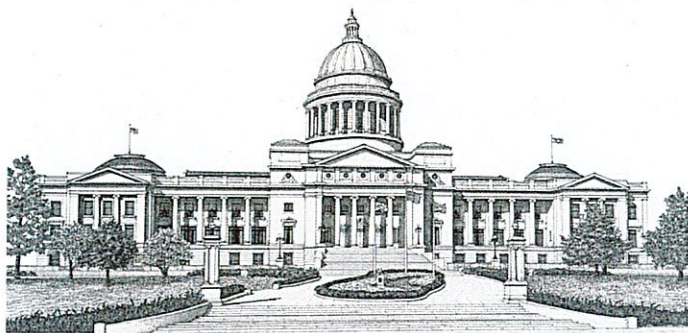


ARKANSAS REGISTER

Transmittal Sheet

Use only for **FINAL** and **EMERGENCY RULES**



Secretary of State

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For Office

Use Only:

Effective Date _____ Code Number _____

Name of Agency Arkansas Department of Education

Department Division of Higher Education

Contact Courtney Salas-Ford E-mail courtney.salas-ford@ade.arkansas.gov Phone (501) 682-4752

Statutory Authority for Promulgating Rules Ark. Code Ann. §§ 6-61-202 and 6-82-105

Rule Title: ADHE Rules Governor's Higher Education Transition Scholarship Program

Intended Effective Date

(Check One)

Date

☐ Emergency (ACA 25-15-204)

Legal Notice Published

May 3, 2024

☒ 10 Days After Filing (ACA 25-15-204)

Final Date for Public Comment

Jun 6, 2024

☐ Other _____
(Must be more than 10 days after filing date.)

Reviewed by Legislatice Council

Nov. 14, 2024

Adopted by State Agency

Oct. 14, 2024

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Alisha Price

alisha.price@ade.arkansas.gov

Nov. 21, 2024

Contact Person

E-mail Address

Date

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

Signature

(501) 682-7590

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Phone Number

E-mail Address

ADE Associate Legal Counsel

Title

Nov. 21, 2024

Date

**DIVISION OF HIGHER EDUCATION RULES GOVERNING THE GOVERNOR'S
HIGHER EDUCATION TRANSITION SCHOLARSHIP PROGRAM**

Effective Date: December 1, 2024

1.00 REGULATORY AUTHORITY AND PURPOSE

- 1.01 This rule shall be known as the Division of Higher Education Rules Governing the Governor's Higher Education Transition Scholarship Program.
- 1.02 This rule is enacted pursuant to the Higher Education Coordinating Board's authority under Ark. Code Ann. §§ 6-82-105 and Acts 2022, No. 215.
- 1.03 The purpose of this rule is to establish the requirements and processes governing the Governor's Higher Education Transition Scholarship Program.

2.00 GOVERNOR'S HIGHER EDUCATION TRANSITION SCHOLARSHIP

- 2.01 The Division of Higher Education shall oversee the establishment of the Governor's Higher Education Transition Scholarship Program.
- 2.02 Continuation of the Governor's Higher Education Transition Scholarship Program shall be contingent upon available funding.

3.00 ORGANIZATION AND STRUCTURE

- 3.01 The Division of Higher Education shall administer the Governor's Higher Education Transition Scholarship Program.
- 3.02 The division shall establish application periods and deadlines.

4.00 ELIGIBILITY CRITERIA

- 4.01 The Governor's Higher Education Transition Program Scholarship may only be awarded to those students who are admitted into transition programs that are accredited by The Institute for Community Inclusion as Comprehensive Training Programs.
 - 4.01.1 In order to be considered a qualifying institution, an institution must offer a transition program as described in section 4.01.

- 4.02 Students, or representatives acting on behalf of students, must complete the online scholarship application provided by the Division of Higher Education.

5.00 CONTINUED ELIGIBILITY

- 5.01 Recipients of the Governor's Higher Education Transition Scholarship will maintain award eligibility for a maximum of eight (8) semesters as long as the recipients are continuously enrolled in a transition program.

6.00 SCHOLARSHIP AMOUNTS

- 6.01 Scholarship awards are contingent upon availability of funds.
- 6.02 Awards may not exceed the institutional cost of attendance. The maximum award amount is \$2,500.00 per semester that the student qualifies for the scholarship.
- 6.03 Awards may be applied to tuition, mandatory fees, programmatic fees, room and board, supplies, or extended support services.

7.00 PAYMENT OF SCHOLARSHIPS

- 7.01 The Division of Higher Education shall disburse scholarship funds to the qualifying institution of the recipient's choice via electronic funds transfer or state warrant.
- 7.02 After verification of enrollment, the institution will disburse the scholarship funds to the student according to the institution's disbursement procedures.
- 7.03 The scholarship payment will correspond to academic terms, semesters, quarters, or equivalent time periods at the institution.
 - 7.03.1 For purposes of scholarship payments, academic terms at the institution may include summer terms, semesters, quarters, or their equivalent.
- 7.04 In no instance may the entire amount of the scholarship disbursement for an educational year be paid in advance to or on behalf of such student.
- 7.05 If the recipient of a scholarship withdraws, drops out, or is expelled on or after the first day of class of a payment period, the institution will determine whether the student received an overpayment of financial aid funds for non-institutional expenses.

- 7.05.1 Overpayment is the difference between the amount received as cash disbursements and the amount incurred for non-institutional costs during the portion of the payment period that the student was actually enrolled.
- 7.05.2 It is the institution's responsibility to contact students and recover overpayment(s).
- 7.05.3 The institution shall refund the overpayment(s) to the division.
- 7.06 If the award of a Governor's Higher Education Transition Program Scholarship results in an overpayment to the student per Ark. Code Ann. § 6-80-105, the institution shall follow the ADHE Scholarship Stacking Policy in reducing the student's financial package so that the student does not receive funds above the federally recognized cost of attendance.

8.00 RESPONSIBILITIES OF QUALIFYING INSTITUTIONS

- 8.01 The chief executive officer of the qualifying institution is responsible for appointing one representative from the financial aid office to act as administrator of the Governor's Higher Education Transition Scholarship Program and to receive all communications, forms, and other correspondence related to the program. This representative will be responsible for verification, data and compliance with all program rules.
- 8.02 The institution shall maintain information regarding disbursement of scholarship funds.
- 8.03 The deadline for disbursement of funds is no later than ten (10) days after receipt of funds.
 - 8.03.1 Any outstanding funds not disbursed by these dates must be returned to the Division of Higher Education.
 - 8.03.2 If the division receives an application beyond the deadline referenced in section 8.03, disbursement will be made within ten (10) business days of receipt of the verification roster and electronic transfer of funds.
- 8.04 In exercising its due diligence requirements as a steward of state funds, the division shall periodically review the qualifying institution's records concerning this program.

- 8.05 Upon request, the qualifying institution shall exercise due diligence in providing the division with complete, accurate, and timely information regarding current and former Governor's Higher Education Transition Scholarship Program recipients.
- 8.06 Institutions with accredited transition programs will certify students' admittance and enrollment prior to scholarship award.
- 8.07 The institution shall comply with all applicable law and rules in order to maintain its status as a qualified institution.

9.00 RESPONSIBILITIES OF RECIPIENTS

- 9.01 It is the recipient's responsibility to notify the Division of Higher Education of any change in status within twenty-one (21) days, including the recipient's:
 - 9.01.1 Change in name;
 - 9.01.2 Change in address; and
 - 9.01.3 Change in institution.
- 9.02 Failure to notify the division of a change in status may affect future eligibility.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT _____
BOARD/COMMISSION _____
PERSON COMPLETING THIS STATEMENT _____
TELEPHONE NO. _____ **EMAIL** _____

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE _____

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes No

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
Yes No

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If no, please explain:

(a) how the additional benefits of the more costly rule justify its additional cost;

(b) the reason for adoption of the more costly rule;

(c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

(d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:
(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.