

**WEST VIRGINIA  
SECRETARY OF STATE  
BETTY IRELAND  
ADMINISTRATIVE LAW DIVISION**

Form #2

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OFFICE WEST VIRGINIA  
SECRETARY OF STATE

**NOTICE OF A COMMENT PERIOD ON A PROPOSED RULE**

AGENCY: WV Higher Education Policy Commission TITLE NUMBER: 133

RULE TYPE: Legislative CITE AUTHORITY: WV Code 18B-1-6 and 18C-5-1

AMENDMENT TO AN EXISTING RULE: YES  NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: \_\_\_\_\_

TITLE OF RULE BEING AMENDED: \_\_\_\_\_

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: Series 42

TITLE OF RULE BEING PROPOSED: West Virginia Higher Education Grant Program

IN LIEU OF A PUBLIC HEARING, A COMMENT PERIOD HAS BEEN ESTABLISHED DURING WHICH ANY INTERESTED PERSON MAY SEND COMMENTS CONCERNING THESE PROPOSED RULES. THIS COMMENT PERIOD WILL END ON November 28, 2005 AT 3:00 p.m. ONLY WRITTEN COMMENTS WILL BE ACCEPTED AND ARE TO BE MAILED TO THE FOLLOWING ADDRESS:

Office of the Chancellor

Higher Education Policy Commission

1018 Kanawha Blvd., East

Charleston, WV 25301

THE ISSUES TO BE HEARD SHALL BE LIMITED TO THIS PROPOSED RULE.

  
Authorized Signature

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

#4.80

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: 133-42: West Virginia Higher Education Grant Program

Type of Rule: X Legislative      \_\_\_\_\_ Interpretive      \_\_\_\_\_ Procedural

Agency: West Virginia Higher Education Policy Commission

Address: 1018 Kanawha Boulevard East  
Charleston, WV 25301

1. Effect of Proposed rule:

	ANNUAL FISCAL YEAR				
	INCREASE	DECREASE	CURRENT	NEXT	THEREAFTER
<b>ESTIMATED TOTAL COST</b>	-0-	-0-	-0-	-0-	-0-
<b>PERSONAL SERVICES</b>					
<b>CURRENT EXPENSE</b>					
<b>REPAIRS &amp; ALTERATIONS</b>					
<b>EQUIPMENT</b>					
<b>OTHER</b>					

2. Explanation of Above Estimates:

The Higher Education Grant Program is an existing program. The proposed rule has no direct impact in terms of obligating the State of West Virginia for funding.

3. Objectives of These Rules:

This rule establishes policies and procedures for awarding of financial aid to students in West Virginia higher education institutions through the Higher Education Grant Program.

Rule Title: 133-42: West Virginia Higher Education Grant Program

4. Explanation of Overall Economic Impact of Proposed Rule:

A. Economic Impact on State Government:

The Higher Education Grant Program contributes to an educated workforce which in turn contributes to a positive environment for economic development and enhancement of the State financial health and vitality as well as the quality of life in the State.

B. Economic Impact on Political Subdivisions; Specific Industries; Specific Groups of Citizens:

Higher Education Grant Program recipients come from all counties and communities throughout the State. Students with academic promise but demonstrated financial need are the target population.

C. Economic Impact on Citizens/Public at Large.

This Program assists WV residents who require need-based assistance to realize their postsecondary education goals. The majority of these students remain in WV following college graduation and are available as highly educated members of the WV workforce.

Date: October 26, 2005

Signature of Agency Head or Authorized Representative:

Dennis C. Taylor

## **SUMMARY**

**Title 133**

**Legislative Rule**

**West Virginia Higher Education Policy Commission**

**Series 42**

**West Virginia Higher Education Grant Program**

This rule establishes guidelines and procedures for operation of the West Virginia Higher Education Grant Program. This program is designed to guarantee that the most able and needy students from all sectors of the state are given the opportunity to continue their programs of self-improvement in approved institutions of higher education of their choice located in this state.

TITLE 133  
LEGISLATIVE RULE  
HIGHER EDUCATION POLICY COMMISSION

FILED

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SERIES 42  
WEST VIRGINIA HIGHER EDUCATION GRANT PROGRAM

OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

**§133-42-1. General.**

- 1.1. Scope: This rule establishes guidelines and procedures that will direct the operation of the West Virginia higher education grant program, hereinafter referred to as the higher education grant program or grant program.
- 1.2. Authority: West Virginia Code §18B-1-6, §18C-5-1
- 1.3. Filing Date:
- 1.4. Effective Date:

**§133-42-2. Purpose and Effect.**

- 2.1. The intent of the legislation creating the higher education grant program is to establish a broad-scale state grant program designed to guarantee that the most able and needy students from all sectors of the state are given the opportunity to continue their programs of self-improvement in approved institutions of higher education.
- 2.2. The provisions of this rule that are inconsistent with or different from current administrative procedures and practices will take effect for higher education grant awards for the 2007-2008 academic year.

**§133-42-3. Definitions.**

- 3.1. Academic Year. A period of time in which a full-time student is expected to complete the equivalent of a least two semesters or other approved academic term.
- 3.2. Commission. West Virginia Higher Education Policy Commission.
- 3.3. Cost of Attendance. The estimated total amount it will cost a student to attend college during an academic year, including tuition and fees; housing and food for the period of enrollment; books and supplies for education; travel costs directly related to attendance; child care expenses; and costs related to a disability.
- 3.4. Council. West Virginia Council for Community and Technical College Education.

- 3.5. **Dependent Student.** A student who is required to provide parental information on the free application for federal student aid because the student does not meet the criteria to be classified an independent student contained in the Higher Education Act of 1965 as amended and implementing regulations.
- 3.6. **Expected Family Contribution (EFC).** The amount that a family is expected to contribute toward a student's education costs under the federal need analysis. For an independent student, EFC is the same as student contribution. For a dependent student, EFC is the same as the total of student and parent contributions.
- 3.7. **Financial Aid Package.** The total amount of financial aid a student receives during an academic year.
- 3.8. **Financial Need.** The demonstrated need of an applicant for financial assistance to meet the actual costs of attending the eligible institution of choice. It is the calculated difference between a student's cost of attendance and his or her EFC.
- 3.9. **Fiscal Year.** A state fiscal year begins on July 1 and ends on June 30.
- 3.10. **Free Application for Federal Student Aid (FAFSA).** An application that students must complete in order to apply for most forms of financial aid, including the West Virginia higher education grant.
- 3.11. **Full-time Student.** A student enrolled in a minimum of twelve credit hours per semester or other comparable period at an institution with a non-traditional calendar.
- 3.12. **Grant.** Financial aid awarded to students that does not have to be paid back.
- 3.13. **Higher Education Grant Program/Grant Program.** Financial aid program described in W. Va. Code § 18C-5-1 et al. that provides grants to needy West Virginia residents.
- 3.14. **Independent Student.** A student who is not required to provide parental information on the free application for federal student aid because the student meets the criteria to be classified an independent student contained in the Higher Education Act of 1965 as amended and implementing regulations.
- 3.15. **Participating Institution.** An institution that is eligible to participate in the West Virginia higher education grant program and for which a participation agreement is in place.
- 3.16. **Participation Agreement.** A document signed by the appropriate institution and Commission officials that specifies the rights and responsibilities of the institution and the Commission as they relate to participation in specific financial aid programs covered by that agreement.

3.17. Undergraduate Student. A student who has not yet received a bachelor's degree.

3.17.1. A student who is enrolled in a program that results in the awarding of a bachelor's and master's degree simultaneously shall be considered an undergraduate student if he or she is in his or her first four years of full-time post-secondary education and has not previously received a bachelor's degree.

3.17.2. A student who is enrolled in a doctor of pharmacy program shall be considered an undergraduate student if he or she is in his or her first four years of full-time post-secondary education and has not previously received a bachelor's degree.

3.18. Unmet Financial Need. When the combination of a student's financial aid package and expected family contribution do not cover the cost of attendance.

3.19. Vice Chancellor for Administration. Commission employee statutorily charged with overseeing the West Virginia higher education grant program or his or her designee. Formerly known as the Senior Administrator.

**§133-42-4. Administration.**

4.1. The Vice Chancellor for Administration shall administer the higher education grant program under the general direction of the Chancellor for Higher Education and the Commission and in consultation with the Chancellor for Community and Technical College Education and the Council.

4.2. The Vice Chancellor for Administration may use no more than two and one-half (2½) percent of the amount appropriated each year for the higher education grant program for financial aid administration, award processing, and information dissemination.

**§133-42-5. Institution Eligibility.**

5.1. Students who attend the following types of institutions are eligible to receive a higher education grant:

5.1.1. Any public higher education institution identified in West Virginia Code §18B-1-2; and

5.1.2. The following not-for-profit private higher education institutions in West Virginia: Alderson-Broaddus College, Appalachian Bible College, Bethany College, Mountain State University, Davis & Elkins College, Ohio Valley University, the University of Charleston, West Virginia Wesleyan College and Wheeling Jesuit University; and

- 5.1.3. Any other regionally or nationally accredited institution of higher education in West Virginia, public or private, approved by the Vice Chancellor for Administration that has been licensed by the Commission or Council for a minimum of fifteen (15) years; and
  - 5.1.3.1. Salem International University shall be considered as an accredited institution that has been licensed by the Commission or Council for a minimum of fifteen (15) years.
- 5.1.4. Any non-West Virginia institution of higher education that is included within a reciprocal agreement with another state's grant program agency.
- 5.2. An institution otherwise eligible to participate in the higher education grant program under section 5.1 of this rule shall be excluded from participating by the Vice Chancellor for Administration if:
  - 5.2.1. The institution does not have a signed participation agreement in place; or
  - 5.2.2. The institution has been deemed ineligible to participate in federal student financial aid programs; or
  - 5.2.3. The Commission determines that the institution has seriously mismanaged higher education grant or other state financial aid funds or lacks adequate institutional controls to manage such funds properly.

**§133-42-6. Student Eligibility.**

- 6.1. To be eligible for a higher education grant award, an applicant must:
  - 6.1.1. Be a citizen of the United States; and
  - 6.1.2. Have been a resident of West Virginia for one year immediately preceding the date of application for a grant or renewal of a grant; and
  - 6.1.3. Have earned a high school or general educational development (GED) diploma; and
  - 6.1.4. Plan to enroll at a participating institution as a full-time undergraduate student in a degree-producing program; and
  - 6.1.5. Demonstrate academic promise (for new awards) or achievement (for renewal awards); and
  - 6.1.6. Demonstrate financial need.

- 6.2. A new higher education grant applicant may satisfy the academic promise requirement in one of the following ways:
- 6.2.1. An applicant who has earned 13 or more hours of college credit after high school graduation or since passing the GED test demonstrates academic promise if he or she has earned a cumulative college grade point average (GPA) of 2.0 or higher as determined by the participating institution.
  - 6.2.2. An applicant who graduated from high school or received a general educational development (GED) diploma more than five years before enrollment or who has completed active military service demonstrates academic promise if he or she meets the admission requirements of the participating institution.
  - 6.2.3. An applicant who has earned a GED diploma within the last five years demonstrates academic promise if his or her score on the GED test was 2250.
  - 6.2.4. An applicant who does not fall within the categories described in sections 6.2.1, 6.2.2 or 6.2.3 demonstrates academic promise if he or she has a cumulative high school GPA of 2.00 or higher and earns at least 45 points using the following formula: high school grade point average x 12.5 + ACT composite score (or SAT equivalent).
- 6.3. A renewal higher education grant applicant satisfies the academic achievement requirement if the student has maintained a minimum overall grade point average of 2.0 and is meeting the institution's academic progress requirement. Institutions shall be responsible for determining whether renewal students have satisfied academic achievement requirements.
- 6.4. An applicant demonstrates financial need if:
- 6.4.1. He or she has a completed FAFSA on file with the United States Department of Education no later than July 31 preceding the beginning of the academic year. For priority consideration, a completed FAFSA must be on file with the United States Department of Education no later than March 1; and
  - 6.4.2. His or her cost of attendance is greater than the total of his or her EFC, as calculated from the FAFSA, and other financial aid; and
  - 6.4.3. His or her expected family contribution does not exceed an amount set by the Commission.
- 6.5. A student is not eligible to receive a higher education grant award if he or she:
- 6.5.1. Previously has earned a bachelor's degree; or

- 6.5.2. Previously has received eight semesters of higher education grant awards; or
- 6.5.3. Owes the institution or the Commission for a higher education grant or other state financial aid overpayment unless the student has a written reimbursement plan in place.
- 6.6. Higher education grant awards shall be made without regard to the applicant's race, color, gender, religion, national origin, veteran's status, age or disability.

**§133-42-7. Awards.**

**7.1. Maximum Award.**

7.1.1. For a student attending an institution identified in section 5.1.1 of this rule, no higher education grant award may exceed the amount of tuition and required fees at the institution.

7.1.1.1. For purposes of this rule, West Virginia University's undergraduate health sciences students shall be treated as paying the same amount of tuition and required fees as all other West Virginia University undergraduate students.

7.1.2. For a student attending an institution identified in sections 5.1.2, 5.1.3, or 5.1.4 of this rule, no higher education grant award may exceed the lesser of:

7.1.2.1. The amount of tuition and required fees at the institution; or

7.1.2.2. The average state general fund support for each full-time equivalent student at state institutions of higher education for the preceding academic year.

7.1.3. The Commission may establish a proportionally lower maximum grant award based on available funding.

**7.2. Award Cycles.**

7.2.1. The initial award cycle will occur in April preceding the beginning of each academic year. To ensure consideration for this award cycle, an applicant must have a completed FAFSA on file with the United States Department of Education no later than March 1.

7.2.2. Additional award cycles may be made throughout the year as funds become available.

7.2.3. Any award cycle made after October 1 will be for second semester awards only.

### 7.3. Award Selection.

7.3.1. The criterion for ranking eligible applicants for award selection during each award cycle shall be EFC. Applicants shall be ranked in ascending order from lowest to highest EFC, with awards going first to those with the lowest EFC and next to those with higher EFCs until available funds are exhausted.

7.3.2. If two or more applicants have the same EFC, priority shall be given to the applicant with an earlier FAFSA receipt date.

### **§133-42-8. Coordination of Higher Education Grant Program and Other Aid Programs.**

8.1. All students seeking assistance through the higher education grant program must apply for assistance through the federal Pell grant program, and resources available through that program shall be considered before an award is issued by the West Virginia higher education grant program.

8.2. Students who meet the eligibility requirements for both the higher education grant program and the PROMISE scholarship program may receive a higher education grant only if they are among the least affluent students in the grant program applicant pool as indicated from information reported on the FAFSA. In no instance may a combination of PROMISE scholarship and higher education grant program assistance exceed demonstrated financial need. The Commission shall define the population identified as being among the least affluent applicants from time to time.

8.3. Students who meet the eligibility requirements for both the higher education grant program and the engineering, science and technology scholarship program (ESTSP) may receive a higher education grant only if they have remaining demonstrated financial need after the ESTSP award is applied to approved educational expenses. In no instance may a combination of ESTSP and higher education grant program assistance exceed demonstrated financial need.

8.4. Students who meet the eligibility requirements for both the higher education grant program and the Underwood-Smith teacher scholarship program may receive a higher education grant only if they have remaining demonstrated financial need after the Underwood-Smith teacher scholarship award is applied to approved educational expenses. In no instance may a combination of Underwood-Smith teacher scholarship and West Virginia higher education grant program assistance exceed demonstrated financial need.

8.5. Students may not receive funding from both the higher education grant program and any component of the higher education adult part-time student (HEAPS) grant program simultaneously.

### **§133-42-9. Post-Award Changes.**

- 9.1. If a higher education grant recipient transfers from one participating institution to another participating institution, the grant is transferable with the approval of the Vice Chancellor for Administration.
- 9.2. If a higher education grant recipient's EFC increases after an award has been made, the award shall be withdrawn if the new EFC exceeds the maximum EFC for which Commission staff project awards in any given year.
  - 9.2.1. If a participating institution verifies a student's EFC and indicates such in the Commission's award roster and the student's EFC changes after verification, Commission staff will rely upon the verified EFC, not on the revised EFC, for award purposes.
- 9.3. If a higher education grant recipient terminates enrollment during the fall semester, the scheduled spring award will be reserved for the student by the grant program staff unless notified otherwise by the institution.
- 9.4. If a higher education grant recipient terminates enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the Commission by the institution in accordance with the Commission's rule for issuing refunds pursuant to the provisions of W.Va. Code § 18C-5-1 et seq. If the recipient also received federal financial aid, the institution must abide by the refund policy associated with Title IV funds. The institution is responsible for returning the unused portion of the grant even if the student does not request a refund from the institution.

**§133-42-10. Payments.**

- 10.1. Payment of higher education grant awards shall be made directly to the institution.
- 10.2. An institution may not receive a payment unless the institution has completed the previous year's reconciliation process and returned any prior-year balance payable to the Commission.

**§133-42-11. Waivers.**

- 11.1. A recipient may request a waiver of academic progression as a result of:
  - 11.1.1. Serious illness or major injury involving the student or an immediate family member; or
  - 11.1.2. Death of an immediate family member; or
  - 11.1.3. Other comparable extenuating circumstance.
- 11.2. All waiver requests must be submitted to the higher education grant program state coordinator for approval.

**§133-42-12. Appeals.**

- 12.1. An applicant or institution may appeal in writing the decline of an initial award or renewal award or any other decision within ten (10) days of receiving notification to the state coordinator of the higher education grant program. The state coordinator shall issue a written decision upholding or reversing the initial decision within fifteen (15) days of receipt of the appeal.
- 12.2. An applicant or institution may further appeal in writing the decision of the state coordinator of the higher education grant program within ten (10) days of receipt of notification of the decision to the Vice Chancellor for Administration. The Vice Chancellor for Administration shall issue a written decision upholding or reversing the state coordinator's decision within twenty (20) days of receipt of the appeal.
- 12.3. Any applicant appeal of a decision concerning satisfactory academic progress that relates to credit hour completion shall be referred to the institution for resolution consistent with institution procedures established for this purpose.
- 12.4. Any appeal made should set forth in detail the grounds for the appeal. The decision rendered at each level shall address in writing each ground raised.

**§133-42-13. Accounting, Reporting, and Auditing Requirements.**

- 13.1. Before the end of each fiscal year, each institution's financial aid office must reconcile its higher education grant records with:
  - 13.1.1. The Commission's records of higher education grant awards and disbursements; and
  - 13.1.2. The institution's business office records of state grant disbursements.
- 13.2. All participating institutions may be required to provide reports to the Commission from time to time, including the United States Department of Education's Fiscal Operations Report and Application to Participate (FISAP) and the West Virginia Higher Education Policy Commission's Annual Student Financial Aid Survey.
- 13.3. Participating institutions under sections 5.1.2, 5.1.3, and 5.1.4 of this rule shall provide the Vice Chancellor for Administration with an audited financial statement annually. These statements shall be treated as confidential trade secrets and shall not be subject to Freedom of Information Act requests.
- 13.4. All participating institutions may be subject to financial aid audits.

**§133-42-14. Authority of Vice Chancellor for Administration to Enter into Reciprocal Agreements with Other States Concerning Grants.**

- 14.1. The Vice Chancellor for Administration may enter into reciprocal agreements with state grant and grant program agencies in other states that provide financial assistance to their residents attending institutions of higher education located in West Virginia.
- 14.2. The Vice Chancellor for Administration may permit West Virginia residents to use the higher education grant under section 1.1 of this rule to attend institutions of higher education in such other states.
- 14.3. Residents of West Virginia requesting financial assistance to attend institutions of higher education located in any such states must meet all of the eligibility standards set forth in section 6 of this rule.