

DECISION ITEM : Preliminary Approval of Amendments to the Administrative Procedures for the Alabama Student Grant Program

Tim Vick
Director of Operations and Fiscal Services

Staff Recommendation: That the Commission preliminarily approve the proposed amendments to Chapter 300-4-3 of the administrative procedures related to the Alabama Student Grant Program (ASGP).

Background: During the 2021 Legislative Session, Alabama Act 2021-442 was passed. This Act made several modifications to the ASGP program. The major changes are:

- The annual maximum award was raised from \$1,200 to \$3,000.
- Language was added related to dissemination of information about the program.

Additions are underlined, deletions are struck through.

Code of Alabama, 1975, Title 16-33A-5 (a) authorizes the Alabama Commission on Higher Education to adopt any rules necessary for the administration of ASGP.

Supporting Documentation: 1. Proposed amendments to Chapter 300-4-3 of the Alabama Administrative Code (attached).

**ALABAMA STUDENT GRANT PROGRAM
(ASGP)**

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 (ASGP) payment. No institution shall permit a student to receive ASGP funds when a student's projected completion date does not comply with the Code of Federal Regulations definitions of maximum time frame for his/her program of study, as defined in 34CFR 6689.34.

(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. Upon submission of an application, two (2) proofs of residency must be provided and preserved in the student's award file as support for the claim of Alabama residency. The two proofs may be selected from the following list:

(a) Certification by the student of his/her permanent Alabama residence;

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(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

(5) Approved Institution - An approved institution is an independent, nonprofit postsecondary institution of higher learning located in the State of Alabama 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, and:

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(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 Alabama Community College System Office or its successor agency; and

2. 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.

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(6) Eligible Program - An eligible program is a nonsectarian, secular educational program of at least six (6) months duration.

(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 leading to a degree, diploma, or certificate;

(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

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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~~ \$3,000 per academic year for full-time recipients, and a maximum of ~~\$600~~ \$1,500 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) 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.

(14) Renewal of Grants - Upon completion of an initial application, each grant may be automatically renewed annually for the number of hours normally required by the institution for the course of study in which the individual student is enrolled as long as the student is continuously 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.

(15) 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.

(16) 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.

(17) Continuous Enrollment - a student who takes courses each major term (i.e. Fall and Spring Semesters or Fall, Winter and Spring Quarters).

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:** Filed January 6, 2011; effective February 10, 2011. **Amended:** Filed March 27, 2017; effective May 11, 2017. **Amended:** Filed March 18, 2019; effective May 2, 2019.

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~~ 1,500 per semester or ~~\$400~~ 1,000 per quarter. Each eligible half-time student may receive a maximum of ~~\$300~~ 750 per semester or ~~\$200~~ 500 per quarter. No eligible student shall receive more than ~~\$1,200~~ 3,000 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 September 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 in the following manner:

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(a) 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.

(b) 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 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.

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Statutory Authority: Code of Ala. 1975, §§16-33A-1, et seq.
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300-4-3-.09 Dissemination of Information

(1) The Commission shall provide information including, but not limited to, brochures, pamphlets, and signage explaining the program and the process for applying for grants under the program, to high school guidance counselors and student counselors employed by approved institutions for publica and distribution to students.

Authors: Timothy W. Vick
Statutory Authority: Code of Ala. 1975, §§16-33A-1, et seq.
History: