

(MARK UP)

## MINORITY MASTERS FELLOWS PROGRAM RULES AND REGULATIONS

### RULE 1 - ORGANIZATION AND STRUCTURE

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- I. The Arkansas Department of Higher Education (ADHE) shall administer the Minority Masters Fellows Program within the policies set by the State Board of Higher Education. The program will provide ~~scholarships~~ **forgivable loans** to African-American, Hispanic, Asian-American and Native American students who have completed their baccalaureate degrees and are entering a master's program in ~~mathematics, science, or foreign language~~ **education in a field other than administration**. ~~African-American, Hispanic, Asian-American and Native American students in the fifth year of a five-year teacher education program who were eligible to participate in the Minority Teacher Scholars Program are also eligible to participate. Beginning with the 1997-98 academic year, applicants who enroll in the master's degree program in education must have been recipients of the Minority Teacher Scholars Program scholarships.~~

All formal communications shall be addressed to or signed by the Director of the ~~Arkansas Department of Higher Education~~ ADHE or his/her designee.

- II. The final responsibility for selecting ~~scholarship~~ recipients shall rest with the Director of the ~~Arkansas Department of Higher Education~~ ADHE.

### RULE 2 - ~~SCHOLARSHIP~~ ELIGIBILITY CRITERIA

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- I. Eligibility Criteria
- A. Applicants must be African-American, Hispanic, Asian-American or Native American.
1. For guidance purposes, the terms African-American, Hispanic, Asian-American, and Native American are based on the Race/Ethnic classifications utilized by the Integrated Postsecondary Education Data System (IPEDS) as follows:
- a. African-American = Black/Non-Hispanic: a person having origins in any other black racial groups of Africa.
- b. Hispanic: a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
- c. Asian-American = Asian or Pacific Islander: a person having

origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes those from China, Japan, Korea, the Philippine Islands, Samoa, India and Vietnam.

- d. Native American = American Indian or Alaska Native: a person having origins in any of the original peoples of North America and who maintains cultural identification through tribal affiliation or community recognition.

## **2. The ADHE reserves the right to request documentation of minority status.**

- B. Applicants must be bona fide Arkansas residents, as defined by the ~~Arkansas Department of Higher Education~~ ADHE, for at least six months prior to the application deadline.
- C. Applicants must be citizens of the United States or permanent resident aliens.
- D. Applicants must be enrolled ~~full-time~~ in a public or independent 4-year institution located in Arkansas. ~~Full-time is defined as a minimum of nine college semester hours, or the equivalent, excluding correspondence courses.~~
- E. Applicants must have received a baccalaureate degree. They must be admitted to an **approved** master's level program in ~~mathematics, the sciences or foreign languages~~ **education in a field other than** administration at an **approved** Arkansas university. ~~In addition, students in the fifth year of a five-year teacher education program who were eligible for the Minority Teacher Scholars Program scholarship are eligible for the Minority Masters Fellows Program if their undergraduate major field was mathematics, any of the sciences or foreign languages. In 1995-96 and 1996-97, such applicants are eligible to receive Minority Masters Fellowships whether or not they actually received a Minority Teachers Program scholarship. Starting in 1997-98, however, a fifth-year master's program applicant must have been a recipient of the Minority Teacher Scholars Program award.~~
- F. ~~Priority will be given to applicants who have completed baccalaureate degrees within the past two years.~~ **Priority is given to returning applicants, former recipients of the Minority Teacher Scholars Program (MTSP), and applicants who have completed their baccalaureate degree within the past two years.**
- G. Applicants must have a minimum 2.75 cumulative grade point average on a

4.00 scale (or its equivalent). For continued eligibility, masters fellows must maintain a 3.0 grade point average.

## **II. Continuing Eligibility Requirements**

**For continuing eligibility, Minority Masters Fellows must maintain a 3.00 grade point average in courses funded by this program. Applicants for a continuing award must complete a new application each year.**

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## **RULE 3 - SELECTION PROCESS**

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- I. Students must submit an application to the Arkansas Department of Higher Education ADHE. Applications will be mailed to presidents and chancellors for distribution to all deans and department chairs, to financial aid directors, and to Teacher Certifying Officials at all public and independent four-year institutions in the State of Arkansas **available for download on the ADHE website.** Applications may also be obtained from **the** ADHE upon request.

II. Deadline for Applications

~~The application deadline is June 1.~~ **The application deadline will be established by the ADHE and published on the ADHE website and in the ADHE financial aid brochure.**

III. Review of Applications

For applications that are either incomplete or ineligible, a notice will be sent to the applicant identifying the reason for incompleteness or ineligibility **applicants will be notified of the reason for incompleteness or ineligibility.** The applicant will then have the opportunity to provide the missing information or correct any inaccurate information.

IV. Ranking of Applicants

**Priority is given to returning applicants, former recipients of the Minority Teacher Scholars Program (MTSP), and applicants who completed their baccalaureate degree within the past two years. If necessary,** applications are **may be** ranked according to a combination of components including cumulative grade point average and major grade point average.

V. Selection and Notification of Recipients

- A. The ADHE shall review ranked applicants and make recommendations for scholarship recipients **awards** based on allocation of funds. ~~The total of initial awards shall not exceed \$200,000 in 1995-96.~~

B. The final responsibility for selecting scholarship recipients shall rest with the Director of the Arkansas Department of Higher Education **ADHE**.

~~C. Recipients will be notified by mail of their awards.~~

VI. Institutional Eligibility

The institution to be attended under the scholarship program must be an Arkansas public or independent four-year institution, and must meet federal institutional eligibility requirements, **and must be approved by the ADHE for the teacher education program chosen by the student.**

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**RULE 4 - AWARDING OF SCHOLARSHIP FUNDS**

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I. Award Process

Scholarship Recipients will be mailed award notices announcing their selection ~~for the program~~ **notified of their eligibility for the program and the conditions for continued eligibility.** Prior to the disbursement of funds, ~~each recipients~~ will receive a **complete** promissory notes for the purpose of entering into an agreement with **the** ADHE. The terms of the agreement will include the general purpose, repayment and deferment procedures, ~~interest calculations, and a schedule of advances.~~ The promissory note shall be signed by the scholarship recipient ~~and by a co-maker of eligible age.~~ Modifications to any award amounts will be confirmed through the issuance **completion** of a new promissory note.

**II. Disbursement of Funds**

**Funds will be sent to the institution after verification of enrollment. The institution disburses the funds in accordance with its policy.**

**Act 1180 of 1999 states that students who receive financial aid from public funds may not use those funds in a financial aid package to exceed the federally recognized cost of attendance at the institution where the student enrolls. The institution must follow the ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.**

II. Limitation of Scholarships **FUNDS**

~~A. Students may receive up to \$7,500 for one academic year (or up to \$2,500 per summer for no more than three summers).~~

~~B. Students may receive the scholarship for a maximum of one academic year (or no more than three summers).~~

**A. Students may receive up to \$1,250 per three semester credit hours enrolled with a maximum award of \$3,750 per semester. The maximum lifetime award is \$7,500.**

**B. Students may receive funds until they have received the maximum award of \$7,500, or until they have completed their master's degree, or for a maximum of three years, whichever comes first.**

~~III. Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the Federally recognized cost of attendance at the institution where the student enrolls. The institution must follow ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.~~

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## **RULE 5 - REPAYMENT OF SCHOLARSHIP LOAN**

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### **I. Terms of Repayment**

~~A. Scholarship~~ Recipients who teach full-time in an Arkansas public school or public institution of higher education for two years shall have the total ~~scholarship loan~~ and related interest forgiven. This shall be in addition to any teaching obligation the recipient may have to fulfill based on receipt of a Minority Teacher Scholars Program scholarship **other ADHE forgivable loans received while pursuing an undergraduate degree in education.**

B. Recipients who do not teach full-time in an Arkansas public school or public institution of higher education, or who discontinue their studies prior to completing their program of study, shall ~~go into repayment~~ **repay the full remaining balance plus accrued interest according to an interest and repayment schedule provided by the ADHE. At this point, the recipient's award converts to a repayable loan.**

The repayment schedule will be set in monthly payments based on the total amount of the loan remaining at the time of entry into repayment, plus interest. Payments will be computed to ensure that repayment will be completed within a maximum of five years from the completion of study or withdrawal from school.

### **II. Interest on Loan**

A. Interest will accrue from the beginning of the repayment period at a maximum annual percentage rate ~~not to exceed five percent (5%) per annum above the Federal Reserve Discount Rate at the time of the~~

contract on the outstanding principal of 10 percent on the unpaid balance. Interest will be calculated as a simple, per annum interest charge on the outstanding principal.

- B. Interest will not accrue and installments need not be paid when a deferment has been approved by the ~~Arkansas Department of Higher Education~~ **ADHE**. Any recipient who desires a deferment must submit an application for deferment to **the ADHE** for approval.

### III. Deferment of Loan

- A. **At the discretion of the ADHE** ~~ADHE's discretion~~, scheduled loan repayments may be deferred if **the ADHE** determines that extraordinary circumstances prevent the recipient from making such repayments. Deferments may be granted for the following conditions:
1. The recipient is engaged in a full-time course of ~~doctoral~~ study at an institution of higher education. This must be verified by the registrar's office.
  2. The recipient is seeking and unable to find employment as a teacher for a single period not to exceed twelve **(12)** months. The loan recipient must submit a list of schools contacted for employment. **The ADHE** will verify this information with the schools listed.
  3. The recipient is temporarily totally disabled, for a period not to exceed three **(3)** years, as established by sworn affidavit from a licensed physician. **The ADHE** reserves the right to require a second opinion by an ADHE approved physician.
  4. The recipient is unable to secure employment for a period not to exceed twelve (12) months by reason of the care of a spouse who is disabled, as established by the signature of a licensed physician. **The ADHE** reserves the right to require a second opinion by an ADHE approved physician.
  5. Other extraordinary circumstances which would prevent the recipient from repaying the debt within the contractual obligations of the promissory note may be considered.
- B. To qualify for any of the deferments, recipients must notify **the ADHE** of their claim ~~to the deferment~~ on a Request for Deferment form which will be supplied by **the ADHE** upon request. The recipient must complete the Request for Deferment form and return it, along with supporting documentation, to **the ADHE**. **The ADHE** will notify the recipient ~~within ten (10) working days~~ of approval or disapproval of any application for a

deferment.

IV. Cancellation of ~~Scholarship~~ Loan

The ADHE will cancel a recipient's repayment obligations if it determines:

- A. On the basis of a sworn affidavit of a licensed physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or to result in death. The ADHE reserves the right to require a second opinion by an ADHE approved physician; or
- B. On the basis of a death certificate or other evidence of death, ~~that is~~ conclusive under state law, that the recipient has died.

V. Prepayment of Loan

There shall be no penalty for prepayment or repayment of all or any portion of the principal.

VI. Grace Period

There will exist a nine (9) month grace period following graduation before the recipient must either take employment in an Arkansas public school or public institution of higher education ~~in an approved subject specified for this program~~ or begin repayment of the ~~scholarship~~ loan.

VII. Failure to Repay

~~Scholarship~~ Recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt.

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**RULE 6 - INSTITUTIONAL RESPONSIBILITIES**

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I. College/University Responsibilities

A. Institutional Verification

The institution shall provide certification to the ADHE each semester after ~~registration~~ the 11<sup>th</sup> class day, giving listing the names of the program ~~scholarship~~ recipients who are officially enrolled ~~as full-time students~~, the number of hours enrolled, and their grade point average. This information is reported on a verification roster.

~~The certifying official is responsible for completing the verification roster two times a year for those institutions on the semester system and three~~

~~times a year for those institutions on the trimester system. The verification roster will be mailed sent to the financial aid director at the time of registration for beginning of each term. The signed verification roster should be returned to the ADHE by July 1 for the summer I term, September 1 for the summer II term, November 1 for the fall term, March 15 for the winter and/or spring term, and May 1 of the spring term for institutions on the trimester system the requested date.~~

The verification roster is an alphabetical listing by institution of all persons receiving a Minority Masters Fellows scholarship loan for a given academic semester or trimester. ~~Students who are not enrolled full-time in the current term shall not receive scholarship benefits in that term.~~

B. Refund Policy

~~It is the institution's responsibility to notify ADHE of the names of any persons owing a refund, the date of the withdrawal, and the refund amount. This information should be placed on the institution's verification roster before returning it to ADHE.~~

Deadlines for Disbursement of Funds

~~The scholarship will be divided equally according to the number of terms at each institution: three payments for those institutions on trimesters and two payments for those institutions on semesters. After verification of full-time enrollment for the scholarship recipient, the institution disburses the funds in accordance with its policy.~~

**The deadline for disbursement of funds is no later than 10 days after written receipt of funds. Any outstanding funds not disbursed must be returned to the ADHE.**

C. Refund Policy

**It is the institution's responsibility to notify the ADHE of the name of any person owing a refund, the date of the withdrawal, and the refund amount.**

D. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the ADHE on any current or former loan recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Emergency Secondary Education Loan Program **Minority Masters Fellows Program**. The Arkansas Department of Higher Education **ADHE** will periodically



review the institution's records concerning this program in an effort to exercise its due diligence requirements as a steward of state funds.

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## **RULE 7 - SCHOLARSHIP RECIPIENT'S RESPONSIBILITY**

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### **I. Recipient's Responsibility**

It is the recipient's responsibility to notify the ~~Arkansas Department of Higher Education~~ **ADHE** of any change in status within 21 days. This will include:

Change in name;

Change in residence;

Change in institution;

Change in full-time status (below nine college semester credit hours or its equivalent per semester or trimester);

Change in course of study; and/or

Change in employment.

Failure to notify the ~~Arkansas Department of Higher Education~~ **ADHE** of a change in status will affect future eligibility or collection status.

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## **RULE 8 - COLLECTION OF LOAN**

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### **I. Collection of Loan**

~~Accounts will be retained by the ADHE in the Financial Aid Division until the individual is no longer eligible for forgiveness or deferment due to the recipient's failure to remain employed in the teaching field for the specified time period. At that time, the scholarship will be converted to a loan and the account will be turned over to a vendor for servicing. ADHE will notify the student by mail of this action and include a loan amortization schedule with the notification letter. The account will remain with the vendor until repaid or 120 days past due. Upon determination that a loan recipient is 120 days delinquent, ADHE will mail both the recipient and the co-signer a first letter of notification ten (10) days after the installment payment is due. If payment is not received within 60 days from the original payment due date, a second letter of notification will be sent to the loan recipient and the co-signer declaring the account delinquent and requesting that it be immediately brought up to date. If no response is received by 90 days from the original payment due, the third and final letter of notification will be sent to the recipient and co-signer informing them that the account will officially be in default if outstanding payments are not received within 30 days. At this point, defaulted~~

~~recipients and/or cosigners will be reported to credit reporting agencies, a state income tax set-off will be requested, and a civil suit will be initiated, if necessary, against the recipient and co-signer for repayment of the loan.~~

**Accounts will be retained by the ADHE in the Financial Aid Division until the individual is no longer eligible for forgiveness or deferment. At that time, the award will be converted to a repayable loan and the account will be turned over to a vendor for servicing. The ADHE will notify the recipient of this action and include a loan amortization schedule with the notification. This notification will be mailed to the recipient's last known address.**

**The account will remain with the vendor until repaid or 90 days delinquent. Upon determination that a loan recipient is 90 days delinquent, the recipient will receive a first letter of delinquent notification. If payment is not received within 60 days from the date of the first letter of delinquent notification, a second letter of delinquent notification will be sent to the loan recipient. If no response is received by 30 days from the date of the second letter of delinquent notification, a third and final letter will be sent to the recipient informing the recipient that the account is officially in default.**

**Defaulted recipients may be reported to credit reporting agencies, a state income tax set-off may be requested, and/or a civil suit may be initiated, if necessary, against the recipient for repayment of the loan.**

## II. Skip Tracing Mechanisms

If letters are returned as undeliverable, the Department of Finance and Administration's Motor Vehicle Division can be used to perform skip tracing activities. Motor Vehicle Division's records are updated in March and September each year. To get this information, **the ADHE may send** mail name, current address, and social security number ~~on Arkansas Department of Higher Education letterhead to:~~

Department of Finance and Administration  
Motor Vehicle Division  
P. O. Box 1272  
Little Rock, AR 72202  
ATTENTION: Correspondence Desk

~~A response from the Motor Vehicle Division should be received within ten (10) working days.~~ Additionally, **the ADHE may** will use these steps to locate recipients ~~and/or co-signers~~ if communications are returned as undelivered:

- ~~1.~~**A.** Contact references listed on the recipient's application;
- ~~2.~~**B.** Utilize telephone directory or check with directory assistance in the area of

the recipient ~~and/or co-signer's~~ last known address;

- ~~3.~~C. Contact institutional offices (alumni office, admissions office, registrar's office, fraternity or sorority, and the department that the recipient majored in) at the campus where the recipient last attended;
- ~~4.~~D. Contact creditors, such as credit card companies, credit bureaus, or GSL lender;
- ~~5.~~E. Contact recipient's field of study professional organization, union, or licensing board;
- ~~6.~~F. Contact post office;
- ~~7.~~G. Contact utility companies; and,
- ~~8.~~H. Contact Chamber of Commerce.

### III. Credit Reporting Agencies

Defaulted recipients ~~and/or co-signers will~~ may be reported to the following credit reporting agencies:

- ~~1.~~A. CSC Credit Reporting Services, Inc.
- ~~2.~~B. T R W Credit Data
- ~~3.~~C. Trans Union Credit Reporting
- D. Other credit reporting agencies as necessary

~~Forms for reporting defaulted loan recipients and/or co-signers are located in the collections file. The ADHE will also respond promptly to any inquiries it receives from credit reporting agencies concerning delinquent or defaulted loan recipients and/or co-signers.~~

### IV. State Income Tax Set-Off

By the authority of Act 345 of 1993, the ADHE is a claimant agency for the set-off of debts against state tax refunds. To access the Set-Off Section of the State Tax Administration Office, the ADHE must submit name, address, social security number, and amount of debt ~~via computer magnetic tape~~ by December 1 to intercept taxes for the next year.

### V. Litigation

No ~~sooner than 30 days after sending the third letter of notification,~~ The ADHE shall ~~may~~ institute a civil suit against the delinquent recipient and co-signer for repayment of the scholarship loan. Small Claims Courts will be used to satisfy debts of accounts up to \$3,000.00. If the account is ~~over \$3,000.00~~ \$3,000.01 or above, the ADHE may use Circuit Court. If ~~the account is \$3,000.01 or above,~~ The ADHE may choose to use Small Claims Courts and waive the difference because of the expense involved in going to Circuit Court.

If the ADHE chooses to waive the difference, it may not, at a later date, attempt to collect the difference. Forms to take the recipient and/or co-signer to Small Claims Court are requested from the recipient's ~~and/or co-signer's~~ county of residence.

#### VI. Write-Offs

~~Minority Masters Fellows scholarships~~ Loans may be written off as uncollectible if the ADHE shows due diligence to satisfy the collection of the debt, and documents in the recipient's file that:

- A. the cost of litigation would exceed the likely recovery if litigation were commenced; or
- B. the recipient ~~and co-signer~~ does not have the means to satisfy a judgment on the debt, or a substantial portion thereof.

Proof of due diligence collection activities must be ~~submitted~~ approved by the administrator of the Department of Finance and Administration and ~~approved by the administrator~~ before Minority Masters Fellows Program accounts may be written off as uncollectible.

#### VII. Nonpayment Penalties

~~Scholarship~~ Recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt.

### **RULE 9 - PROGRAM DEFINITIONS**

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The following definitions are used in the Minority Masters Fellows Program:

~~Academic Year~~ — ~~A measure of the academic work to be accomplished by the recipient. The academic year is defined as two semesters, two trimesters, or three quarters.~~

Approved Institution      An Arkansas public or independent college or university that is currently accredited by the North Central Association, Commission of Institutions of Higher Education, or has

achieved candidacy status, ~~and has a teacher certification program approved by the Arkansas Department of Higher Education.~~ The institution must not discriminate against applicants, or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal laws.

Award Year	The award year begins on July 1 of one calendar year and ends on June 30 of the next calendar year.
Cancellation	<p><b><u>The</u></b> ADHE shall cancel a recipient's repayment obligation if it determines:</p> <p>On the basis of a sworn affidavit of a licensed physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or result in death. <b><u>The</u></b> ADHE reserves the right to require a second opinion by an ADHE approved physician; or on the basis of a death certificate or other evidence of death, <del>that is conclusive under state law,</del> that the recipient is deceased.</p>
Default	Failure to repay the Minority Masters Fellows scholarship <b><u>loan</u></b> in accordance with the terms of the promissory note <del>provided that this failure persists for 180 days for monthly payments.</del>
Deferment	<del>This is</del> A postponement of repayments and the accrual of interest. <b><u>The</u></b> ADHE shall not consider that the recipient has violated the repayment schedule if <del>he or she does not meet the</del> payments <b><u>are not made</u></b> during the time <del>he or she</del> <b><u>recipient</u></b> is in deferment status.
Due Diligence	<del>This process refers to those Steps</del> <b><u>the</u></b> ADHE takes to collect Minority Masters Fellows Program funds when a recipient enters repayment status. It includes: billing the recipient, sending overdue notices, conducting address searches if the recipient cannot be located, reporting the account to credit bureaus, collection, and litigation. Due diligence also includes keeping the recipient informed <b><u>informing the recipient</u></b> of all changes in the Minority Masters Fellows Program that affect <del>his or her</del> <b><u>the recipient's</u></b> rights and responsibilities, and <b><u>as well as</u></b> responding promptly to the recipient's inquiries.
Full-time Student	<del>A student enrolled for a minimum of 9 semester credit hours or the equivalent.</del>
Grace Period	A nine <b><u>(9)</u></b> month period of time following graduation, and

before the recipient must either take employment in an Arkansas public school or public institution of higher education or begin repayment of the scholarship **loan**.

**Permanent Resident Alien** An individual who can provide documentation from the Immigration and Naturalization Service (INS) that he or she is in the U.S. for other than a temporary purpose with the intention of becoming a citizen or permanent resident. Valid documentation is an I-551, I-151, I-181, I-94, or passport stamped with the notation "Processed for I-551, Temporary Evidence of Lawful Admission for Permanent Residence". A completed Form G-641 can also be used to document permanent resident status.

**Promissory Note** ~~The promissory note is~~ A legal document obligating the recipient to repay the loan if ~~he or she~~ **the recipient** does not teach for two (2) full years in an ~~approved subject area~~ **other than administration** on a full-time basis in an Arkansas public school or public institution of higher education. The recipient's rights and responsibilities will be stated on the promissory note.

**Satisfactory Academic Progress** Satisfactory academic progress is maintained if the recipient has a minimum 3.00 cumulative grade point average on a 4.00 scale **in courses funded by this program**.

**Skip Tracing** A process for locating a recipient who is in repayment status. **Efforts by the** ADHE ~~'s efforts~~ may include contacting relatives, friends, references, and other individuals or entities in the recipient's file.

**Teach on a Full-time Basis** Teach the same number of hours required of teachers who have full-time contracts, as determined by the institution ~~or agency at which an individual is teaching, for a minimum of one academic term, as defined by the institution or agency in which an individual is teaching~~ **for a full academic year**.

**U.S. Citizen or National** ~~The term "U.S. citizen" includes~~ Persons born or who have become naturalized citizens of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and Trust Territory - Palau. The term "national" includes citizens of American Samoa or Swain's Island.

(MARKED UP)

## MINORITY TEACHER SCHOLARS PROGRAM RULES AND REGULATIONS

### RULE 1 - ORGANIZATION & STRUCTURE

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- I. The Arkansas Department of Higher Education (ADHE) shall administer the Minority Teacher Scholars Program within the policies set by the State Board of Higher Education. The purpose of the Minority Teacher Scholars Program is to provide ~~scholarships~~ **forgivable loans** to assist and encourage African-Americans, Hispanics, Asian-Americans and Native Americans ~~Arkansans~~ **Arkansans** to enter and complete programs leading to certification ~~licensure~~ **licensure** as public school teachers. The program will provide ~~scholarships~~ **forgivable loans** to students who have completed sixty semester credit hours and have been admitted to an **approved** teacher certification **education** program. ~~The program is needed to increase the number of African-American, Hispanic, Asian-American and Native American students pursuing certification as public school teachers.~~ Special efforts will be made to recruit African-American **minority** males into this program, especially in the areas of elementary education and guidance counseling.

All formal communications shall be addressed to or signed by the Director of the ~~Arkansas Department of Higher Education~~ **ADHE** or his/her designee.

- II. The final responsibility for selecting scholarship recipients shall rest with the Director of the ~~Arkansas Department of Higher Education~~ **ADHE**.

### RULE 2 - SCHOLARSHIP ELIGIBILITY CRITERIA

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- I. Eligibility Criteria
- A. Applicants must be African-American, Hispanic, Asian-American or Native American.
1. **For guidance purposes, the terms African-American, Hispanic, Asian-American, and Native-American are based on the Race/Ethnic classifications utilized by the Integrated Postsecondary Education Data System (IPEDS) as follows:**
- a. **African-American = Black/Non-Hispanic: a person having origins in any other black racial groups of Africa**
- b. **Hispanic: a person of Mexican, Puerto Rican, Central or**

**South American or other Spanish culture or origin, regardless of race.**

- c. **Asian-American = Asian of Pacific Islander: a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes those from China, Japan, Korea, the Philippine Islands, Samoa, India and Vietnam**
- d. **Native-American = American Indian or Alaska Native: a person having origins in any of the original peoples of North America and who maintain cultural identification through tribal affiliation or community recognition.**

**2. The ADHE reserves the right to request documentation of minority status.**

- B. Applicants must be bona fide Arkansas residents, as defined by the ~~Arkansas Department of Higher Education~~ **ADHE**, for at least six months prior to the application deadline.
- C. Applicants must be citizens of the United States or permanent resident aliens.
- D. Applicants must be enrolled full-time in a public or independent 4-year institution located in Arkansas. Full-time is defined as a minimum of twelve (12) college semester hours, or the equivalent, ~~excluding correspondence courses.~~
- E. New applicants must have completed sixty semester credit hours and have been admitted to ~~an approved teacher certification~~ **an approved education** program. Applicants for a continuing award must **complete a new application and** meet continuing eligibility requirements.
- F. Applicants must be admitted to an approved program resulting in ~~an initial teacher certification~~ **an initial licensure**.
- G. Applicants must have a minimum 2.50 cumulative grade point average on a 4.0 scale (or its equivalent).

**II. Continued Eligibility Requirements**

~~The Arkansas Department of Higher Education~~ **ADHE** will renew awards for a second academic year to recipients who continue to meet the criteria set forth in Rule 2, Paragraphs I.A-G; and who complete at least 24 semester-credit hours (or the equivalent) applicable toward ~~teacher certification~~ **licensure** during the



first academic year of the loan.

### RULE 3 - SELECTION PROCESS

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- I. Students must submit an application to the Arkansas Department of Higher Education **ADHE**. ~~Applications will be mailed to Education Departments, financial aid directors, Deans of Colleges of Education, and Teacher Certification Officials at all public and independent 2-year and 4-year institutions in the State of Arkansas.~~ **Applications will be available for download on the ADHE website.** Applications may also be obtained from the ADHE upon request.

- II. Deadline for Applications

The application deadline will be established by the Arkansas Department of Higher Education **ADHE** and published in its brochure and announced to each participating institution when applications are distributed **on the ADHE website and in the ADHE financial aid brochure.**

- III. Review of Applications

For applications that are either incomplete or ineligible, **applicants will be notified of** ~~a notice will be sent to the applicant identifying the reason for incompleteness or ineligibility.~~ The applicant will then have the opportunity to provide the missing information or correct any inaccurate information.

- IV. Ranking of Applicants

**If necessary,** applications are ranked according to a combination of components including cumulative grade point average and major grade point average. **Priority is given to prior recipients.**

- V. Selection and Notification of Recipients

A. The ADHE shall review ranked applicants and make recommendations for scholarship recipients **awards** based on allocation of funds. ~~The number of initial awards shall not exceed 50.~~

B. The final responsibility for selecting scholarship recipients shall rest with the Director of the Arkansas Department of Higher Education **ADHE**.

- VI. Institutional Eligibility

The institution to be attended under the scholarship program must be an **Arkansas** public or independent four-year institution located in Arkansas, meet federal institutional eligibility requirements, and be approved by the Arkansas Department of Higher Education **ADHE** for the teacher certification **education**

program chosen by the student.

## **RULE 4 - AWARDING OF SCHOLARSHIP FUNDS**

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### **I. Award Process**

~~Selected scholarship Recipients will be mailed award notices stating~~ **notified of** their eligibility for the program and the conditions for continued eligibility. Prior to the disbursement of funds, recipients will ~~receive~~ **complete** promissory notes for the purpose of entering into an agreement with the ADHE. The terms of the agreement will include the general purpose, repayment and deferment procedures, ~~interest calculations, and a schedule of advances.~~ The promissory note shall be signed by the scholarship recipient ~~and by a co-maker of eligible age.~~ Modifications to any award amounts will be confirmed through the ~~issuance~~ **completion** of a new promissory note.

### **II. Disbursement of Scholarship Funds**

The scholarship **funds** will be divided equally according to the number of terms at each institution: three payments for those institutions on trimesters and two payments for those institutions on semesters. Funds will be sent to the institution ~~via electronic funds transfer.~~ after verification of full-time enrollment, ~~for the scholarship recipient,~~ The institution disburses the funds in accordance with its policy.

**Act 1180 of 1999 states that students who receive financial aid from public funds may not use those funds in a financial aid package to exceed the federally recognized cost of attendance at the institution where the student enrolls. The institutions must follow the ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.**

### **III. Limitation of Scholarships Awards**

- A. Students may receive up to \$5,000 per academic year.
- B. Students may receive ~~scholarships~~ **funds** for a maximum of four (4) semesters or six (6) trimesters or until such time as they have completed certification **licensure** requirements **to teach in Arkansas**, as determined by the teacher certification **licensure** official, ~~to teach in Arkansas,~~ whichever comes first.
- C. Recipients must ~~indicate an intention~~ **commit** to teaching in the **Arkansas** public schools of Arkansas and **must** be enrolled as full-time students pursuing initial certification **licensure**. ~~unless the course of study is~~

~~guidance counseling. (See Rule 5, III. A. 6)~~

- ~~D. Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the Federally recognized cost of attendance at the institution where the student enrolls. The institution must follow ADHE policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.~~

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## RULE 5 - REPAYMENT OF SCHOLARSHIP LOAN

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### I. Terms of Repayment

- A. Scholarship Recipients who teach full-time in an Arkansas public school following certification licensure shall have twenty (20) percent of the total scholarship loan and related interest forgiven for each full academic year employed in such capacity, up to a maximum of five (5) years, at which time when the total scholarship loan and accumulated interest will be forgiven.
- B. Recipients shall have their teaching commitment reduced to three (3) years if they teach full-time in an Arkansas public school following certification licensure in a critical subject shortage area, as defined by the Arkansas Department of Education. The teaching commitment can be reduced to three (3) years if a recipient teaches any subject or level in the Arkansas Delta Region. Also, minority males may have their teaching obligation reduced to three years if teaching elementary education. ~~one of the following critical areas:~~
- ~~1. Elementary (African-American males only)~~
  - ~~2. Secondary Math~~
  - ~~3. Secondary Science~~
  - ~~4. Foreign Language~~
  - ~~5. Guidance Counseling~~
  - ~~6. Any subject or level in the Delta Region~~

The ADHE will verify the recipient's employment once a year ~~in June~~ by contacting the superintendent's office in the recipient's employment district.

- C. Recipients who do not teach full-time in an Arkansas public school following ~~certification~~ **licensure** or who discontinue their studies prior to completing their program of study shall, within a maximum of five (5) years from the completion of study or withdrawal from school, repay the full remaining balance, plus accrued interest according to an interest and repayment schedule provided by the ADHE. At this point, the recipient's ~~scholarship~~ **award** converts to a **repayable** loan.

The repayment schedule will be set in monthly payments based on the total amount of the loan remaining at the time of entry into repayment, plus interest. Payments will be computed to ensure that repayment will be completed within a maximum of five (5) years from the completion of study or withdrawal from school.

## II. Interest on Loan

- A. Interest will accrue from the beginning of the repayment period at a maximum annual percentage rate of 10 percent on the unpaid balance. Interest will be calculated as a simple, per annum interest charge on the outstanding principal.
- B. Interest will not accrue and installments need not be paid when a deferment has been approved by the ~~Arkansas Department of Higher Education~~ **ADHE**. Any recipient who wishes a deferment must submit an application for deferment to the ADHE for approval.

## III. Deferment of Loan

- A. At the ADHE's discretion, scheduled loan repayments may be deferred if the ~~Department~~ **ADHE** determines that extraordinary circumstances prevent the recipient from making such repayments. Deferments may be granted for the following conditions:
1. The recipient is engaged in a full-time course of ~~undergraduate or graduate~~ **of** study at an institution of higher education. This must be verified by the Registrar's Office.
  2. The recipient is seeking and unable to find employment as a teacher in an ~~approved shortage field or area~~ for a single period not to exceed twelve (12) months. The loan recipient must submit a list of schools contacted for employment. The ADHE will verify this information ~~with the superintendent's office in each of those~~ **with the school(s) districts listed**.
  3. The recipient is temporarily totally disabled, for a period not to exceed three **(3)** years, as established by sworn affidavit from a

licensed physician. The ADHE reserves the right to require a second opinion by an ADHE approved physician.

4. The recipient is unable to secure employment for a period not to exceed twelve (12) months by reason of the care of a spouse who is disabled, as established by the signature of a licensed physician. The ADHE reserves the right to require a second opinion by an ADHE approved physician.
5. Other extraordinary circumstances which would prevent the recipient from repaying the debt within the contractual obligations of the **promissory** note may be considered.
6. ~~Inasmuch as guidance counselors are required to teach one full year before they can be certified as a counselor, the recipient may qualify for up to two years of deferment if the student majors in a behavioral social science field and states an intent to pursue guidance counseling as a career.~~

- B. To qualify for any of the deferments, recipients must notify the ADHE of their claim ~~to the deferment~~ on a Request for Deferment form which will be supplied by the ADHE upon request. The recipient must complete the Request for Deferment form and return it, along with supporting documentation, to the ADHE. The ADHE will notify the recipient ~~within ten (10) working days~~ of approval or disapproval of any application for a deferment.

#### IV. Cancellation of Scholarship **Loan**

The ADHE will cancel a recipient's repayment obligations if it determines:

- A. On the basis of a sworn affidavit of a licensed physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or **to** result in death. The ADHE reserves the right to require a second opinion by an ADHE approved physician; or
- B. On the basis of a death certificate or other evidence of death, ~~that is~~ conclusive under state law that the recipient has died.

#### V. Prepayment of Loan

There shall be no penalty for prepayment or repayment of all or any portion of the principal.

#### VI. Grace Period

There will exist a nine-month grace period following graduation before the recipient must either take employment in an Arkansas public school in ~~Arkansas~~ in an approved subject, level, or geographic area specified for this program or begin repayment of the ~~scholarship~~ loan.

VII. Failure to Repay

~~Scholarship~~ Loan recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt.

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## RULE 6 - INSTITUTIONAL RESPONSIBILITIES

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I. College/University Responsibilities

A. Proposal to Participate

An institution with more than one Minority Teacher Scholar enrolled in the institution's teacher education program may submit a proposal to the ~~Department of Higher Education~~ ADHE for up to \$5,000, which describes support services it will make available to facilitate the academic success of ~~scholarship~~ recipients.

The proposal should describe services and activities designed to mentor and otherwise assist ~~scholarship~~ recipients to become successful and effective teachers. The institution must designate a member of the teacher education faculty to manage the program. A faculty mentor, who may be the same person, must also be assigned to the ~~scholarship~~ recipients; this individual must agree to dedicate a portion of his or her time to work directly with these students.

The institutional plan should also propose other services and activities which, in its judgment, will further the academic success of ~~scholarship~~ recipients. These may include special seminars/conferences or informal opportunities for the recipients to work with each other, with practicing teachers, or with teacher education students at other institutions.

Proposed institutional plans may be up to five pages in length. Plans should specify the responsible faculty member and faculty mentor, explain how the ADHE funds will be used, and describe the source and use of institutional matching funds, ~~which~~ The institution's matching funds may be cash or in-kind. ~~Plans should be submitted to ADHE by October 15 of each year.~~

~~ADHE will fund the proposal, if approved, by November 1 of each year.~~

B. Institutional Verification

The institution shall provide certification to the ADHE each semester after registration ~~the 11<sup>th</sup> class day~~, giving listing the names of the program scholarship recipients who are officially enrolled as full-time students. This information is reported on a verification roster. ~~The certifying official is responsible for completing the verification roster two times a year for those schools on the semester system and three times a year for those schools on the trimester system.~~

The verification roster will be mailed sent to the financial aid director at the time of registration for beginning of each term. The signed verification roster should be returned to the ADHE by November 1 for the fall term, March 15 for the winter and/or spring term, and May 1 of the spring term for institutions on the trimester system the requested date.

The verification roster is an alphabetical listing by institution of all persons receiving a Minority Teacher Scholars scholarship loan for a given academic semester or trimester. Students who are not enrolled full-time in the current term shall not receive scholarship benefits funds in that term.

C. 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 must be returned to the Arkansas Department of Higher Education ADHE.

D. Refund Policy

It is the institution's responsibility to notify the ADHE of the name of any person owing a refund, the date of the withdrawal, and the refund amount. ~~This information should be placed on the institution's verification roster before returning it to ADHE.~~

E. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the ADHE on any current or former loan recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Minority Teacher Scholars Program. The Arkansas Department of Higher Education ADHE will periodically review the institution's records concerning this program in an effort to exercise its due diligence requirements as a steward of state funds.

~~F. UALR, UAPB, UCA, and HSU are presently participating in Teachers of Tomorrow Academy, a program funded by a Promotional Grant for~~

~~minority students in high school who are interested in teaching careers. These universities are invited to participate in a pilot program designed to build upon the precollegiate activities already in place for students in the Teachers of Tomorrow program who will be enrolled as freshmen or sophomores on those campuses.~~

~~The four institutions may submit a joint proposal which describes activities designed to build on the students' interest in teaching as a career and to help prepare them for successful entry into a teacher education program. The proposal should provide for education-related work experience for which participating students would receive a stipend. The proposal should specify that in order to be eligible to participate, a student must be enrolled as a freshman or sophomore in one of the four institutions and must have participated in the Teachers of Tomorrow program.~~

~~The proposed plan should explain how the program will be administered and how ADHE funds will be used. The plan should be submitted to ADHE by October 15. Funding for the initial year will be \$20,000.~~

#### **RULE 7 - SCHOLARSHIP RECIPIENT'S RESPONSIBILITY**

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##### **I. Recipient's Responsibility**

It is the recipient's responsibility to notify the ~~Arkansas Department of Higher Education~~ **ADHE** of any change in status within 21 days. This will include:

Change in name;

Change in residence;

Change in institution;

Change in full-time status (below twelve college semester credit hours or its equivalent per semester or trimester);

Change in course of study; and/or

Change in employment.

Failure to notify the ~~Arkansas Department of Higher Education~~ **ADHE** of a change in status will affect future eligibility or collection status.

#### **RULE 8 - COLLECTION OF LOAN**

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##### **I. Collection of Loan**



Accounts will be retained by the ADHE in the Financial Aid Division until the individual is no longer eligible for forgiveness or deferment. ~~due to the recipient's failure to remain employed in the teaching field for the specified time period.~~ At that time, the scholarship **award** will be converted to a **repayable** loan and the account will be turned over to a vendor for servicing. The ADHE will notify the student by mail **recipient** of this action and include a loan amortization schedule with the notification letter. **The notification will be mailed to the recipient's last known address.**

The account will remain with the vendor until repaid or ~~120 days past due~~ **90 days delinquent**. Upon determination that a loan recipient is ~~120~~ **90** days delinquent, ADHE will mail both the recipient and the co-signer **will receive** a first letter of notification ~~ten (10) days after the installment payment is due~~ **delinquent notification**. If payment is not received within 60 days from the original payment due date **of the first letter of delinquent notification**, a second letter of notification will be sent to the loan recipient and the co-signer declaring the account delinquent and requesting that it be immediately brought up to date. If no response is received by ~~90~~ **30** days from the original payment due **date of the second letter of delinquent notification**, the ~~a~~ third and final letter of notification will be sent to the recipient and co-signer informing them **the recipient** that the account ~~will~~ **is** officially be in default, ~~if outstanding payments are not received within 30 days.~~

**Defaulted recipients may be reported to credit reporting agencies, a state income tax set-off may be requested, and/or a civil suit may be initiated, if necessary, against the recipient for repayment of the loan.**

## II. Skip Tracing Mechanisms

If letters are returned as undeliverable, the Department of Finance and Administration's Motor Vehicle Division can be used to perform skip tracing activities. Motor Vehicle Division's records are updated in March and September each year. To ~~get~~ **obtain** this information, mail **the ADHE may send** name, current address, and social security number ~~on Arkansas Department of Higher Education letterhead to:~~

Department of Finance and Administration  
Motor Vehicle Division  
P. O. Box 1272  
Little Rock, AR 72202  
ATTENTION: Correspondence Desk

~~A response from the Motor Vehicle Division should be received within ten (10) working days.~~ Additionally, the ADHE will use these steps to locate recipients ~~and/or co-signers~~ if communications are returned as undelivered:

- ~~1.~~**A.** Contact references listed on the recipient's application;
- ~~2.~~**B.** Utilize telephone directory or check with directory assistance in the area of the recipient ~~and/or co-signer's~~ last known address;
- ~~3.~~**C.** Contact institutional offices (alumni office, admissions office, registrar's office, fraternity or sorority, and the department that the recipient majored in) at the campus where the recipient last attended;
- ~~4.~~**D.** Contact creditors, such as credit card companies, credit bureaus, or GSL lender;
- ~~5.~~**E.** Contact recipient's field of study professional organization, union, or licensing board;
- ~~6.~~**F.** Contact post office;
- ~~7.~~**G.** Contact utility companies; and,
- ~~8.~~**H.** Contact Chamber of Commerce.

### III. Credit Reporting Agencies

Defaulted recipients ~~and/or co-signers will~~ **may** be reported to the following credit reporting agencies:

- ~~1.~~**A.** CSC Credit Reporting Services, Inc.
- ~~2.~~**B.** T R W Credit Data
- ~~3.~~**C.** Trans Union Credit Reporting

#### **D. Other credit reporting agencies as necessary**

~~Forms for reporting defaulted loan recipients and/or co-signers are located in the collections file. The ADHE will also respond promptly to any inquiries it receives from credit reporting agencies concerning delinquent or defaulted loan recipients and/or co-signers.~~

### IV. State Income Tax Set-Off

By the authority of Act 345 of 1993, the ADHE is a claimant agency for the set-off of debts against state tax refunds. To access the Set-Off Section of the State Tax Administration Office, the ADHE must submit name, address, social security number, and amount of debt ~~via computer magnetic tape~~ by December 1 to intercept taxes for the next year.

## V. Litigation

~~No sooner than 30 days after sending the third letter of notification,~~ The ADHE shall **may** institute a civil suit against the **delinquent** recipient and ~~co-signer~~ for repayment of the scholarship **loan**. Small Claims Courts will be used to satisfy debts of accounts up to \$3,000.00. If over \$3,000.01 **or above,** the ADHE ~~must~~ **may** use Circuit Court. ~~If the account is \$3,000.01 or above,~~ The ADHE may choose to use Small Claims Courts and waive the difference because of the expense involved in going to Circuit Court.

If the ADHE chooses to waive the difference, it may not, at a later date, attempt to collect the difference. Forms to take the recipient ~~and/or co-signer~~ to Small Claims Court are requested **by the ADHE** from the recipient's ~~and/or co-signer's~~ county of residence.

## VI. Write-Offs

~~Minority Teacher Education scholarships~~ **Loans** may be written off as uncollectible if the ADHE shows due diligence to satisfy the collection of the debt, and documents in the recipient's file that:

- A. the cost of litigation would exceed the likely recovery if litigation were commenced; or
- B. the recipient ~~and/or co-signer~~ does not have the means to satisfy a judgment on the debt, or a substantial portion thereof.

Proof of due diligence collections activities must be ~~submitted to~~ **approved by** the administrator of the Department of Finance and Administration ~~and approved by the administrator~~ before Minority Teacher Scholars Program accounts may be written off as uncollectible.

## VII. Nonpayment Penalties

~~Scholarship~~ Recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt.

# RULE 9 - PROGRAM DEFINITIONS

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The following definitions are used in the Minority Teacher Scholars Program:

Academic Year	A measure of the academic work to be accomplished by the recipient. The academic year is defined as two semesters, two trimesters, or three quarters.
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Approved Institution	An Arkansas public or independent college or university that is currently accredited by the North Central Association, Commission of Institutions of Higher Education, or has achieved candidacy status, and has a teacher <del>certification</del> <b>education</b> program approved by the <del>Arkansas Department of Higher Education</del> <b>ADHE</b> . The institution must not discriminate against applicants, or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal laws.
Award Year	The award year begins on July 1 of one calendar year and ends on June 30 of the next calendar year.
Cancellation	<p>The ADHE shall cancel a recipient's repayment obligation if it determines:</p> <p>On the basis of a sworn affidavit of a licensed physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or <b>to</b> result in death. The ADHE reserves the right to require a second opinion by an ADHE approved physician, <del>or on</del> <b>The repayment obligation shall also be cancelled on</b> the basis of a death certificate or other evidence of death, <del>that is conclusive under state law,</del> that the recipient is deceased.</p>
Default	Failure to repay the Minority Teacher <del>Education scholarship</del> <b>Scholars loan</b> in accordance with the terms of the promissory note <del>provided that this failure persists for 180 days for monthly payments.</del>
Deferment	<del>This is</del> A postponement of repayments and the accrual of interest. The ADHE shall not consider that the recipient has violated the repayment schedule if <del>he or she does not meet the payments</del> <b>are not made</b> during the time <del>he or she</del> <b>the recipient</b> is in deferment status.
Delta Region	The following 42 counties of Arkansas are designated as being in the Delta Region: Arkansas, Ashley, Baxter, Bradley, Calhoun, Chicot, Clay, Cleveland, Craighead, Crittenden, Cross, Dallas, Desha, Drew, Fulton, Grant, Greene, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Marion, Mississippi, Monroe, Ouachita, Phillips, Poinsett, Prairie, Pulaski, Randolph, St. Francis, Searcy, Sharp, Stone, Union,

Van Buren, White, and Woodruff. (Information obtained from the Delta Foundation in Mississippi.)

Due Diligence

This process refers to those steps the ADHE takes to collect Minority Teacher Scholars Program funds when a recipient enters repayment status. It includes: billing the recipient, sending overdue notices, conducting address searches if the recipient cannot be located, reporting the account to credit bureaus, collection, and litigation. Due diligence also includes ~~keeping the recipient informed~~ **informing the recipient** of all changes in the Minority Teacher Scholars Program that affect ~~his or her~~ **the recipient's** rights and responsibilities and responding promptly to the recipient's inquiries.

Full-time Student

A student enrolled for a minimum of twelve (12) semester credit hours or the equivalent.

Grace Period

A nine-month period of time following graduation, ~~and~~ before the recipient must either take employment in a public school in Arkansas or begin repayment of the ~~scholarship~~ **loan**.

Permanent Resident Alien

An individual who can provide documentation from the Immigration and Naturalization Service (INS) that he or she is in the U.S. for other than a temporary purpose with the intention of becoming a citizen or permanent resident. Valid documentation is an I-551, I-151, I-181, I-94, or passport stamped with the notation "Processed for I-551, Temporary Evidence of Lawful Admission for Permanent Residence". A completed Form G-641 can also be used to document permanent resident status.

Promissory Note

The promissory note is a legal document obligating the recipient to repay the loan if he or she does not teach **on a full-time basis in a public school in Arkansas** for five (5) **full years**, or three (3) full years in a **specified** subject ~~area shortage~~ or ~~specified geographic area~~, ~~on a full-time basis in a public school in Arkansas~~. The recipient's rights and responsibilities will be stated on the promissory note.

Satisfactory Academic Progress

Satisfactory academic progress is maintained if the recipient has a minimum 2.50 cumulative grade point average on a 4.00 scale. **Recipients must also**

**complete twenty-four (24) credit hours per academic year.**

Skip Tracing

A process for locating a recipient who is in repayment status. **Efforts by the** ADHE's ~~efforts~~ may include contacting relatives, friends, references, and/or other individuals ~~or entities~~ in the recipient's file.

Teach on a Full-time Basis

Teach the same number of hours required of teachers who have full-time contracts, as determined by the institution ~~or agency~~ at which an individual is teaching, for a **full academic year.** ~~minimum of one academic term, as defined by the institution or agency in which an individual is teaching.~~

U.S. Citizen or National

The term "U.S. citizen" includes persons born or who have become naturalized citizens of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and Trust Territory - Palau. The term "national" includes citizens of American Samoa or Swain's Island.