eligibility requirements). In order to receive LIFE Scholarship funds for summer school at the home-institution, students must enroll in twelve credit hours during the summer. In order to maintain eligibility for the next academic year for students who only attend summer school at the home institution, the student must earn twelve credit hours during the academic year. For students who enroll in summer school and one other term of the academic year at the home institution, the student must earn a total of twenty-seven credit hours (or its equivalent) for the academic year. The student must meet all eligibility requirements as specified in the "Continued Eligibility" Section, except for the completion of the thirty credit hour requirement for the academic year.

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

62-900.41 Military Mobilization

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

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

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

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

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

62-900.45 Refunds and Repayments

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

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

62-900.50 Appeals Procedures

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

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

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

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

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

F. The Appeals Committee's decision is final.

62-900.55 Institutional Policies and Procedures for Awarding

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

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

C. The student must certify by submitting a signed affidavit that he/she is responsible for submitting transcripts from all previous and current eligible SC institutions. If the student enrolls at an eligible institution at any time during the academic year (fall, spring or summer), the student must submit an official transcript to the home institution by the end of each academic year.

D. Steps for calculating a "LIFE GPA":

1) Convert all grades earned at an eligible SC institution to a 4.0 scale based on each institution's grading policy where the grades were earned = grade points

2) Multiply the grade points by attempted credit hours = Quality Points (QP)

3) Divide the total quality points by the total number of attempted credit hours = LIFE GPA

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

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

F. The "LIFE GPA" must not include attempted credit hours earned at out-of-state institutions study abroad or exchange programs outside the home institution, continuing education courses, distance education courses offered through out-of-state institutions, non-degree credit courses for an associate degree or higher and remedial/developmental courses.

G. The student must earn an average of 30 credit hours each academic year as defined in the "Continued Eligibility," "Regaining or Earning Eligibility" or "Transfer Students" Sections.

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

and institutional funds, shall not exceed the cost-of-attendance as defined in Title IV regulations for any academic year.

I. Students who have already been awarded a first 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.

J. 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 any 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.

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

1. Award notification
2. Institutional disbursement to student
3. Student's residency status
4. Refunds and repayments (if appropriate)
5. Enrollment and curriculum requirements
6. A 3.0 "LIFE GPA" and required number of earned credit hours
7. Affidavit documenting that the student: 1) has never been convicted of any felonies, any alcohol or other drug related misdemeanor offenses; 2) understands that non-degree credit hours will not be used in calculating the "LIFE GPA" or credit hour requirements if they are enrolled in an associate degree or higher; and 3) must certify that they have submitted transcripts from all previous and current institutions attended
8. Institutional Student Information Record (ISIR) or affidavit documenting that the student is not in default or does not owe a refund or repayment on any State or Federal financial aid
9. High school transcript(s) verifying graduation or home school completion date or GED Diploma, grade point averages and class ranks (first-time entering freshmen)
10. SAT or ACT scores (first-time entering freshmen)
11. Verification of student's disability (if appropriate)

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

M. 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 awarded during the fall term

and half during the spring term (or its equivalent), assuming continued eligibility. Scholarships cannot be disbursed during the summer or any interim sessions with the exception to disbursements that meet the requisites under the "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs" or "Military Mobilization" Sections. The LIFE Scholarship in combination with all other gift aid, including Federal, State, private and institutional funds, shall not exceed the cost-of-attendance as defined in Title IV regulations for any academic year.

B. The LIFE Scholarship may not be applied to a second 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 funds.

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

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

62-900.65 Program Administration and Audits

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

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

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

62-900.70 Suspension or Termination of Institutional Participation

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

may suspend, terminate, or place certain conditions upon the institution's continued participation in the program and require reimbursement to the LIFE Scholarship program for any funds lost or improperly awarded.

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

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

Fiscal Impact:

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

Statement of Rationale: