

CHAPTER 300-4-3 ALABAMA STUDENT GRANT PROGRAM

Administrative Procedures

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300-4-3-.01 Definition Of Terms.

(1) Academic Progress - A student must make satisfactory academic progress in an eligible program at an approved institution in order to receive an Alabama Student Grant Program payment. Satisfactory academic progress shall be defined in writing by each approved institution and must be approved by the Alabama Commission on Higher Education (ACHE). ACHE shall not approve any definition of satisfactory academic progress that permits a student to remain enrolled in an approved institution when a student's projected completion date exceeds by more than twenty-five (25%) the specified period of time for his/her program of study.

(2) Academic Qualifications of Eligible Students - A student is considered academically qualified if he/she is currently enrolled and matriculated in an eligible program of an eligible institution. It is considered that current enrollment by the institution has been based upon satisfactory demonstration to the institution of probable successful completion of the program. Satisfactory academic progress by a student shall be evaluated in terms of all course work attempted and all course hours for which ASGP payments were issued, whether or not credit hours were received by the student.

(3) Academic Year - The academic year for Alabama Student Grant Program purposes is from October 1 of one year to September 30 of the next year.

(4) Alabama Resident - A person who has been domiciled in the State of Alabama for a period of at least twelve (12) consecutive months immediately preceding application for a grant under the Alabama Student Grant Program. Any student in Alabama only for purposes of attending an Alabama postsecondary educational institution shall not be eligible for a grant. Five (5) or more of the following are required as support for the claim of Alabama residency:

- (a) Certification by the student of his/her permanent Alabama residence;
- (b) Certification by the student's parents or guardians of their permanent Alabama residence;
- (c) Certification of the student's Alabama voter registration;
- (d) Certification of the student's parents' or guardians' Alabama voter registration;
- (e) A photocopy of the student's or parent's (guardian's) valid Alabama driver's license;
- (f) Evidence of full-time employment by the student or parents (guardians) within Alabama for the preceding twelve (12) months;
- (g) Evidence of payment of income tax to the State of Alabama by the student or parents (guardians) for the preceding calendar year;
- (h) Evidence of home ownership or ownership of other real property in Alabama by the student or parents (guardians);
- (i) Evidence of graduation from an Alabama secondary school, or a copy of a State of Alabama High School Equivalency Certificate; and
- (j) Other evidence that an Alabama domicile has been established and maintained for the previous twelve (12) months.

(5) Approved Institution - An approved institution is an independent, nonprofit postsecondary institution or any independent postsecondary institution of higher learning with a permanent facility offering classroom instruction located in Montgomery County, Alabama, which has been incorporated and in continuous operation for over 50 years and which has been accredited for over 10 years by the Commission on Colleges of

the Southern Association of Colleges and Schools, prior to the effective date of amendatory act contained in AL ACT 2010-686 which with the exception specifically cited immediately above:

(a) Has its principal base of operation located within the State of Alabama;

(b) Is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools or, if not so accredited,

1. Is classified in an exemption status and is licensed to operate in the State of Alabama by the State Approving agency of the State Department of Education or its successor agency; and

2. Is in the formal process of attaining accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools, or is an institution where credits are currently accepted, on transfer, by at least three (3) institutions within Alabama and which are accredited by the Commission on Colleges of the Southern Association of Colleges and Schools.

(c) Files a signed agreement with ACHE to comply with all regulations and procedures of the Alabama Student Grant Program;

(d) Has an academic curriculum which is not comprised principally of sectarian instruction or preparation of students for a sectarian vocation;

(e) Does not award primarily theological or religious degrees;

(f) Performs essentially secular educational functions which are distinct and separable from religious activity;

(g) Does not discriminate in its admissions practices on the basis of religious or denominational preference; and

(h) Does not, during the applicable fiscal year, receive a direct institutional appropriation from the State of Alabama.

(6) Eligible Program - An eligible program is a nonsectarian, secular educational program of at least six (6) months duration, and whose contents have been approved by ACHE.

(7) Eligible Student - An eligible student is an applicant for a grant under the Alabama Student Grant Program who:

(a) Has obtained a certificate of graduation from a secondary school or the recognized equivalent of such graduation;

(b) Is classified as an undergraduate student;

(c) Is an Alabama resident;

(d) Is a citizen of the United States or in the process of becoming a citizen of the United States;

(e) Is enrolled as a full-time student or part-time student in an eligible program in an approved institution;

(f) Is making satisfactory academic progress; and

(g) Is not enrolled, and does not intend to enroll, in a course of study leading to an undergraduate degree in theology, divinity, or other field of preparation for a religious vocation.

(8) False Statement of Misrepresentation - Any person who knowingly makes or furnishes any false statement or misrepresentation, or who accepts such false statement or misrepresentation knowing the same to be false, for the purpose of enabling an individual or institution to obtain monies wrongfully under this program, shall be guilty of a Class A misdemeanor, and upon conviction thereof, shall be subject to a fine or to imprisonment, or to both, as such misdemeanor is defined in Act No. 607, S. 33 of the 1977 Regular Session (Acts 1977, Vol. 11, p. 812).

(9) Full-Time Student - A full-time student is defined as an eligible student who is carrying a full-time academic workload, other than by correspondence, measured in terms of course work or other required activities, including courses, work experience, research or special studies which the institution requires of the student to be considered as being engaged in full-time study, and which amount to the equivalent of a minimum of twelve (12) semester hours or twelve (12) quarter hours per academic term; or the student is charged the tuition and fees for full-time study by the institution. For purposes of this program, no more than one course [with a maximum of four (4) credit hours] per academic term for courses in religion or theology shall be considered when calculating a student's full-time status.

(10) Grant - A grant is a monetary award of a maximum of \$1200 per academic year for full-time recipients, and a maximum of \$600 per academic year for half-time recipients, under the Alabama Student Grant Program, to an approved institution on behalf of and to the credit of eligible students enrolled in eligible programs commencing after August 1, 1989.

(11) Half-time Student - A half-time student is defined as an eligible student who is carrying a half-time academic workload, other than by correspondence, measured in terms of course work or other required activities, including courses, work experience, research, or special studies which the institution requires of the student to be considered as being engaged in half-time study, and which amounts to the equivalent of a minimum of six (6) semester hours or six (6) quarter hours per academic term; or the student is charged the tuition and fees for half-time study by the institution. Any student enrolled for less than the equivalent of six (6) semester hours or six (6) quarter hours is ineligible for an Alabama Student Grant Program payment. For purposes of this program, no more than one course (with a maximum of four (4) credit hours per academic term for courses in religion and theology) shall be considered when calculating a student's half-time status.

(12) Institutional-Related Expenses - Institutional- related expenses are nonsectarian, secular educational expenses, including tuition, mandatory fees, room and board, transportation, books and supplies, and routine miscellaneous expenses incurred by an eligible student.

(13) Matriculated Status - To be eligible for an Alabama Student Grant Program payment, a student must have completed all the required steps in the enrollment procedure and be considered registered by the institution in an eligible program leading to a degree, diploma, or certificate.

(14) Proration of Funds - Should funds appropriated to the Alabama Student Grant Program be insufficient to provide such eligible student with a full grant payment for any term(s) during an academic year, each eligible student shall receive a pro rata grant share of the available funds.

(15) Renewal of Grants - Each grant shall be renewable annually for the number of hours normally required by the institution for the course of study in which the individual student is enrolled. Total hours attempted shall not exceed by more than twenty-five percent (25%) the number of hours required for the individual

student's course of study or until such time as the student receives a baccalaureate degree. ACHE shall grant a renewal only upon the student's annual application as defined in these regulations.

(16) Transfer Student - Each Alabama Student Grant Program award is made on the basis of the student applicant attending the postsecondary educational institution listed on his/her student application form. A student grant recipient who elects to transfer to another educational institution may apply for a new grant in accordance with the student application procedures. The original grant will automatically be cancelled. An Alabama Student Grant Program award is not transferable from one educational institution to another.

(17) Undergraduate Student - An undergraduate student is an eligible student who is in attendance at an approved institution and has not earned a baccalaureate or professional degree. Students, who have previously earned a baccalaureate or professional degree, even though they may be enrolled in an undergraduate course of study, are not eligible for an Alabama Student Grant Program grant.

Authors: Joseph T. Sutton, Henry J. Hector, Tim Vick.

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982. Amended: Filed March 9, 1992. Amended September 10, 2010

300-4-3-.02 Audit.

Each approved institution receiving grants on behalf of, and to the credit of, any student shall be subject to examination at any time by ACHE, the Examiner of Public Accounts, or the State Auditor, for the purpose of determining whether such institution has complied with the rules, regulations, and procedures of the Alabama Student Grant Program. If an institution certifies an ineligible student for an Alabama Student Grant Program award, the amount of the grant paid pursuant to such certification shall be refunded by the institution to the Alabama Student Grant Program. The Department of Examiners of Public Accounts may audit all receipts, disbursements, assets, liabilities, and other resources of any postsecondary educational institution receiving grant funds on behalf of, and to the credit of, any student. Each approved institution shall submit to ACHE by December 15 each year, with a copy for the Legislature by the

same date, a full audit, conducted by a certified public accountant, of the institution's receipts, disbursements, assets, liabilities, and other resources as of the date of the close of its immediately preceding fiscal year, and covering the immediately preceding academic year in which ASGP funds were received by students attending said institution, before any grants may be applied for or processed for said institution.

Authors: Joseph T. Sutton, Henry J. Hector.

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982. Amended: Filed March 9, 1992.

300-4-3-.03 Awarding Procedures.

The following procedures shall be the method used by ACHE for making available Alabama Student Grant Program awards to eligible students at approved institutions:

(a) Applications may be obtained from approved institutions and from the Alabama Commission on Higher Education.

(b) Applications shall be completed each academic year by student applicants. All information requested on the "Alabama Student Grant Program Application" must be completed and the form mailed or delivered to the Student Financial Aid Office at an approved institution in which the student is or will be enrolled. Fall Term grant applications must be received by September 15. Winter Quarter grant applications must be received by January 15. Spring Semester grant applications must be received by February 15. Spring Quarter grant applications must be received by April 15. If all items and information requested on the application form are not completed, the application is invalid and the student is ineligible to receive an Alabama Student Grant Program payment.

(c) Applications received in an approved institution's Student Financial Aid Office shall be dated when received. Each application shall have a preliminary review by the institution to determine if the application is complete and meets the eligibility criteria for a grant. Each student applicant shall be notified by the institution when the application is incomplete and additional information is needed. The institution shall notify each applicant who does not meet all eligibility criteria and is, therefore, ineligible for an Alabama Student Grant Program award.

(d) All applications which pass the preliminary review for eligibility shall be compared to other appropriate institutional records. Institutional records shall be used to verify that each student applicant is:

1. A graduate of a secondary school, or the recognized equivalent of a graduate;
2. Classified as an undergraduate student who has not previously received a baccalaureate or other professional degree;
3. An Alabama resident;
4. A citizen of the United States, or in the process of becoming a U.S. citizen;
5. Enrolled as a full-time or half-time student in an eligible program;
6. Making satisfactory academic progress; and
7. Not enrolled in a course of study leading to an undergraduate degree in theology, divinity, or other field of preparation for a religious vocation.

(e) For students who are determined to be eligible for an Alabama Student Grant Program award, an award list shall be made. The award list shall contain the names, Social Security numbers, the eligible programs in which the students are enrolled, and numbers of hours of enrollment for all eligible students. The institutional ASGP coordinator and the president of the approved institution shall sign the award list certifying that each student on the roster is eligible for an award and has submitted to the institution a complete and acceptable ASGP student application on or before the application deadline for the term in which payment is requested.

Authors: Joseph T. Sutton, Henry J. Hector.

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982. **Amended:** Filed March 9, 1992.

300-4-3-.04 Distribution Of Funds.

(1) ACHE shall determine from the certified award lists received from all approved institutions the per grant dollar amount per eligible student for each academic term. Each eligible full-time student may receive a maximum of \$600 per semester or \$400 per quarter. Each eligible half-time student may receive a maximum

of \$300 per semester or \$200 per quarter. No eligible student shall receive more than \$1,200 per academic year, nor shall any student receive a grant at more than one approved institution during any one academic term.

(2) ACHE shall determine the dollar amount of each grant and shall prepare a voucher each term requesting that the State Comptroller disburse ASGP funds for eligible students. As Special Education Trust Funds become available, the order in which institutions will be issued Fall Term checks shall be determined by a random and public drawing during October of institutional names, with first-drawn /first-paid to last-drawn/last-paid. Checks for second term shall be issued in reverse order--last-drawn/first-paid to first-drawn/last-paid. Checks for Spring Quarter shall be issued in the same order as full term.

(3) Institutions must request and receive approval from ACHE to distribute ASGP funds by one of the following methods:

(a) The State Comptroller shall prepare a check payable to the student (by name) and the approved institution for each eligible grant recipient listed on the award list. Such checks and a signature roster with the amount of grant indicated for each eligible student shall be forwarded to the approved institution for delivery to the student(s). No later than thirty (30) work days after receipt of the grant check(s), the approved institution shall issue the individual check(s) to the eligible student(s) and return the completed signature roster to ACHE.

(b) The State Comptroller shall prepare a check payable to the approved institution for the total dollar amount of eligible grants submitted on the award list. The check and a signature roster with the dollar amount of grant payment indicated for each eligible student shall be forwarded to the approved institution. No later than fourteen (14) work days after receipt of the grant check, the approved institution shall issue an individual check to each eligible student for the dollar amount indicated on the signature roster. No later than thirty (30) work days after receipt of the signature roster, the approved institution shall return the completed signature roster to ACHE.

(c) The State Comptroller shall prepare a check payable to the approved institution for the total dollar amount of eligible grants submitted on the award list. The check and a signature roster with the dollar amount of grant payment indicated for each eligible student shall be forwarded to the approved

institution. No later than fourteen (14) work days after receipt of the grant check, the approved institution shall credit each eligible student's account with the dollar amount indicated on the signature roster. Should the dollar amount of a grant credited to an eligible student's account exceed the dollar amount due the institution by the student at the time an ASGP grant is credited to an eligible student's account, a check in the amount of the excess funds (credit) shall be issued within the allotted fourteen (14) work days to the eligible student by the approved institution. No later than thirty (30) work days after receipt of the check and signature roster, the approved institution shall return any undeliverable funds to ACHE.

(d) A signature roster with the dollar amount of grant payment indicated for each eligible student shall be forwarded to the approved institution. No later than thirty (30) work days after receipt of the signature roster, the approved institution shall credit each eligible student's account with the dollar amount indicated on the signature roster. Should the dollar amount of a grant credited to an eligible student's account exceed the dollar amount due the institution by the student at the time an ASGP grant is credited to an eligible student's account, a check in the amount of the excess funds (credit) shall be issued to the eligible student by the approved institution within the allotted fourteen (14) work days after the total dollar amount of eligible grants submitted on the award list. If the check is forwarded to the institution after students' accounts are credited, the approved institution shall return, within fourteen (14) days, any undeliverable funds to ACHE. If the check is forwarded to the institution prior to the date students' accounts are credited the approved institution shall return, within thirty (30) work days, undeliverable funds to ACHE.

(4) If a student whose eligibility for a grant has been certified by an approved institution becomes ineligible for a grant before the expiration of the institutional tuition refund period, the grant funds shall not be delivered to the student, but shall be returned to the Alabama Student Grant Program. Funds are considered received by a student when the ASGP check is delivered to the student or when the institution credits an ASGP payment to the student's account.

(5) In no academic term may the grant amount received by an eligible student exceed the per student operating expenditures of the institution for nonsectarian, secular educational purposes. Under no circumstances shall any Alabama Student Grant Program funds be utilized by an approved institution or an

eligible student for religious, sectarian or denominational purposes. Approved institutions receiving Alabama Student Grant Program funds shall segregate such funds in a special revenue account and shall identify nonsectarian expenditures of such funds.

Authors: Joseph T. Sutton, Henry J. Hector.

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982. **Amended:** Filed March 9, 1992.

00-4-3-.05 Proration Of Funds.

(1) The deadline for receipt of certified awards lists from approved institutions for Fall Term shall be October 15. From the certified award lists in the ACHE office on October 16, the anticipated number of grant recipients shall be calculated. Available funds shall be prorated and a Yearly Maximum Award Payment (YMAP) calculated, with the assumption that all eligible students reported shall be enrolled for the full school year. Students enrolled in a semester term shall receive one-half (1/2) of their YMAP. Students enrolled in a quarter term shall receive one-third (1/3) of their YMAP.

(2) Second semester or quarter certified award lists should be forwarded to ACHE by the approved institution as soon as the necessary information is available, but no later than March 15. For the second term, students enrolled in a semester term shall receive one-half (1/2) of their YMAP, and students enrolled in a quarter term shall receive one-third (1/3) of their YMAP.

(3) Third quarter certified award lists should be forwarded to ACHE by the approved institution as soon as the necessary information is available, but no later than May 15. For the third quarter, students shall receive one-third (1/3) of their YMAP.

(4) The deadline for receipt of certified award lists from approved institutions for summer term shall be July 1. From the certified award lists in the ACHE Office on July 2, the anticipated summer award shall be calculated from any funds available. Pro rata grants shall be awarded to all eligible students who did not receive maximum grant payments for two (2) semesters or three (3) quarters during the school year, and thus, did not previously receive the YMAP.

Author:

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982.

300-4-3-.06 Refund Policies And Procedures.

Funds are considered received by a student when the ASGP check is delivered to the student, or when the institution credits an ASGP payment to the student's account.

(a) If a student whose eligibility for a grant has been certified by an approved institution becomes ineligible for a grant before the expiration of the institutional tuition refund period, the grant funds shall not be delivered to the student but shall be returned to the Alabama Student Grant Program.

(b) If a student becomes ineligible for a grant at an approved institution after funds are received by the student (following certification as eligible for an Alabama Student Grant Program award) prior to the end of the academic term and who is entitled to a refund in accordance with the institution's written refund policy, the student or the institution shall refund to the Alabama Student Grant Program any portion of the grant payment that exceeds the institution's direct charges to the student for the period of actual enrollment.

(c) Should a student drop below full-time enrollment to half-time status before the expiration of the institutional refund period (after being certified as full-time by the approved institution), the student shall receive one-half (1/2) of the YMAP for that term.

(d) If a student who drops below full-time enrollment to half-time status after funds are received by the student (following certification as full-time by the approved institution) and is entitled to a refund on reduced charges in accordance with the institution's written refund policy, the student or the institution shall refund to the Alabama Student Grant Program the difference between the amount of grants in full-time students as compared to half-time students for that particular term.

(e) Each refund payment to the Alabama Student Grant Program shall include:

1. The name of the approved institution involved;

2. The name and Social Security number of the student;
3. The action which necessitated the refund, and the date of that action;
4. The direct institutional charges to the student for the academic term involved;
5. The amount of the student's grant payment for that term; and
6. The amount of the refund due the Alabama Student Grant Program.

Authors: Joseph T. Sutton, Henry J. Hector.

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982. **Amended:** Filed March 9, 1992.

300-4-3-.07 Review Procedures.

(1) The institutional review will enable the reviewer to express an opinion of the administrative controls and of the compliance aspects of the Alabama Student Grant Program at the approved institution.

(2) The primary objectives identified for the reviewer performing institutional reviews are:

(a) To determine whether the institution's reports present information accurately and in conformity with the Alabama Student Grant Program Regulations, and whether all reports are prepared on a consistent basis from one period to the next;

(b) To determine whether the institution has implemented, and is utilizing, reasonable procedures and internal controls for effectively discharging management responsibilities and for adequately protecting the state's interest;

(c) To review institutional records and report on areas of noncompliance; and

(d) Based upon the review, to provide constructive recommendations to the institution.

(3) The institution shall make all records and information relative to the Alabama Student Grant Program available to the reviewer.

(4) A written report shall be provided by the reviewer to the institution and shall include:

- (a) Any findings of inaccuracies in institutional reports;
- (b) Any inconsistencies in institutional reports;
- (c) Conclusions regarding the adequacy of administrative controls;
- (d) Any areas of noncompliance; and
- (e) Recommendations for improvement.

(5) If the approved institution does not concur with all items in the written review report, a written appeal should be submitted to the executive director of ACHE.

(6) When an institutional review reveals sufficient problems pertaining to the Alabama Student Grant Program at an institution, the executive director of ACHE may:

- (a) Impose a temporary suspension of grant payments to the approved institution;
- (b) Suspend the institution from participation in the Program for an indefinite period of time;
- (c) Demand payment of any Alabama Student Grant Program funds to a student or repayment of funds to the State of Alabama to remedy a violation of applicable laws, regulations, agreements, or operating procedures; or
- (d) Refer any problems to the Attorney General of the State of Alabama for appropriate legal action.

(7) A suspended institution may request a hearing by the Commission. The institution shall be notified in writing of the time and place of such ACHE hearing.

(8) After such hearing, ACHE shall determine (at an official meeting of the Commission) whether to:

- (a) Continue the suspension pending the receipt of any additional information the Commission may require;

- (b) Continue the executive director's suspension subject to limitations or exceptions,
- (c) evoke or lift the suspension and restore the institution or academic program to full participation as authorized under the regulations;
- (d) Terminate the institution's eligibility for a indefinite period of time;
- (e) Demand payment of any Alabama Student Grant Program funds to a student or repayment of funds to the State of Alabama to remedy a violation of applicable laws, regulations, agreements, or operating procedures; or
- (f) Take any other appropriate action the Commission deems necessary, including referral to the Attorney General of the State of Alabama for appropriate legal action.

Author:

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982.

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300-4-3-.08 Maintenance Of Records.

- (1) Each approved institution shall establish and maintain on a current basis adequate records which reflect all transactions with respect to program and fiscal activity as they relate to the administration of the Alabama Student Grant Program. The records must be maintained in such a manner as to identify all program and fiscal transactions separately from other institutional activities and funds.
- (2) The records for any award period shall be retained for a period of five (5) years following the date of submission of the institutional award list, unless a longer retention period is necessitated because of program review or audit resolution problems. In the event an approved institution closes or otherwise ceases operation and fails to matriculate students, institutional ASGP records of the approved institution shall be forwarded to ACHE for retention.
- (3) Forms must be used to gather data in a uniform manner from each applicant; such forms shall contain information relative to all eligibility criteria for an ASGP award. Fiscal records

pertaining to the operation of the Alabama Student Grant Program at an approved institution must be maintained in a manner which provides a clear audit trail.

(4) The Executive Director of the Alabama Commission on Higher Education, or any of the Director's duly authorized representatives, will have access, for the purpose of review and examination, to Alabama Student Grant Program records and supporting documents maintained by the approved institution.

(5) The records involved in any claim or expenditure which has been questioned by program review or by state audit must be retained until resolution of any such review or audit questions.

Author:

Statutory Authority: Code of Ala. 1975, §§ 16-33A-1, et seq.

History: Filed September 30, 1982.