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ARKANSAS WORKFORCE IMPROVEMENT GRANT PROGRAM

RULES AND REGULATIONS

RULE 1 - ORGANIZATION AND STRUCTURE

I. The Arkansas Department of Higher Education shall administer the Arkansas Workforce Improvement Grant within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his designee. The Arkansas Workforce Improvement Grant Advisory Council shall provide advice to the Department of Higher Education related to administration of the program.

II. Workforce Improvement Grant Council

A. The Arkansas Workforce Improvement Grant Advisory Council shall consist of eight members appointed for staggered three-year terms by the Director of the Arkansas Department of Higher Education. The members shall be appointed in the following numbers: four-year public or private institutions (three representatives); two-year public or private institutions (three representatives; the Executive Director of the Arkansas Association of Two-Year Colleges; and the President of the Arkansas Association of Student Financial Aid Administrators, who will serve a one-year term. The committee members shall initially be appointed for staggered terms so that one member from a four-year institution and one member from a two-year institution shall be replaced each year.

B. The Workforce Improvement Grant Advisory Council shall advise the Arkansas Department of Higher Education in the determination of guidelines and regulations for the administration of this program.

C. The elected chairperson shall serve as presiding officer of the Workforce Improvement Grant Advisory Council. The Director of the Arkansas Department of Higher Education shall ensure that staff services for the Council are provided.

III. The final responsibility for setting selection criteria shall rest with the

Director of the Arkansas Department of Higher Education or designees pursuant to the provisions of Act 1796 of 2003, Act 2129 of 2005 and subsequent legislation.

IV. When functioning under the acts listed above, the Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act.

RULE 2 - GRANT ELIGIBILITY CRITERIA

I. Eligibility Criteria

To be eligible to receive the Arkansas Workforce Improvement Grant (WIG), a student must meet the following requirements:

A. The student must be a citizen of the United States or a permanent resident alien.

B. The student must be a bona fide resident of the State of Arkansas, as defined by the Arkansas Department of Higher Education, six months prior to the date on which the student applies.

C. The student must be enrolled in a minimum of three (3) credit hours or the equivalent, as of the eleventh day of class, at an approved institution which has been determined eligible to participate in the Workforce Improvement Grant Program.

D. The student must not have earned a first baccalaureate degree.

E. All students must meet the satisfactory academic progress standards required to receive other federal financial aid (i.e., Pell Grant, College Work-Study, Stafford Loan, SEOG, etc.) at the institution to be attended.

F. The student must demonstrate financial need, as determined by the program rules and regulations, by completing the Free Application for Federal Student Aid (FAFSA).

G. The student must not owe a refund on a Pell Grant, SEOG, or SSIG award or be in default on a National Defense/Direct Student Loan, Perkins Loan, Stafford Student Loan, Supplemental Loan for Students, PLUS Loan, Income Contingent Loan, William D. Ford Federal Direct Loan, or Consolidated Loan programs. The student must not have borrowed, as determined by the institution to be attended, in excess of the annual loan limits under the Federal

Family Education Loan Program, William D. Ford Federal Direct Loan Program, Income Contingent Loan, Stafford Student Loan, PLUS Loan, or Supplemental Loan for Students in the same academic year for which the student has applied for assistance under the Workforce Improvement Grant Program, and must not have borrowed in excess of the aggregate maximum loan limits under the above loan programs.

H. The person is twenty-four (24) years of age or older on or before the first day of the semester or summer session in which the Workforce Improvement Grant has been awarded and has been declared an independent student for federal financial aid purposes.

I. The person is accepted for admission at an approved institution to pursue a baccalaureate degree, an associate degree, or a credit certificate.

J. The person graduated from high school or passed the General Educational Development Test, or meets the ability to benefit criteria as defined by federal regulations in existence on January 1, 2003.

RULE 3 - APPLICATION PROCESS

I. Application

Application for the Arkansas Workforce Improvement Grant Program originates through the student's individual initiative. To apply for the Workforce Improvement Grant Program, the student must file the Free Application for Federal Student Aid (FAFSA). Eligible institutions may establish a deadline as needed to administer the program.

II. Minimum Academic Standards

An initial first year student must meet the satisfactory academic progress standards required to receive other Federal financial aid (i.e., Pell Grant, College Work-Study, SEOG, loans, etc.) at the institution to be attended. Continuing students must meet the satisfactory academic progress standards of the institution attended.

III. Submission of Applications

All students who are classified as Arkansas residents and who plan to enroll in an approved institution may apply.

RULE 4 - AWARD PROCESS

I. Arkansas institutions of higher education will award the Arkansas Workforce Improvement Grant to eligible students based on the criteria below.

~~A.~~ Awards will be made based on the information eligible applicants provide on the Free Application for Federal Student Aid (FAFSA). Awards will be made to eligible applicants who demonstrate the greatest unmet need (excluding student loans); total aid not to exceed the institution's cost of attendance, until funds have been exhausted. Eligible institutions may establish a deadline as needed to administer the program.

B. The maximum annual award is tuition and mandatory fees, up to $2,000 per year. The amount of the Pell Grant award received by the recipient will be taken into account in the award amount. The award formula shall be: WORKFORCE IMPROVEMENT GRANT Award = (Max. award amount – Pell Award). The maximum amount of the annual grant for part-time students shall be pro-rated on the basis of the number of credit hours enrolled each term and shall never be more than the cost of tuition and fees. The total award amount to any one student shall never exceed $8,000 and the student may not be awarded more than the full-time equivalent of four years.

C. The Workforce Improvement Grant must be reduced or eliminated to prevent an overaward in accordance with state and federal laws.-

D. Eligible institutions will send a notice to each applicant who is awarded a Workforce Improvement Grant informing them of the award and the conditions of that award.

RULE 5 - GRANT PAYMENT POLICIES

I. ~~Grant payments will be made to eligible institutions on a bi-annual basis.~~ Institutions will be notified by May 15 of their grant ~~payment~~ <u>allocation</u> for the following academic year.

II. Students who withdraw from school may owe a refund to the program. It is the institution's responsibility to collect the refund from the student.

Institutions shall continue to award students until all funds are spent.

III. Workforce Improvement Grants are not automatically renewable. Students must apply each year and awards will be made based on the amount of funds available and the need of the eligible applicants. The maximum award amount to any one student shall never exceed $8,000.

IV. ADHE will send the required funds to each institution by electronic funds transfer or state warrant. Each institution will disburse these funds in accordance with its disbursement procedures.

V. Institutions shall not be allowed to use the Workforce Improvement Grant award to reduce any institutional financial aid funds awarded to eligible students.

RULE 6 - INSTITUTIONAL RESPONSIBILITIES

I. Administrative Agreement

The chief executive officer of the eligible institution is responsible for appointing one representative from the financial aid office to act as administrator of the Workforce Improvement Grant Program and to receive all communications, forms, etc. This representative is responsible for verification, data and compliance with all program rules and regulations. The institution must comply with all rules and regulations in order to maintain continued eligibility status.

~~I.~~II. Disbursement Records

The institution shall maintain information on the student indicating the awarding and disbursement of these funds.

~~II. End of Year Balancing~~

~~By September 1 of each year, each institution will submit a report to ADHE with a list of students who received the Workforce Improvement Grant in the previous academic year and the amount of funds received by each student. The format for this report will be determined by ADHE in conjunction with the institutions and must be sent electronically.~~

III. Institutional Verification

The institution shall provide certification of enrollment status and award amount, as of the completion of the eleventh day of classes, by means of an electronic verification roster. The roster will report each student awarded the grant, the amount of the award and the student's enrollment status. The specific format and required data elements will be determined by ADHE in conjunction with the institutions. The rosters shall be returned to the Arkansas Department of Higher Education by November 1 for the fall term and by April 1 for the spring term.-

IV. Deadlines for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after written receipt of funds. Any outstanding funds not disbursed by these dates must be returned to the Arkansas Department of Higher Education.

~~III.~~V. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on Workforce Improvement Grant recipients. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Workforce Improvement Grant Program.

The Arkansas Department of Higher Education will periodically review the institution records concerning the Workforce Improvement Grant program to exercise its due diligence requirements as the steward of state and federal funds.

RULE 7 - PROGRAM DEFINITIONS

Unless defined below, all terms applicable to the Workforce Improvement Grant Program are as defined for federal student financial aid programs.

Eligible Applicant	An Arkansas resident over the age of 24 who filed the Free Application for Federal Student Aid (FAFSA) by the deadline established by the eligible institution of the current academic year, has unmet need, is enrolled in a minimum of three (3) semester credit hours at an eligible institution, and is declared an independent student for federal financial aid.
Eligible Institution	a public or private not-for-profit postsecondary institution with primary headquarters located in Arkansas and that is eligible to receive Title IV Federal student aid funds OR only under conditions set forth in A.C.A. 6-82-1007, a public or private nursing school located in Arkansas

that is approved by the State Board of Nursing and which does not discriminate against employees on the basis of race, color, religion, sex, age, handicap or national origin, consistent with the provisions of applicable state and federal law.

Mandatory Fees	Those fees charged to all students and those fees associated with academic courses.
Overaward	A situation that exists when the student's total financial aid package exceeds the student's need.
Unmet Need	The Cost of Attendance as calculated using federal regulations and guidelines less the Expected Family Contribution as calculated using Federal Methodology less all other grants, scholarships and financial assistance (not including loans) awarded