

R605-1. Purpose: To provide Board of Regents (“the Board”) policy and procedures for implementing the Higher Education Success Stipend Program (“HESSP”) (formerly known as the Utah Centennial Opportunity Program for Education (“UCOPE”)) (“HESSP”, or “program”), Utah Code Title 53B, Chapter 13a, enacted in H.B. 64 by the 1996 General Session of the Utah Legislature, as amended in 1997, 1998, 2004 by S.B. 40, Cesar Chavez Scholarship Program and 2011 by S.B. 107, Higher Education Success Stipend Program (“HESSP”).

R605-2. References:

- 2.1. Utah Code [§53B-8-102](#) (Definition of Resident Student)
- 2.2. Utah Code [§53B-8-106](#) (Resident tuition - Requirements - Rules)
- 2.3. Utah Code [Title 53B, Chapter 13a](#) (Higher Education Success Stipend Act)
- 2.4. Policy and Procedures [R512](#), Determination of Resident Status

R605-3. Effective Date: These revised policies and procedures are effective July 1, 2011.

R605-4. Policy

4.1. Program Description: HESSP is a State supplement to increasingly inadequate grant and work assistance from Federal Government student financial aid programs. In Utah Code [§53B-13a-103\(1\)](#), the Legislature finds “the prosperity, economic success, and general welfare of the people of Utah and of the state are directly related to the educational levels and skills of the citizens of the state; and financial assistance, to bridge the gap between a financially needy student’s resources and the cost of attendance at a Utah postsecondary institution, is a necessary component for ensuring access to postsecondary education and training.”

4.2. Award Year: The award year for HESSP is the twelve-month period coinciding with the state fiscal year beginning July 1 and ending June 30.

4.3. Institutions Eligible to Participate: Eligible institutions include the eight institutions of the Utah System of Higher Education, Utah private, nonprofit postsecondary institutions (which are accredited by a regional accrediting organization recognized by the Board) and the Utah College of Applied Technology campuses. These are the only institutions eligible to participate. For purposes of this section the Board recognizes the Northwest Association of Schools and Colleges as the accrediting organization. Utah private nonprofit postsecondary institutions accredited by the Northwest Association of Schools and Colleges are Brigham Young University, Westminster College and LDS Business College.

4.4. Students Eligible to Participate: To be eligible for grant or work-study assistance from HESSP funds, a student must:

- 4.4.1. be a resident student of the State of Utah under Utah Code [§53B-8-102](#) and Board Policy [R512](#) or

¹ Adopted May 3, 1996; amended March 20, 1997 and April 24, 1998. Amended by the Utah Board of Regents April 11, 2000, June 20, 2002, June 22, 2004, June 20, 2006, May 20, 2011 and November 18, 2011.

exempt from paying the nonresident portion of total tuition under Utah Code §53B-8-106. For purposes of this section, in addition to the qualification methods set forth in Policy R512, an institution may recognize a student, other than a nonimmigrant alien, as a resident student of the State of Utah if the student graduated from a Utah high school within 12 months of enrolling in the institution; and

4.4.2. be unconditionally admitted and currently enrolled in an eligible institution on at least a half-time basis as defined in Federal regulations applicable to Title IV of the Higher Education Act, in a post-high school program of at least nine months duration, leading to an Associate or Bachelor's degree, or to a diploma or certificate in an applied technology or other occupational specialty. This does not include un-matriculated students or students enrolled in post baccalaureate programs or in remedial or developmental programs to prepare for admittance to a degree, diploma, or occupational certificate program; and

4.4.3. be maintaining satisfactory academic progress, as defined by the institution, toward the degree, diploma, or certificate objective in which enrolled; and

4.4.4. meet all requirements of general eligibility for Federal Higher Education Act Part IV Student Financial Aid Programs, as defined in applicable U. S. Department of Education Regulations and the current edition of the Department of Education Student Aid Handbook; and

4.4.5. have a demonstrated need for financial assistance based on the defined Cost of Attendance for the applicable student category at the institution and the expected family contribution as determined by the Federal need analysis process for Higher Education Act Title IV student financial assistance programs.

4.5. **Program Administrator:** The program administrator for HESSP is the Associate Commissioner for Student Financial Aid, or a person designated in a formal delegation of authority by the Associate Commissioner, under executive direction of the Commissioner of Higher Education.

4.6. **Determination of Funds Available for the Program:** Funds available for HESSP allotments to institutions may come from specifically earmarked state appropriations, from the statewide student financial aid line item appropriation to the Board, or from other sources such as private contributions. Amounts available for allotment each year shall be determined as follows:

4.6.1. Consistent with the original purposes of the Statewide Student Financial Aid line item appropriation to the Board, funds appropriated in the line item shall be applied in the following priority order:

4.6.1.1. First priority is given to matching funds for Utah System of Higher Education institutional awards from the Federal Government for campus-based Federal Perkins Loan Program capital contributions, Federal Supplemental Educational Opportunities Grant Program funds, and partial matching for the Federal College Work Study Program.

4.6.1.2. Second priority is given to providing the required state match for allocations of Leveraging Educational Assistance Partnership Program Federal contributions to the State of Utah.

4.6.1.3. All remaining funds are used for HESSP.

4.6.2. All funds appropriated by specific legislation, or in a specific line item for HESSP, and any funds from other sources contributed for HESSP, are added together with funds available for HESSP pursuant to subsection 4.6.1, to determine the total amount available for the program.

4.7. **Allotment of Program Funds to Institutions**

4.7.1. Annually, the program administrator will request Federal Pell Grant disbursement data by March 1st. The director of financial aid of an eligible institution will demonstrate intention to continue participation in HESSP by submitting to the program administrator a certification, subject to audit, of (a) the total dollar amount of Federal Pell Grant funds awarded in the most recent completed award year to all students at the institution and (b) the total dollar amount of Pell Grant funds awarded specifically to students at the institution who were resident students of the state of Utah under Utah Code §53B-8-102 and Board Policy R512.

4.7.2. Failure to submit the certification required in 4.7.1 by the requested date constitutes an automatic decision by an eligible institution not to participate in the program for the next fiscal year.

4.7.3. Allotment of program funds to participating institutions is in the same proportion as the amount of Federal Pell Grant funds received by each participating institution for resident undergraduate students bears to the total of such funds received for such students in the most recently completed award year by all participating institutions. For example:

$$\frac{\text{Participating Institutions Utah Resident Pell Grant Disbursements}}{\text{Total Utah Resident Pell Grant Disbursements for all Participating Institutions}} = \text{\% of HESSP Funds Allocated to the Participating Institution}$$

4.7.4. The program administrator will send official notification of each participating institutions allotment to the director of financial aid each fiscal year.

4.7.5. The program administrator will send a blank copy of the format for the institutional HESSP performance report, to be submitted within 30 days of the end of the applicable fiscal year, to the director of financial aid of each participating institution each fiscal year.

4.8. Institutional Participation Agreement: Each participating institution will enter into a written agreement with the program administrator or assigned designee agreeing to abide by the program policies, accept and disburse funds per program rules, provide the required report each year and retain documentation for the program to support the awards and actions taken. By accepting the funds, the participating institution agrees to the following terms and conditions:

4.8.1. Use of Program Funds Received by the Institution

4.8.1.1. The institution may at its discretion place up to, but in no case more than, 3.0% of the total amount of program funds allotted to it for the award year in a budget for student financial aid administrative expenses of the institution, and will expend all funds so budgeted before the end of the state fiscal year for which allotted.

4.8.1.2. (a) For any award year, the institution may, at its option, place all or any portion of its allotted HESSP funds in a budget to be used only for payment of work-study stipends to eligible students, for employment during the award year either in jobs provided under Federal Work-Study Program (FWSP) regulations or in jobs provided in accordance with HESSP Work-Study Program (HWSP) policies (Section 4.9 herein). The State Legislature has determined that need-based work-study stipends be given strong emphasis.

4.8.1.2. (b) Work-study payments from the institution's HESSP work-study budget, for jobs under either FWSP regulations or HWSP policies, will be counted as HESSP awards for purposes of subsection 4.8.2.3.

4.8.1.3. All work-study jobs provided using HESSP funds from the budget pursuant to this subsection, including those established under FWSP regulations, will be identified to the recipient as HESSP work-study awards. No portion of the institution's HESSP allotment may be used as institutional match for Federal Work-Study Program allocations.

4.8.1.4. The institution will place the total remainder of program funds allotted to it for the award year, after amounts budgeted pursuant to subsections 4.8.1.1 and 4.8.1.2, in a budget to be used only for payment of HESSP grants to eligible students during and for periods of enrollment within the award year. Grants awarded from this budget will be identified to the recipient as Higher Education Success Stipend Grants.

4.8.1.5. The institution may not carry forward or carry back from one fiscal year to another any of its HESSP allocation for a fiscal year. Any exception to this rule must be approved in advance by the HESSP program administrator. The institution will inform the program administrator immediately if it determines it will not be able to utilize all program funds allotted to it for an award year. Unused funds may be returned to the program administrator as directed. Returned funds will be re-distributed to the other eligible institutions as supplemental HESSP allocations for disbursement during the same award year. The portion of HESSP allocations budgeted for administrative expenses pursuant to Section 4.8.1.1 will not be part of any carryover.

4.8.2. Determination of Awards to Eligible Students

4.8.2.1. Student Cost of Attendance budgets will be established by the institution, in accordance with Federal regulations applicable to student financial aid programs under Title IV of the Higher Education Act as amended, for specific student categories authorized in the Federal regulations, and providing for the total of costs payable to the institution plus other direct educational expenses, transportation and living expenses.

4.8.2.2. HESSP work-study or grant amounts will be awarded based on financial aid information and cost of attendance budgets at the time the awards are determined, with first priority given to eligible students who demonstrate the greatest financial need.

4.8.2.3. The total amount of any HESSP grant and/or work-study awards to an eligible student in an award year will not exceed \$5,000, and the minimum HESSP grant and/or work-study award to an eligible student will be \$300, except that:

(a) The minimum amount may be the amount of funds remaining in the institution's allotment for the award year in the case of the last eligible student receiving a HESSP grant award for the year; and

(b) An eligible student whose period of enrollment is less than the normally-expected period of enrollment within the award year (such as two semesters, three quarters, nine months, or 900 clock hours) will be awarded a minimum or maximum amount in proportion to the portion of the normally-expected period of enrollment represented by the quarter(s), semester(s) or other defined term for which the student is enrolled.

4.8.2.4. HESSP Grants and work-study stipends will be awarded and packaged on an annual award year basis. Grants will be paid one quarter or semester at a time (or in thirds, if applicable to some other enrollment basis such as total months or total clock hours), contingent upon the

student's maintaining satisfactory progress as defined by the institution in published policies or rules. Work-study wages will be paid regularly as earned, provided the student is continuing to make satisfactory progress.

4.8.2.5. All awards under the program will be made without regard to an applicant's race, creed, color, religion, ancestry, or age.

4.8.2.6. Students receiving financial aid under the program will be required to agree in writing to use the funds received for expenses covered in the student's cost of attendance budget.

a) The student's signature on the Free Application for Federal Student Aid satisfies this requirement.

(b) If the institution determines, after opportunity for a hearing on appeal according to established institutional procedures, that a student used HESSP grant or work-study funds for other purposes, the institution will disqualify the student from HESSP eligibility beginning with the quarter, semester, or other defined enrollment period after the one in which the determination is made.

4.8.2.7. In no case will the institution initially award program grants or work-study stipends or both in amounts which, with Federal Stafford, Federal PLUS and/or Perkins Loans and other financial aid from any source, both need and merit-based, and with expected family contributions, exceed the cost of attendance for the student at the institution for the award year.

4.8.2.8. If, after the student's aid has been packaged and awarded, the student later receives other financial assistance (for example, merit or program-based scholarship aid) or the student's cost of attendance budget changes, resulting in a later over award of more than \$500, the institution will appropriately reduce the amount of financial aid disbursed to the student so that the total does not exceed the cost of attendance.

4.8.3. Reports: The institution will submit an annual report within 30 days after completion of the award year, providing information on individual awards and such other program-relevant information as the Board may reasonably require.

4.8.4. Records Retention and Cooperation in Program Reviews: The institution will cooperate with the program administrator in providing records and information requested for any scheduled audits or program reviews, and will maintain records substantiating its compliance with all terms of the participation agreement for three years after the end of the award year, or until a program review has been completed and any exceptions raised in the review have been resolved, whichever occurs first. If at the end of the three year retention period, an audit or program review exception is pending resolution, the institution will retain records for the award year involved until the exception has been resolved

4.9. HESSP Work-Study Program Guidelines: If an institution elects to utilize its HESSP Work-Study funds for the HESSP Work-Study Program (HWSP) instead of in accordance with Federal Work-Study (FWSP) regulations, the following guidelines apply.

4.9.1. Institutional Jobs: The institution may establish designated HWSP institutional jobs on campus or in other institutional operating sites, and administer such jobs in accordance with the following conditions:

4.9.1.1. The job must be supplemental to, and not displace, any regularly-established job held by a greater-than-half-time institutional employee in the three months immediately prior to

establishment of the HWSP institutional job.

4.9.1.2. The hourly wage for the HWSP institutional job must be no less than the current Federal minimum wage, and no more than the hourly wage paid to regular employees of the institution in equivalent positions in the institution's personnel system.

4.9.1.3. The institution may pay up to one hundred percent of the hourly wage for the institutional job from its HESSP work-study budget established pursuant to subsection 4.8.1.2., provided the total wages paid to a student for the job from HESSP and any other institutional funds do not exceed the amount of the award to the student for the award year.

4.9.2. School Assistant Jobs: The institution may establish designated HWSP school assistant jobs for volunteer tutors, mentors, or teacher assistants, to work with educationally disadvantaged and high risk school pupils, by contract with individual schools or school districts, and administer such jobs in accordance with the following conditions:

4.9.2.1. The hourly wage for the HWSP school assistant job must be no less than the current Federal minimum wage, and no more than the hourly wage paid to regular employees of the school or school district in equivalent positions in its personnel system.

4.9.2.2. The institution may pay up to one hundred percent of the hourly wage for the job from its HESSP work-study budget established pursuant to subsection 4.9.2, provided the total wages paid to a student for the job from any source do not exceed the amount of the award to the student for the award year.

4.9.3. Community Service Jobs: The institution may establish designated HWSP community service jobs with volunteer community service organizations certified by the program administrator on advice of the Utah Commission on Volunteers, and administer such jobs in accordance with the following conditions:

4.9.3.1. The hourly wage for the HWSP community service job must be no less than the current Federal minimum wage, and no more than the hourly wage paid to regular employees of the organization in equivalent positions in its personnel system.

4.9.3.2. The institution may pay up to one hundred percent of the hourly wage for the job from its HESSP work-study budget established pursuant to subsection 4.9.3, provided the total wages paid to a student for the position from any source do not exceed the amount of the award to the student for the award year.

4.9.4. Matching Jobs: The institution may establish designated HWSP matching jobs by contract with government agencies, private businesses, or non-profit corporations, and administer such jobs in accordance with the following conditions:

4.9.4.1. The matching job may not involve any religious or partisan political activities, or be with an organization whose primary purpose is religious or political.

4.9.4.2. The matching job must be supplemental to, and not displace, any regularly-established job held by a greater-than-half-time employee in the government agency, private business, or non-profit corporation in the three months immediately prior to establishment of the HWSP matching job.

4.9.4.3. The hourly wage for the HWSP matching job must be no less than the current Federal

minimum wage, and no more than the hourly wage paid to regular employees of the organization in equivalent positions in its personnel system, unless the hourly wage of equivalent positions is less than the current Federal minimum wage.

4.9.4.4. The institution may pay up to fifty percent of the hourly wage for the job from its HESSP work-study budget established pursuant to subsection 4.9.4, provided the total wages (including the employer-paid portion) paid to the student do not exceed the amount of the award to the student for the award year.

4.9.5. Institutions are strongly encouraged to place students, when possible, in HWSP jobs which have a relationship to the student's field of study or training.

4.9.6. Institutions or the employing organization must pay the employer portion of required Federal Taxes (FICA, FUI and SUI), from institutional funds, for the students who are paid for a work-study award.

4.9.7. If an institution employs students in work-study jobs or other institutional jobs cumulatively over time to a point at which the institution is required to pay employee benefits other than the direct job wages for a HESSP-funded work-study job, the institution is required to pay the costs of any such required employee benefits from institutional funds other than HESSP-allotted funds.