

TITLE 585 STATE STUDENT ASSISTANCE COMMISSION

ARTICLE 1. ADMINISTRATION OF SCHOLARSHIP AND GRANT PROGRAMS

Rule 1. General Provisions (Repealed)

(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1580)

Rule 2. Commission Meetings (Repealed)

(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)

Rule 3. Forms; Eligibility; Grievances

585 IAC 1-3-1 Duties of Commission (Repealed)

Sec. 1. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-3-2 Priority date for completion of application (Repealed)

Sec. 2. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-3-3 Application of rules (Repealed)

Sec. 3. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-3-4 Grievances of applicant; procedure (Repealed)

Sec. 4. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-3-5 Fraud or misrepresentation; prosecution (Repealed)

Sec. 5. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1580)*

585 IAC 1-3-6 Approval of institution of higher learning; suspension or revocation; hearing (Repealed)

Sec. 6. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-3-7 Residency qualification (Repealed)

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(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1580)

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585 IAC 1-4-1 Determination of rank (Repealed)

Sec. 1. *(Repealed by State Student Assistance Commission; filed Apr 7, 1982, 3:25 pm: 5 IR 992; filed May 17, 1983, 3:16 pm: 6 IR 1239)*

585 IAC 1-4-2 Citizenship requirement (Repealed)

Sec. 2. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-4-3 Determination of residency requirement (Repealed)

Sec. 3. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-4-4 General educational development test; effect (Repealed)

Sec. 4. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-4-5 Priority of applicants (Repealed)

Sec. 5. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-4-6 Upperclass scholarship applications; placement priority (Repealed)

Sec. 6. *(Repealed by State Student Assistance Commission; filed Apr 7, 1982, 3:25 pm: 5 IR 992; filed May 17, 1983, 3:16 pm: 6 IR 1236)*

Rule 5. Determination of Financial Need

585 IAC 1-5-0.5 Eligibility for award; requirements (Repealed)

Sec. 0.5. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-1 Financial aid form; determination of need (Repealed)

Sec. 1. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-1.5 Financial need determination procedure (Repealed)

Sec. 1.5. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-2 Minimum awards (Repealed)

Sec. 2. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-3 Effect of additional financial aid (Repealed)

Sec. 3. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-5-3.5 Effect of additional financial aid (Repealed)

Sec. 3.5. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-4 Modification of award; grounds (Repealed)

Sec. 4. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-5 Transfers between institutions; effect (Repealed)

Sec. 5. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-6 Summer enrollment period; award funds (Repealed)

Sec. 6. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-5-7 Reduction of credit hours (Repealed)

Sec. 7. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-8 Budget information submitted by institution (Repealed)

Sec. 8. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-5-9 Self-help by student; requirement (Repealed)

Sec. 9. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-5-9.5 Applicant to contribute 35 percent of education costs (Repealed)

Sec. 9.5. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-10 Foreign study programs; effect (Repealed)

Sec. 10. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-5-11 Basic educational opportunity grant program; duty not to apply (Repealed)

Sec. 11. *(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)*

585 IAC 1-5-12 Additional application; Pell Grant Program (Repealed)

Sec. 12. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-13 Criteria for student leave of absence (Repealed)

Sec. 13. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-14 Renewal applicant; residency requirement (Repealed)

Sec. 14. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

585 IAC 1-5-15 Prior approved applicant's reapplication (Repealed)

Sec. 15. *(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)*

Rule 6. Leave of Absence; Renewal (Repealed)

(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)

Rule 6.5. Top Twenty Hoosier Scholar Award (Repealed)

(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)

Rule 7. Recommendation by an Approved Institution (Repealed)

(Repealed by State Student Assistance Commission; filed Feb 26, 1986, 4:10 pm: 9 IR 1581)

Rule 8. Education Grant Awarding Priority (Repealed)

(Repealed by State Student Assistance Commission; filed Sep 15, 1981, 8:50 am: 4 IR 1985)

Rule 9. Grant and Scholarship Programs

585 IAC 1-9-1 Definitions

Authority: IC 20-12-21-5

Affected: IC 20-12-21

Sec. 1. The following definitions apply throughout this article:

- (1) "Academic year" means an approved institution's school year, usually two (2) semesters, three (3) quarters, or three (3) trimesters, but not including summer sessions.
- (2) "Act" means IC 20-12-21.
- (3) "Allowable tuition and fees" means the tuition and fees upon which awards are based and shall be established annually by a resolution adopted by the commission under section 7 of this rule.
- (4) "Application deadline" means the date on which paper applications for awards must be postmarked, or the date that electronic applications for awards must be received. The opening date for the application shall be January 1 of each year, and the closing date shall be March 1 of each year. The commission may establish other dates due to budgetary constraints. The closing date may be extended by a reasonable period of time as determined by the commission to allow time for mail delivery or, if funds are available, to make awards to those who did not file by the deadline.
- (5) "Application period" means the period of time that applications for awards are accepted.
- (6) "Approved application" means the Free Application for Federal Student Aid (FAFSA).
- (7) "Approved institution" means institutions of higher learning as defined in IC 20-12-21-3. All approved institutions must have active Title IV participation agreements with the United States Department of Education and active program participation agreements with the commission.
- (8) "Award" means any monetary grant made by the commission from appropriations for Higher Education Awards and Freedom of Choice grants, federal funds, or other appropriations, grants, gifts, or bequests.
- (9) "Award notification" means a notice from the commission informing eligible applicants of their state award status.
- (10) "Citizen" means a person:
 - (A) born in the United States;
 - (B) born abroad of parents who are United States citizens; or
 - (C) who has been naturalized.
- (11) "Commission" means the policy making body of the state student assistance commission of Indiana created by IC 20-12-21-4 and the agency of state government with the same name.
- (12) "Completed application" means a completed and error-free Free Application for Federal Student Aid as defined by the commission.
- (13) "Consortium agreement" means a written agreement between two (2) approved institutions to provide course work, which is applicable to a degree program at the home institution.
- (14) "Correspondence course" means a home study course provided by an approved institution. Students may or may not be

physically attending classes at the institution. The institution provides instructional materials, including examinations, to students.

(15) "Default" means the failure of a borrower to make an installment payment on a federal student loan when due in accordance with the terms outlined under Title IV, Part B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071, et seq.

(16) "Dependent student" means any applicant not meeting the criteria under section 5(b) or 5(c) of this rule.

(17) "Distance education" means an educational process that is characterized by the separation, in time or place, of the student and instructor and includes courses offered principally through the use of various means, including the Internet, television, audio, or computer transmission, such as open broadcast, closed circuit, cable, or satellite transmission; audio or computer conferencing; video cassettes or disks; or correspondence.

(18) "Domiciled in the state" means that a dependent applicant's parents' or an independent applicant's permanent, continuous, and principal place of residence is within Indiana.

(19) "Edit letter" means a notice by mail that the commission sends to an applicant, stating the reason or reasons why an applicant is ineligible for an award and advising the applicant of the methods and deadlines that are associated with correcting an incomplete approved application.

(20) "Eligible noncitizen" means a person who has been granted eligible noncitizen status by the United States Department of Immigration and Naturalization Service.

(21) "Eligible student" means a person who is enrolled or has been accepted for enrollment at an approved institution of higher education.

(22) "Enrollment period" means a portion of an academic year, usually a semester, a trimester, or a quarter.

(23) "Executive director" means the person appointed by the governor to administer the commission's programs.

(24) "Expected family contribution (EFC)" means the dollar amount that an applicant and his or her spouse and/or the parents are expected to contribute to the costs of education.

(25) "Federal methodology" means the federally legislated, nationally standardized procedure used for calculating a parental contribution (PC) and expected family contribution (EFC) from data on the approved application.

(26) "File with the commission" means the filing of an approved application to the application processing center designated by the United States Department of Education to perform the analysis.

(27) "Full-time student" means an individual enrolled at an approved institution for not less than twelve (12) semester credit hours in each enrollment period of an academic year at a semester-based institution. Semester credit hours shall be converted to the equivalent if a different grading period is used at the college or university. Unless it is established that a different equivalency applies, it shall be presumed that the correct equivalency is two (2) semester hours for every three (3) quarter or trimester hours.

(28) "Grant overpayment" means any federal or state grant that occurs any time the student receives a payment that is greater than the amount for which the student is eligible.

(29) "Higher education grant (HEG)" means funds awarded under the higher education award and the freedom of choice grant programs.

(30) "Home school" means the school responsible for administering a student's financial aid package and satisfactory academic progress (SAP) under the terms of a consortium agreement as outlined in this rule. Under a consortium agreement, the home school is the institution that will issue the student's degree.

(31) "Home study course" means a course that is delivered in whole or in part through video cassettes or video discs and considered a correspondence course unless the school also delivers comparable instruction to students physically attending classes at the school during the same award year.

(32) "Hoosier scholar" means an individual selected to receive a stipend under IC 20-12-21-20.

(33) "Independent student" means any applicant meeting the criteria of section 5(b) or 5(c) of this rule.

(34) "Need analysis application" means the form prescribed by the commission used to determine eligibility for the state grant program.

(35) "Parent" means:

- (A) a natural father or mother, or both;
- (B) an adoptive father or mother, or both; or
- (C) a stepfather or stepmother.

(36) "Parental contribution (PC)" means the dollar amount that an applicant's parents are expected to contribute to the costs

of education that is derived from an analysis of financial data submitted by an applicant or an approved institution by the approved need analysis process.

(37) "Regularly assessed fees" means the nontuition charges regularly assessed against all undergraduate students enrolling at an approved institution.

(38) "Servicer" means any entity approved by the commission to perform the financial needs analysis that computes the parental contribution (PC) and/or expected family contribution (EFC) figures used in the awards calculation process.

(39) "Stipend" means the grant made to a hoosier scholar under IC 20-12-21-20.

(40) "Telecommunications course" means a course that is offered principally through the use of television, audio, or computer transmission, including open broadcast, closed circuit, cable, microwave, satellite, audio conferencing, computer conferencing, or video cassettes or discs. The term does not include a course that is delivered using video cassettes or discs recordings unless the institution also delivers comparable instruction offered on the cassettes or discs to students physically attending classes at the school during the same academic year.

(41) "Verification" means the procedure followed by financial aid administrators or commission staff to audit the data disclosed on an applicant's applications for federal, state, or institutional student financial assistance.

(State Student Assistance Commission; 585 IAC 1-9-1; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1574; filed May 11, 1987, 8:45 a.m.: 10 IR 1867; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1199; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1358; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1289)

585 IAC 1-9-2 Program administration

Authority: IC 20-12-21-5

Affected: IC 20-12-21

Sec. 2. Consistent with IC 20-12-21 and this rule and acting on behalf of the commission, the executive director, or an authorized designee, may do the following:

(1) Accept federal or other grants, or both, bequests, and gifts from any entity, public or private, for use in the grant and scholarship programs.

(2) Establish administrative policies necessary to carry out the purposes of IC 20-12-21 and this rule.

(3) Determine the eligibility of applicants for awards and scholarships.

(4) Calculate or recalculate awards, if necessary, for all eligible applicants.

(5) Disburse funds to approved institutions to be administered on behalf of individual recipients.

(6) Inspect and audit commission-related grant and scholarship funds and records maintained by the approved institutions.

(7) Enter into agreements with approved institutions for participation in the commission's grant and scholarship programs.

(8) Revise, suspend, or withdraw awards offered to any applicant.

(9) Consider an enactment of the general assembly as an automatic revision of this rule.

(10) Request information for an applicant from any source necessary in order to determine or clarify the eligibility or financial need of the applicant.

(11) Establish that the opening date for the application shall be January 1 of each year and the closing date shall be March 1 of each year unless the commission establishes other dates. The closing date may be extended by a reasonable period of time as determined by the executive director or the appropriate designee to allow time for mail delivery. Unless the commission establishes other dates, applications filed electronically must be received electronically by March 1.

(12) May deem eligible any applicant supplying an electronic confirmation by the United States Department of Education's application servicer or a United States postal service certificate of mailing, return receipt, or certified or registered mail receipt that proves the application was filed on or before the closing date established by the commission.

(13) With approval of the commission, withhold or reduce distributions of state grant funds from an approved institution that:

(A) fails to comply with the provisions of the program regulations; and

(B) shows an unwillingness to negotiate in good faith on matters of dispute.

(14) Deny eligibility to those students who owe a repayment or overpayment of any state educational award administered by the commission or federal Title IV funds.

(State Student Assistance Commission; 585 IAC 1-9-2; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1575; filed May 11, 1987, 8:45 a.m.: 10 IR 1868; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1360; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1291)

585 IAC 1-9-3 Hoosier scholar guidelines

Authority: IC 20-12-21-5

Affected: IC 20-12-21-20

Sec. 3. The following guidelines apply to the commission's designation of hoosier scholars under IC 20-12-21-20:

- (1) For eligibility, a nominee must meet the following requirements:
 - (A) Be a senior at an Indiana high school approved by the commission.
 - (B) Rank in the top twenty percent (20%) of their graduating class, with rank to be determined by each high school.
 - (C) Be physically domiciled in the state at the time of nomination. Parents and legal guardians of a dependent student must also be domiciled in the state at the time the student is nominated in high school.
 - (D) Be a United States citizen or hold classification as an eligible noncitizen.
- (2) The stipend must be used as follows:
 - (A) For any expense, not just tuition, related to attendance at an approved institution in Indiana. Unless permitted by law, the amount of any other state financial aid received by a hoosier scholar recipient may not be reduced.
 - (B) During the academic year immediately following high school graduation unless otherwise approved by the commission.
- (3) The stipend must be forfeited if a nominee:
 - (A) enrolls at an ineligible institution;
 - (B) does not attend an approved institution during any portion of the award year as a full-time student; or
 - (C) fails to supply requested information to the commission within the time period specified.
- (4) An approved institution must:
 - (A) credit the stipend award in a one (1) time lump sum disbursement;
 - (B) credit the stipend award to the recipient's account at any point in the thirty (30) day period prior to the first term of a student's full-time enrollment or within thirty (30) days of being notified of the award whichever is earlier; and
 - (C) pay all or part of the stipend award directly to the recipient if the stipend has not already been credited to the recipient's account on or after the first day of classes of an enrollment period.

(State Student Assistance Commission; 585 IAC 1-9-3; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1575; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1360; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1291)

585 IAC 1-9-4 Eligibility standards

Authority: IC 20-12-21-5; IC 20-12-21-6

Affected: IC 20-12-21

Sec. 4. To be eligible for an award, an applicant shall meet the following requirements:

- (1) For purposes of eligibility, an applicant must have:
 - (A) graduated from a program of instruction at a secondary school. A student who leaves an Indiana public high school with a certificate of completion, as opposed to high school diploma, is not considered a high school graduate for state grant purposes; or
 - (B) received a general education development (GED) diploma; or
 - (C) been admitted to an approved institution in an early admissions or accelerated learning program leading to an associate's or bachelor's degree.
- (2) Be an eligible student as defined in section 1(21) of this rule.
- (3) Absent specific legislative language to the contrary, to be eligible for a higher education grant, the student must be enrolled in an academic program leading to a certificate at Ivy Tech State College, or an associate degree or baccalaureate degree at an eligible institution, or, up to the first thirty (30) credit hours of undergraduate study, pursue a specific educational objective or course of study at an eligible institution and enroll in:
 - (A) courses that apply toward the requirement for completion of that objective or course of study; or
 - (B) courses designed to assist the student in developing the basic skills necessary for the student to successfully achieve the objective or continue in that course of study.
- (4) Have not received a first baccalaureate degree and have not received:
 - (A) more than eight (8) semesters or twelve (12) trimesters or quarters of state grant assistance; or

(B) more than ten (10) years of eligibility, beginning with the date that the initial award is used.

(5) File an approved application no earlier than the beginning of the application period and no later than the application filing deadline established by the commission under section 1(3) of this rule. To establish eligibility for an award, an applicant's need analysis application shall meet the following requirements:

(A) Be submitted no later than the application filing deadlines established by the commission.

(B) Be satisfactorily completed by the filing date established by the commission with all applicable questions answered correctly, including complete and accurate financial data.

Failure to meet requirements of this subdivision shall render an applicant ineligible for an award in the academic year for which application is being made.

(6) Be a United States citizen or be considered an eligible noncitizen as classified by the United States Department of Education for Title IV purposes.

(7) Be domiciled in the state on or before December 31 of the year preceding application for an award and be continuously domiciled in the state thereafter. Determination of residency status shall be as follows:

(A) For a dependent student, the determination of residency status shall be based upon the permanent place of residence of the parents of an applicant.

(B) For an independent student, the determination of residency status shall be based upon the permanent place of residence of the applicant.

(C) If an applicant qualifies as a resident under this subdivision, but is classified as a nonresident by an approved institution, the applicant's award shall be computed on the basis of in-state tuition and fees only. An applicant who is classified as a nonresident student by the commission is ineligible for an award even if classified as a resident by an approved institution.

(State Student Assistance Commission; 585 IAC 1-9-4; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1575; errata, 9 IR 2208; filed May 11, 1987, 8:45 a.m.: 10 IR 1868; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1201; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1361; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1292)

585 IAC 1-9-5 Dependent and independent student status

Authority: IC 20-12-21-5

Affected: IC 20-12-21-6; IC 20-12-21-15

Sec. 5. (a) The commission shall classify applicants for awards into the categories of dependent or independent.

(b) With the exception of the conditional provisions identified in section 6 of this rule, an independent student is any applicant who is:

(1) twenty-four (24) years of age or older as of the following December 31 of the award year; or

(2) less than twenty-four (24) years of age as of the following December 31 of the award year, who:

(A) is an orphan whose natural or adoptive parents are deceased;

(B) is a ward of a court or was a ward of the court until the individual reached the age of 18;

(C) is a veteran who has engaged in the active duty in the U.S. Army, Navy, Air Force, Marines, or Coast Guard and was released under a condition other than dishonorable;

(D) is an individual with legal dependents other than a spouse; or

(E) is married on or before the date of filing a need analysis application.

(c) An applicant not meeting the requirements of subsection (b) may be classified as an independent student by the executive director, designee, or eligible institution upon a finding based on documented facts that the applicant is independent due to unusual or unique circumstances under the following guidelines:

(1) Irreparable breakdown in the family.

(2) A death of sole supporting parents.

(3) Other unique circumstances that are substantially similar to (1) and (2) above [subdivisions (1) and (2)].

(d) An applicant not classified as an independent student under subsection (b) or (c) shall be classified as a dependent student.

(State Student Assistance Commission; 585 IAC 1-9-5; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1576; filed May 11, 1987, 8:45 a.m.: 10 IR 1869; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1201; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1362; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1293)

585 IAC 1-9-6 Determination of parental contribution and expected family contribution

Authority: IC 20-12-21-5

Affected: IC 20-12-21-6.2

Sec. 6. (a) Federal methodology, as specified by resolution of the commission, shall be used to determine the parental contribution (PC) and expected family contribution (EFC). Both the PC and EFC shall always be calculated on the basis of actual income for the calendar year prior to the beginning of an application period and assets at the time of application, except as the commission may otherwise direct. Absent specific legislative language to the contrary, the commission may adjust the methodology due to budgetary constraints.

(b) For a dependent student, the PC figure shall be derived from the parental data submitted on an approved application by the applicant. Also, if the applicant's parents are separated or divorced at the time of application, only the prior year's income and current household and asset information of the parent with whom the student lived the most during the last twelve (12) months, or, if the student lived with each parent an equal number of days, of the parent who provided the most financial support during the last twelve (12) months or during the most recent calendar year that support was received shall be considered, including the following:

(1) The executive director or designee may require an applicant to obtain a notarized statement from his or her parents that affirms that the parents were divorced or separated on the date the application was filed.

(2) If the custodial parent is not a resident of Indiana, but the noncustodial parent is an Indiana resident, the commission shall treat the student as an Indiana resident. In this instance, the financial, household, and asset information of the custodial parent will be used to determine the student's eligibility for an award.

(c) For an independent student, the EFC shall be derived from data submitted by the applicant on the approved application. The following shall also apply to the determination of an EFC for independent students:

(1) If the applicant is divorced or separated at the time of application, only the student's prior year's income and current household and asset information shall be used. The executive director or designee may require an applicant to obtain a notarized statement that affirms that the applicant was divorced or separated on the date the application was filed.

(2) The income and assets of the applicant's spouse.

(d) The commission may apply a factor that increases or decreases the PC and EFC of all applicants (both dependent and independent) if, in the commission's judgment, such adjustments are necessary and appropriate.

(e) The commission shall not adjust the PC or EFC or recalculate an award for any of the following reasons:

(1) Were temporarily or permanently unemployed during the year for which an application was filed.

(2) Experienced a change in farm or business assets occurring after the date an application was filed.

(3) Filed bankruptcy or experienced a loss of assets after the date an application was filed.

(4) Were married after the date an application was filed.

(5) Divorced or separated after the date an application was filed.

(6) Experienced an increase in the number of dependents or additional family members after the date an application was filed.

(7) Experienced an increase or decrease of income or assets after the filing of the need analysis application, unless prior year data was reported in error on the form.

(f) In the event of the death of one (1) of the parents of an applicant, the commission may recalculate the PC on the basis of the surviving parent's prior calendar year's income and current year's assets and issue a revised award at any time. Should an applicant be orphaned, the commission may reclassify the applicant as an independent and issue a revised award based on the applicant's revised EFC. Adjustments under either provision mentioned in this section must be made during the academic term in which the student is enrolled.

(g) In the event of the death of the spouse of an independent student, the commission may recalculate the EFC on the basis of the student's prior year's income and current year's assets and issue a revised award at any time from the beginning of an application period up to the reconciliation dates established by the commission for the eligible institution attended.

(h) For an applicant under section 5(b)(2)(A) or 5(b)(2)(B) of this rule, income from and assets of trusts administered in the applicant's behalf by a court-appointed guardian, trustee, or conservator shall be considered in calculating the EFC. The commission shall not consider the income of relatives or others with whom an applicant may live in calculating the EFC of an applicant classified as an independent student under section 5(b)(2)(A) or 5(b)(2)(B) of this rule if such relatives or other persons are not the applicant's adoptive parents.

(i) In determining the financial resources available to an applicant, the commission may not consider excludable bond interest as prescribed under IC 20-12-21-6.2 or assets under an Internal Revenue Service Section 529 Plan. (*State Student Assistance*

Commission; 585 IAC 1-9-6; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1577; filed May 11, 1987, 8:45 a.m.: 10 IR 1871; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1202; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1362; errata filed Apr 9, 1996, 2:50 p.m.: 19 IR 2047; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1293)

585 IAC 1-9-7 Schedule of allowable tuition and regularly assessed fees

Authority: IC 20-12-21-5

Affected: IC 20-12-21-7; IC 20-12-21-17

Sec. 7. Unless otherwise approved by the commission, the commission's awards shall be directly related to actual tuition and regularly assessed fees charged to students by the approved institutions. Applicants are only eligible for one (1) academic year's worth of state assistance within a twelve (12) month period. For purposes of establishing the tuition and fee basis for its awards, the commission annually shall do the following:

- (1) Collect tuition and fee information for the academic year in which an application period falls from each approved institution.
- (2) Compute tuition charges for an academic year on the basis of actual credit hours if greater than eleven (11) or a maximum of fifteen (15) credit hours times the number of enrollment periods in an academic year.
- (3) Add to the computed tuition figure all regularly assessed fees.
- (4) Develop a schedule showing allowable tuition and fees for each approved institution.

The commission annually shall adopt a schedule of allowable tuition and fees. *(State Student Assistance Commission; 585 IAC 1-9-7; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1578; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1364; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1294)*

585 IAC 1-9-8 Minimum and maximum awards

Authority: IC 20-12-21-5

Affected: IC 20-12-21-7; IC 20-12-21-17

Sec. 8. The maximum award offered to applicants shall not exceed the amount authorized by the general assembly in the biennial appropriations bill. In the absence of specific instructions from the general assembly, unless otherwise approved by the commission, the maximum shall not exceed the lesser of:

- (1) the actual tuition and mandatory fees from the schedule adopted by the commission;
- (2) the actual fees charged students if less than the schedule adopted by the commission; or
- (3) the sum of:
 - (A) the highest actual tuition and mandatory fees charged to students at a public institution of higher learning for the academic year in which the application period falls; and
 - (B) the lowest appropriation per full-time student equivalent (FTE) made by the general assembly to a public institution of higher learning for the academic year in which the application period falls.

The minimum award that shall be offered to applicants shall be established annually by a resolution adopted by the commission.

(State Student Assistance Commission; 585 IAC 1-9-8; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1578; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1364; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1295)

585 IAC 1-9-9 Computation and adjustment of potential awards

Authority: IC 20-12-21-5

Affected: IC 20-12-21-7; IC 20-12-21-17

Sec. 9. The commission shall compute awards in the manner in which the general assembly directs in the biennial appropriations bill. In the absence of specific instructions from the general assembly, unless otherwise approved by the commission, the following calculation shall be used:

- (1) Potential award is a percentage of the tuition and regularly assessed fees minus PC for dependent applicants and EFC for independent applicants. Applicants who graduated from an Indiana high school in 1998 or beyond with a Core 40 diploma and a 2.0 grade point average, and applicants who graduated from an Indiana high school in 1997 or beyond with an academic

honors diploma and a 3.0 grade point average may qualify for higher awards levels than those who graduate from high school without Core 40 or academic honors diploma credentials.

(2) When potential awards for all eligible students exceed available funds, the commission shall reduce the award amounts on a pro rata basis.

(3) Based on prior year acceptances of awards offered to applicants, the commission may offer awards in a total amount greater than available funds to ensure the maximum possible utilization of grant funds.

(State Student Assistance Commission; 585 IAC 1-9-9; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1578; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1364; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1295)

585 IAC 1-9-10 Applicant's right of appeal

Authority: IC 20-12-21-5

Affected: IC 4-21.5; IC 20-12-21

Sec. 10. (a) When the commission determines that an applicant is ineligible for award consideration for reasons specified in IC 20-12-21-6, IC 20-12-21-6.1, and IC 20-12-21-7 or this rule, to the extent practicable, the commission shall attempt to notify the applicant at the address on record of the denial and of the period of time an applicant has to provide requested data or appeal the denial.

(b) An applicant who has been denied may appeal the action in the following manner:

(1) An appeal must be made in writing to the director of the grant division. Relevant documentation must accompany the written appeal and be submitted within thirty (30) days of the date the commission sent an edit letter to the student notifying them of their ineligibility for state grant assistance.

(2) Decisions made by the director of the grant division regarding the applicant's appeal shall be in writing and shall be mailed to the applicant making the appeal.

(3) An appeal decision rendered by the director of the grant division may be appealed in writing to the executive director.

(4) Decisions made by the executive director regarding the applicant's appeal shall be in writing and shall be mailed to the applicant making the appeal.

(5) An appeal decision rendered by the executive director may be appealed to the appointed members of the commission.

(6) Appeals to the appointed members of the commission shall be heard at a regular meeting or a specially called meeting. An applicant appealing to the commission is entitled to advance notice of the date, time, and place of the hearing. The applicant shall receive a copy of the official minutes that contain the decision made by the commission on the appeal.

(7) An appeal that has been denied by the commission shall be final within the meaning of IC 4-21.5.

(c) An applicant who fails to respond in writing to a request for information in the period of time specified shall be ineligible to receive award consideration for that academic year. *(State Student Assistance Commission; 585 IAC 1-9-10; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1579; errata, 9 IR 2208; filed May 11, 1987, 8:45 a.m.: 10 IR 1872; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1365; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1295)*

585 IAC 1-9-11 Adjusted or withdrawn awards

Authority: IC 20-12-21-5

Affected: IC 20-12-21-6.5; IC 20-12-21-7

Sec. 11. (a) The commission shall recalculate, adjust, or withdraw awards in any of the following circumstances:

(1) A recipient makes a change of school choice.

(2) A recipient fails to make in writing a change of school choice within thirty (30) days from the end of the last day of classes in any enrollment period at the chosen school.

(3) A recipient enrolled in an institution ceases for any reason to be a student in good standing. If, under its current standards, a fee or charge that has been paid as part of an award would otherwise be remissible by the institution to the student, the fee or charge shall be remissible to the commission.

(4) A recipient is simultaneously enrolled full time in more than one (1) institution.

(5) An approved institution submits changes in a recipient's PC and/or EFC.

(6) Inaccurate or falsified data is intentionally submitted in an effort to affect the applicant's eligibility for award consideration.

- (7) A recipient fails to maintain satisfactory academic progress as defined by each approved institution.
- (8) A recipient owes a Pell grant overpayment and/or is in default of any educational loan.
- (9) A recipient has obtained a prior bachelor's degree.
- (10) A recipient owes repayment of any federal or commission-administered student aid.
- (11) It is found that a recipient is not a United States citizen or is not considered an eligible noncitizen under section 4(6) of this rule.
- (12) The parents of a dependent student remove their permanent, continuous, and principal place of residence from Indiana after the beginning of the academic year; the recipient will not be eligible for award usage in subsequent academic years.
- (13) A recipient is a graduating senior and enrolled less than full time during the final term prior to graduation.

(b) An action by the commission to adjust or withdraw a recipient's award may be appealed in the same manner as determinations of eligibility under section 9 of this rule. (*State Student Assistance Commission; 585 IAC 1-9-11; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1579; filed May 11, 1987, 8:45 a.m.: 10 IR 1872; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1365; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1296*)

585 IAC 1-9-12 Leaves of absence (Repealed)

Sec. 12. (*Repealed by State Student Assistance Commission; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1368*)

585 IAC 1-9-13 Fraud and misrepresentation

Authority: IC 20-12-21-5

Affected: IC 20-12-21-5

Sec. 13. (a) When the commission receives evidence of fraud or willful misrepresentation on the part of a recipient, the commission shall withdraw the recipient's award and notify the recipient's approved institution of its action.

(b) The executive director or designee is authorized to present evidence of fraud or willful misrepresentation to the attorney general of Indiana or to the prosecuting attorney of the county in which a recipient resides and request consideration of civil action or criminal charges, or both. (*State Student Assistance Commission; 585 IAC 1-9-13; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1580; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1366; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

585 IAC 1-9-14 Responsibilities of approved institutions

Authority: IC 20-12-21-5

Affected: IC 20-12-21-10

Sec. 14. (a) The commission shall execute agreements with each approved institution, which shall evidence the willingness of the approved institution to abide by the commission's law, rules, and policies. Execution of an agreement with the commission binds an approved institution to meet the following requirements:

- (1) Notify the commission, at the times and in the form specified by the commission, of any of the following circumstances:
 - (A) A recipient's failure to enroll in or maintain status as a full-time student if the student was awarded a HEG through the institution's refund period.
 - (B) A recipient's failure to maintain satisfactory academic progress as that may be defined by each approved institution.
 - (C) A recipient's grant overpayment or default of any educational loan.
 - (D) A recipient owes an overpayment of any federal or commission-administered student aid.
- (2) Supply the commission with information it receives that may raise questions about a recipient's eligibility, including, but not limited to, the following:
 - (A) State of residency.
 - (B) Omitted, inaccurate, falsified, or conflicting information on the approved need analysis application or any other documentation received.
 - (C) Misclassification of a recipient as an independent or dependent student.
- (3) Maintain accurate and complete records sufficient to document the use of state grant funds for each recipient for at least three (3) years following the academic year in which a grant was made to a recipient and, during normal business hours, permit inspection and audit of records related to state student financial assistance programs.

(4) Return unused, or inappropriately used, state grant funds to the commission by the established deadline dates. State grants cannot be treated as federal or institutional money for the purpose of returning funds. Returning funds to the commission must be done independent of the return of funds to the federal government, the institution, or any other granting source. Funds must be returned based on a prorated basis in such a way that if an institution charges a student a percentage of the tuition and regularly assessed fees used to calculate the award, the award can be claimed up to that percentage and the rest returned to the commission.

(5) Submit commission-required reports by the established deadline dates. Failure to do so will result in unpaid claim reimbursements.

(6) Assist the commission in determinations of eligibility and financial need by sharing information supplied by applicants.

(7) Certify to the commission changes in a student's status resulting from the application of section 5(b) or 5(c) of this rule and changes in a student's PC and EFC resulting from verification under the federal methodology for federal, state, or institutional purposes that exceed the level established by the commission as significant. Approved institutions must certify changes to the commission according to the schedule published by the commission.

(8) Disburse state award funds only after the applicant's verification process is complete regardless of whether verification is federally or institutionally mandated. Approved institutions that participate in the United States Department of Education's Quality Assurance (QA) program can disburse first-term awards to QA-selected students before completing the verification process. A QA-selected student's verification must be completed before their second term award can be disbursed. If a QA school's verification process lowers a student's HEA/FOC award, the school must refund the overawarded amount to the commission. A verification that increases a student's award amount will not be paid by the commission for a semester, trimester, or quarter that has already been reconciled.

(9) Certify to the commission the names of all applicants for a state grant who have been classified as independent by the financial aid administrator's professional judgment and who meets one (1) of the commission-approved professional judgment (pj) dependency override categories under section 5(c) of this rule. Copies of all documents relevant to the decision shall be made available to the commission upon request. Schools must document all pj actions, adhere to their written pj policies and procedures guidelines, and follow the commissions written pj policies. For state grant purposes, final determination of status under section 5(d) of this rule rests solely with the executive director or designee.

(10) For purposes of this section, an improperly awarded grant is defined as a grant that was issued to an applicant based on incorrect information provided to the school and/or commission by the applicant. If a school makes an error that results in a grant being improperly awarded to a student, the school is responsible for refunding the award amount to the commission.

(11) Make a reasonable effort to collect repayment from a recipient of an improperly awarded state grant by the end of the enrollment period that is, by the end of the semester, quarter, or trimester in which the award was disbursed. Schools must notify the commission within thirty (30) calendar days after an account goes into repayment of an improperly awarded state grant.

(A) A reasonable effort shall consist of an effort equal to the approved institution's normal process of collecting improperly awarded financial aid from students. An approved institution shall document its effort to obtain repayment of an improper grant.

(B) In the event an institution cannot gain repayment of an improperly disbursed award, the institution must, within thirty (30) calendar days of determining the account uncollectible, appeal to the commission to be released of its collection obligations.

(C) Failure to make a reasonable effort to collect and notify the commission in a timely manner of improperly awarded state grants, including the appeal procedure for uncollectible accounts, will result in an institution being held financially liable.

(12) Reconcile all awards by the deadlines established by the commission. Awards for periods that are not reconciled by the end of a school's semester, trimester, or quarter will not be available for disbursement in a subsequent period. The institution shall prorate any tuition and mandatory fee charges if those charges are less than the reported traditional student charges.

(b) The commission is not obligated to provide grant funds for the same student to more than one (1) approved institution. When more than one (1) approved institution claims commission funds for the same student, the institution in which the student first enrolled shall have claim on the commission's grant, unless the student officially withdrew from the first-enrolled institution in time to receive a full refund of tuition and regularly assessed fees.

(c) A consortium agreement between no more than two (2) approved institutions is allowed providing the two (2) schools have a written agreement that requires one (1) of the two (2) schools to consider the student enrolled full time at their institution. A home

school is responsible for a student's financial aid administration and for ensuring that the student maintains satisfactory academic progress (SAP). Students' state grant awards must be based on a home school's approved tuition and fees as approved by the commission unless the tuition and fees charged students are less than what all students enrolled at the home school would otherwise pay. Home schools are responsible for reconciling state grant awards.

(d) If, during an academic period, a student enrolled in an institution ceases for any reason to be a student in good standing, the institution shall promptly give notice to the commission as to the change of status and the reason for it. If, under its current standards, a fee or charge that has been paid as part of an award would otherwise be remissible by the institution to the student, the fee or charge shall be remitted to the commission. (*State Student Assistance Commission; 585 IAC 1-9-14; filed Feb 26, 1986, 4:10 p.m.: 9 IR 1580; errata, 9 IR 1667; filed May 11, 1987, 8:45 a.m.: 10 IR 1873; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1203; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1366; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1296*)

585 IAC 1-9-15 Miscellaneous provisions (Repealed)

Sec. 15. (*Repealed by State Student Assistance Commission; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1368*)

ARTICLE 2. INDIANA GUARANTEED STUDENT LOAN PROGRAM (REPEALED)

(*Repealed by State Student Assistance Commission; filed Aug 4, 1983, 11:24 am: 6 IR 1679; errata, 7 IR 71*)

ARTICLE 3. INDIANA GUARANTEED STUDENT LOAN PROGRAM (EXPIRED)

(*Expired under IC 4-22-2.5, effective January 1, 2002.*)

ARTICLE 4. INDIANA PLUS PROGRAM (EXPIRED)

(*Expired under IC 4-22-2.5, effective January 1, 2002.*)

ARTICLE 5. COLLEGE WORK-STUDY PROGRAM

Rule 1. Definitions

585 IAC 5-1-1 Definitions

Authority: IC 20-12-20.5-2

Affected: IC 20-12-21-4

Sec. 1. As used in this rule, unless the context otherwise clearly requires another meaning, the following definitions apply throughout this article:

- (1) "Approved institution" has the meaning set forth in 585 IAC 1-9-1.
- (2) "Award" has the meaning set forth in 585 IAC 1-9-1.
- (3) "Commission" refers to the state student assistance commission established under IC 20-12-21-4.
- (4) "Eligible employer" means:
 - (A) an approved institution;
 - (B) a unit of state or local government; or
 - (C) a private, not-for-profit organization located in Indiana and performing work in the public interest.
- (5) "Full-time student" has the meaning set forth in 585 IAC 1-9-1.

(*State Student Assistance Commission; 585 IAC 5-1-1; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1246; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1204; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1298*)

Rule 2. Student Eligibility and Selection

585 IAC 5-2-1 Eligibility criteria (Repealed)

Sec. 1. (*Repealed by State Student Assistance Commission; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1206*)

585 IAC 5-2-2 Work-study

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 2. To be eligible for the work-study program a student must meet the following requirements:

- (1) Be an Indiana resident.
- (2) Apply for, receive, and use a state award in the academic year preceding the summer for which a work-study position is being sought and be in satisfactory academic standing with the institution of attendance.
- (3) Not have completed a baccalaureate degree.
- (4) If attending school, be enrolled as a full-time student.

(State Student Assistance Commission; 585 IAC 5-2-2; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1246; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1205; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1298)

585 IAC 5-2-3 Criteria; determination of financial need; awards (Repealed)

Sec. 3. *(Repealed by State Student Assistance Commission; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1206)*

Rule 3. Restrictions on Student Placement; Compensation

585 IAC 5-3-1 Employee displacement

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 1. Employment of state work-study students may not result in displacement of employed workers or impair existing contracts for services. State funds provided under this program shall not be used to replace funds which would otherwise be used to support financial aid or summer employment programs. *(State Student Assistance Commission; 585 IAC 5-3-1; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1247; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1205; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-3-2 Compensation rate

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 2. All work-study students shall receive compensation equal to the starting salary of comparable positions, but not less than the federal minimum wage. *(State Student Assistance Commission; 585 IAC 5-3-2; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1247; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1205; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-3-3 Student compensation; state share

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 3. The state's share of compensation paid to any student employed under the work-study program shall be no less than fifty percent (50%) of the federal minimum hourly wage. *(State Student Assistance Commission; 585 IAC 5-3-3; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1247; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1205; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-3-4 Student compensation; employer share

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 4. The employer shall pay a minimum of fifty percent (50%) of the student's gross compensation, plus the costs of any employee benefits, including all payments due as an employer's contribution under the state workman's compensation laws, federal Social Security laws, immigration laws, and other applicable laws. The federally funded college work-study program cannot be used

to provide the employer's share of student compensation. (*State Student Assistance Commission; 585 IAC 5-3-4; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1247; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1205; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

585 IAC 5-3-5 Academic credit

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 5. Students may receive academic credit for experience gained through state work-study employment, in accordance with policies and procedures of the institution attended. (*State Student Assistance Commission; 585 IAC 5-3-5; filed Mar 23, 1984, 4:00 pm: 7 IR 1247; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

585 IAC 5-3-6 Maximum hours reimbursed

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 6. Student wages eligible for fifty percent (50%) reimbursement from the state may not be based on:

(1) more than forty (40) hours of work per week per student during the summer period; and

(2) a maximum of nineteen (19) hours per week during the academic period of enrollment the student receives the award.

Total reimbursement may not exceed fifty percent (50%) of the amount allotted to an employer. (*State Student Assistance Commission; 585 IAC 5-3-6; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1247; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1205; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1299*)

585 IAC 5-3-7 Types of work prohibited

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 7. Work performed by a student under this program shall not involve partisan or nonpartisan political or sectarian activities. (*State Student Assistance Commission; 585 IAC 5-3-7; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1247; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1206; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

Rule 4. Institutional Application and Allotment Procedures

585 IAC 5-4-1 Allotment of funds

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 1. (a) Employers will be notified of funds available for their students by May 1 prior to the summer for which work-study funds are being provided, or whenever the legislative appropriation becomes known, whichever is later.

(b) Funds shall be paid to employers as reimbursement in arrears for work actually performed in accordance with guidelines established by the state budget agency, department of administration, state treasurer, auditor's office, and the state board of accounts. (*State Student Assistance Commission; 585 IAC 5-4-1; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1247; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1206; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1299*)

585 IAC 5-4-2 Reallotments

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 2. If it is determined that an employer is unable to utilize all of the funds allotted to it, the commission may reduce its allotment and redistribute utilized funds to other eligible employers. (*State Student Assistance Commission; 585 IAC 5-4-2; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1248; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1206; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

Rule 5. Administration**585 IAC 5-5-1 Administering agency**

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 1. The commission shall administer the work-study program. The staff of the commission, under the direction of the executive director, shall manage the administrative functions relative to the program and is authorized to enter into agreement with eligible employers for the placement of students and the reimbursement of employers for the share of the student compensation. *(State Student Assistance Commission; 585 IAC 5-5-1; filed Mar 23, 1984, 4:00 pm: 7 IR 1248; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-5-2 Reports

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 2. The commission will obtain periodic reports as necessary. *(State Student Assistance Commission; 585 IAC 5-5-2; filed Mar 23, 1984, 4:00 pm: 7 IR 1248; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-5-3 Agreement to participate

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 3. As a precedent to participating in the state-work study program, each employer must sign an agreement to administer the program according to the published rules and program guidelines as outlined by the commission. *(State Student Assistance Commission; 585 IAC 5-5-3; filed Mar 23, 1984, 4:00 pm: 7 IR 1248; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-5-4 Appeals

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 4. If the commission is notified of any possible violations of these rules and regulations [585 IAC 5], satisfactory resolution shall be attempted by the commission staff. If a satisfactory resolution cannot be achieved, a hearing may be requested with the commission, which shall take final action on any appeal. *(State Student Assistance Commission; 585 IAC 5-5-4; filed Mar 23, 1984, 4:00 pm: 7 IR 1248; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-5-5 Program reviews

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 5. The commission may review employers' administrative practices to determine compliance with rules, regulations, and program guidelines. If such a review determines that an employer has failed to comply, the employer shall reimburse the students affected, or the program, in the appropriate amount, as determined by the commission. *(State Student Assistance Commission; 585 IAC 5-5-5; filed Mar 23, 1984, 4:00 p.m.: 7 IR 1248; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1206; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 5-5-6 Job location and development program (Repealed)

Sec. 6. *(Repealed by State Student Assistance Commission; filed Jan 4, 1989, 3:00 p.m.: 12 IR 1206)*

585 IAC 5-5-7 Matching funds

Authority: IC 20-12-20.5-2

Affected: IC 20-12-20.5

Sec. 7. An approved institution of higher learning may utilize up to ten percent (10%) of its state allotment as part of its match against the federal work-study program. (*State Student Assistance Commission; 585 IAC 5-5-7; filed Mar 23, 1984, 4:00 pm; 7 IR 1248; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

ARTICLE 6. TEACHER SHORTAGE FINANCIAL ASSISTANCE FUND (EXPIRED)

(*Expired under IC 4-22-2.5, effective January 1, 2002.*)

ARTICLE 7. EDUCATION LOAN REPAYMENT ASSISTANCE FUND (EXPIRED)

(*Expired under IC 4-22-2.5, effective January 1, 2002.*)

ARTICLE 8. TWENTY-FIRST CENTURY SCHOLARS PROGRAM

Rule 1. Definitions

585 IAC 8-1-1 Applicability

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 1. The definitions in this rule apply throughout this article. (*State Student Assistance Commission; 585 IAC 8-1-1; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1354; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

585 IAC 8-1-2 “Accredited nonpublic and public schools” defined

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 2. “Accredited nonpublic and public schools” means a school meeting one (1) of the following:

(1) a private Indiana elementary or secondary school that assists a student to meet the eligibility requirements for admission to an institution of higher education of the state of Indiana and is either currently seeking accreditation or is fully accredited under the division of performance-based accreditation of the Indiana department of education; or

(2) a school designated as a freeway, charter, or accredited public school by statute and the Indiana department of education.

(*State Student Assistance Commission; 585 IAC 8-1-2; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1354; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1299*)

585 IAC 8-1-3 “Commission” defined

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 3. “Commission” refers to the state student assistance commission. (*State Student Assistance Commission; 585 IAC 8-1-3; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1354; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

585 IAC 8-1-4 “Eligibility verification” defined

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 4. “Eligibility verification” refers to the process by which selected program applicants and program appellants shall be required to demonstrate eligibility for the program. Eligibility shall be verified by providing qualifying income and benefits records.

(State Student Assistance Commission; 585 IAC 8-1-4; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1354; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1299)

585 IAC 8-1-5 “Household” defined (Repealed)

Sec. 5. (Repealed by State Student Assistance Commission; filed Nov 30, 2001, 10:52 a.m.: 25 IR 1303)

585 IAC 8-1-6 “Eligible institution” defined

Authority: IC 20-12-70-15

Affected: IC 20-1-19-1; IC 20-12-70-4; IC 20-12-70-6

Sec. 6. “Eligible institution” includes state universities, the Ivy Tech State College, accredited not-for-profit private (independent) colleges and universities, and accredited proprietary institutions of higher education (see IC 20-12-70-4(2), IC 20-12-70-6(3), and IC 20-1-19-1) that agree to participate. *(State Student Assistance Commission; 585 IAC 8-1-6; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1354; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1299)*

585 IAC 8-1-7 “Private tuition cap” defined

Authority: IC 20-12-70-15

Affected: IC 20-12-21-5; IC 20-12-70

Sec. 7. “Private tuition cap” means the maximum twenty-first century scholarship award that, in conjunction with other state awards, can be offered to applicants who attend eligible independent institutions to pay for tuition and regularly assessed fees. The formula used to determine the private tuition and fee cap is defined under 585 IAC 1-9-8 under the authority of IC 20-12-21-5. *(State Student Assistance Commission; 585 IAC 8-1-7; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1354; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 8-1-8 “Program” defined

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 8. “Program” means the twenty-first century scholars program. *(State Student Assistance Commission; 585 IAC 8-1-8; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1355; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 8-1-9 “Program appellant” defined

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 9. “Program appellant” means a student who files an appeal to the twenty-first century scholars program. An appeal may be filed by a program applicant who has been denied enrollment. *(State Student Assistance Commission; 585 IAC 8-1-9; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1355; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1299)*

585 IAC 8-1-10 “Program applicant” defined

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 10. “Program applicant” means a student who files a timely application for the twenty-first century scholars program. A timely application is filed within the enrollment period set by the commission. *(State Student Assistance Commission; 585 IAC 8-1-10; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1355; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529)*

585 IAC 8-1-11 "Scholar" defined

Authority: IC 20-12-70-15

Affected: IC 20-12-70

Sec. 11. "Scholar" means a person who receives a letter of confirmation after meeting the following requirements:

(1) Is a resident of Indiana. As used in this subdivision, "resident of Indiana" means a United States citizen or eligible noncitizen who was domiciled in the state on or before December 31 of the year preceding application to the twenty-first century scholars program and continuously domiciled in Indiana thereafter. The determination of residency status shall be based upon the permanent place of residence of the parents or legal guardian of an applicant.

(2) Is enrolled in grade 8 or other grade authorized by the commission for enrollment in the program.

(3) Is eligible for the program if at the time of application:

(A) he or she is a foster child (ward of the court);

(B) he or she meets the income guidelines for the federal lunch program; or

(C) the student successfully appeals to enroll in the twenty-first century scholars program via the appeals process.

(State Student Assistance Commission; 585 IAC 8-1-11; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1355; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1300)

585 IAC 8-1-12 "Twenty-first century scholarship" defined

Authority: IC 20-12-70-15

Affected: IC 20-1-19-1; IC 20-12-0.5-1; IC 20-12-21-11.5; IC 20-12-21-15; IC 20-12-63-3; IC 20-12-70-7

Sec. 12. "Twenty-first century scholarship" shall be a tuition scholarship under IC 20-12-70-7 to include financial assistance provided to a student to offset the costs of tuition and other regularly assessed fees incurred by the student in attending an institution of higher learning. Tuition and fee levels must be approved by the commission and reflect current year tuition and regularly assessed fees. Scholarship awards shall be computed as follows:

(1) If the scholarship applicant attends a state educational institution (as defined in IC 20-12-0.5-1), the award shall be the student's tuition and regularly assessed fees, less any award to which the student is entitled under the Higher Education Award Program (IC 20-12-21-11.5) and any other tuition specific financial assistance.

(2) If the scholarship applicant attends a private institution of higher education (as defined in IC 20-12-63-3), the award shall be the lesser of:

(A) the tuition cap established by the commission, less any award to which the student is entitled under the Higher Education Award Program (IC 20-12-21-11.5) and the Freedom of Choice Program (IC 20-12-21-15);

(B) the actual tuition and regularly assessed fees, less any award to which the student is entitled under the Higher Education Award Program (IC 20-12-21-11.5), the Freedom of Choice Program (IC 20-12-21-15), and any other tuition specific financial assistance; or

(C) an average of the full tuition and fee amounts of all state educational institutions not including the Ivy Tech State College.

(3) If the scholarship applicant attends a proprietary institution of higher education (as defined in IC 20-1-19-1), the award shall be the amount of an award the student could receive if the student were enrolled at Ivy Tech State College.

(State Student Assistance Commission; 585 IAC 8-1-12; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1355; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1300)

585 IAC 8-1-13 "Twenty-first century scholarship applicant" defined

Authority: IC 20-12-70-15

Affected: IC 9-30-5; IC 20-12-70; IC 31-6-4-1; IC 31-37-1-2; IC 31-37-2; IC 35-48-1-9

Sec. 13. "Twenty-first century scholarship applicant" means a student who meets the following requirements:

(1) Is an eligible student. Under IC 20-12-70 students who enroll in the twenty-first century scholars program after June 30, 1994, must also achieve a grade average of at least 2.0 on a 4.0 scale or its equivalent if another grading scale is used on courses taken during grades 9, 10, 11, and 12.

(2) Is a resident of Indiana. As used in this subdivision, "resident of Indiana" means one who was domiciled in Indiana on

or before December 31 of the year preceding application for the scholarship and is continuously domiciled in Indiana thereafter. For:

- (A) dependent students as defined for federal student aid purposes, the determination of residency status shall be based upon the permanent place of residence of the parents of an applicant just as it is for the Indiana higher education grant; and
 - (B) independent students as defined for federal student aid purposes, the determination of residency status shall be based upon the permanent place of residence of the applicant just as it is for the Indiana higher education grant.
- (3) Has applied for admission to attend an eligible institution as a full-time student and has timely filed an application for financial assistance as required by the commission.
- (4) Together with the custodial parent or legal guardian, certifies in writing that the student, since enrolling in the twenty-first century scholars program, has fulfilled the terms of the pledge under IC 20-12-70-2(4) and that the student:
- (A) has not:
 - (i) illegally used controlled substances (as defined in IC 35-48-1-9);
 - (ii) committed a crime or infraction described in IC 9-30-5; and
 - (iii) committed any other crime or delinquent act (as described in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their repeal));
 - (B) has not been suspended or expelled from school for having illegally used or possessed alcohol or a controlled substance; and
 - (C) agrees to release criminal and juvenile records and school records of disciplinary proceedings to the commission upon request.

(State Student Assistance Commission; 585 IAC 8-1-13; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1356; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1300)

Rule 2. Program Administration

585 IAC 8-2-1 High school graduation requirements

Authority: IC 20-12-70-15

Affected: IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 1. Twenty-first century scholars must meet all applicable requirements for high school graduation. These requirements include the same requirements as for all other students. *(State Student Assistance Commission; 585 IAC 8-2-1; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1356; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1301)*

585 IAC 8-2-2 College admission requirements

Authority: IC 20-12-70-15

Affected: IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 2. Twenty-first century scholars must meet all applicable requirements for admission to an eligible institution of higher learning. These requirements include the same requirements as for all other Indiana students. *(State Student Assistance Commission; 585 IAC 8-2-2; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1356; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1301)*

585 IAC 8-2-3 Scholarship deferral

Authority: IC 20-12-70-15

Affected: IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 3. Absent specific legislative language, twenty-first century scholars shall matriculate by the third academic year following high school completion. During the student's senior year in high school, and for up to two (2) academic years following, the student shall apply for the twenty-first century scholarship or for deferral. The commission shall administer this process. *(State Student Assistance Commission; 585 IAC 8-2-3; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1356; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1301)*

585 IAC 8-2-4 Duration of award

Authority: IC 20-12-70-15

Affected: IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 4. Absent specific legislative language, scholarship recipients will receive no more than eight (8) semesters or twelve (12) trimesters or quarters of undergraduate scholarship assistance. The scholarship recipient shall remain eligible for the scholarship for not more than ten (10) consecutive years beginning with the year of the initial award. (*State Student Assistance Commission; 585 IAC 8-2-4; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1356; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1301*)

585 IAC 8-2-5 Scholarship renewal

Authority: IC 20-12-70-15

Affected: IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 5. (a) To qualify for a scholarship renewal, the scholarship recipient shall submit to the commission a renewal application, continue to comply with the requirements of the program, and continue to be an undergraduate student in good standing and make satisfactory academic progress at an institution of higher learning. Subject to the fulfillment of renewal qualifications and absent specific legislative language, each scholarship may be renewed for a total award that does not exceed eight (8) semesters or twelve (12) trimesters or quarters within a ten (10) consecutive year period from the first receipt of a scholarship.

(b) A twenty-first century scholarship recipient must maintain satisfactory academic progress, as defined by each institution, and must maintain a primary place of residence in Indiana continuously during each semester or term that the student receives a twenty-first century scholarship to remain eligible for the program. (*State Student Assistance Commission; 585 IAC 8-2-5; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1356; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1301*)

585 IAC 8-2-6 Prospective rules

Authority: IC 20-12-70-15

Affected: IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 6. Beginning on July 1, 1996, this article shall be prospective. Students who enroll in the twenty-first century scholars program on or after July 1, 1996, shall not be held accountable to standards not in effect at the time of enrollment. (*State Student Assistance Commission; 585 IAC 8-2-6; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1357; readopted filed Sep 28, 2001, 4:04 p.m.: 25 IR 529*)

585 IAC 8-2-7 Program administration

Authority: IC 20-12-70-15

Affected: IC 4-21.5; IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 7. Acting on behalf of the commission, the executive director or an authorized designee shall do the following:

- (1) Establish administrative policies to carry out the purposes of the program.
- (2) Determine eligibility of applicants for enrollment. The commission, in conjunction with the Indiana College Placement and Assessment Center, will administer the verification process at the point of entry for those who apply to the program.
- (3) Determine compliance for awarding of scholarships. The commission will make a determination of compliance which will consist of an affirmation statement to be signed by a parent or legal guardian and student applying for the scholarship. The statement shall indicate that the student promises to repay scholarship money if conditions of the pledge are proven to have been violated. Violators shall be subject to prosecution under applicable state laws.
- (4) Disburse funds to approved institutions to be administered on behalf of individual recipients.
- (5) Enter into agreements with approved institutions for the administration of commission funds. Specific responsibilities for the administration of the program may be contracted outside of the commission.
- (6) Coordinate with eligible institutions a program to develop an ongoing mentoring program for twenty-first century scholars and monitor institutional compliance for mentoring.
- (7) Hear appeals and handle complaints regarding compliance. An appeal shall be reviewed by the appeals officer designated by the commission, by the executive director, and by the commission, in that sequence.

- (A) An appeal must be made in writing to the commission.
- (B) If an appeal contains extenuating circumstances, the appeal documentation may be reviewed by an appeals board.
- (C) An appeal decision made by both the appeals officer and the appeals board regarding the applicant's appeal shall be reduced in writing and shall be mailed to the applicant making the appeal.
- (D) An appeal decision rendered by the appeals officer and/or appeals board may be appealed in writing to the executive director.
- (E) An appeal decision made by the executive director regarding the applicant's appeal shall be reduced in writing and shall be mailed to the applicant making the appeal.
- (F) An appeal decision rendered by the executive director may be appealed to the commission.
- (G) An appeal to the commission shall be heard at a regular or specially called meeting. An applicant appealing to the commission is entitled to advance notice of the date, time, and place of the hearing. The applicant shall receive a copy of the official minutes which contain the decision made by the commission on the appeal.
- (H) An appeal decision by the commission on letters of denial shall be final within the meaning of IC 4-21.5.

(State Student Assistance Commission; 585 IAC 8-2-7; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1357; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1302)

585 IAC 8-2-8 Responsibilities of approved institutions

Authority: IC 20-12-70-15

Affected: IC 20-10.1-4.5-2; IC 20-10.1-5.6; IC 20-10.1-5.7; IC 20-12-0.5-1

Sec. 8. The commission shall execute agreements with each eligible institution that participates in the program which shall be responsible to:

- (1) Execute an agreement to participate in the program.
- (2) Process state funds from the commission on behalf of scholarship recipients.
- (3) Develop an ongoing mentor program for providing support services to twenty-first century scholars. The plan for a mentor program may include the following:
 - (A) Academic and social support services to be provided.
 - (B) Expectations for frequency and duration of support services.
 - (C) Outreach strategies.
 - (D) Strategies for identification of key constituencies, including possible mentors.
 - (E) Strategies for the selection and introduction of mentors and mentees.
 - (F) Evaluation plans.
- (4) Monitor the academic progress of each scholarship recipient in attendance.
- (5) Notify the commission of any changes in status of scholarship recipients that may affect the student eligibility, including:
 - (A) A recipient's failure to enroll or maintain status as a full-time student.
 - (B) A recipient's failure to maintain satisfactory academic progress as that may be defined by each eligible institution.
 - (C) A recipient's receipt of any financial assistance, other than state aid, that is specifically designated for tuition and regularly assessed fees.
 - (D) A recipient's default of any educational loan.
 - (E) A recipient's receipt of a bachelor's degree.
 - (F) A recipient's state of residency if other than Indiana.
 - (G) A recipient's due process adjudication by the institution in which there is a finding of fact that a program pledge violation (specifically related to the illegal use of alcohol, controlled substances, or other illegal activities) was committed by the recipient.
- (6) To comply with all applicable state laws and regulations, including 585 IAC 1-9-12, for reconciliation of funds and return unused, or inappropriately used, state grant funds to the commission by the established deadline date.

(State Student Assistance Commission; 585 IAC 8-2-8; filed Jan 9, 1996, 5:00 p.m.: 19 IR 1357; readopted filed Nov 30, 2001, 10:52 a.m.: 25 IR 1302)

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