

July 9, 2014

MEMORANDUM

TO: State Board of Regents  
FROM: David L. Buhler  
SUBJECT: Adoption of Policy R611, Veterans Tuition Gap Program

Issue

Regents' policy *R611, Veterans Tuition Gap Program*, is a new policy addressing the passage of SB 16, Veterans Tuition Gap Coverage that passed during the 2014 Utah legislative session. The Commissioner's office has drafted a policy that will guide implementation of this program and its funding (\$125,000 of ongoing funds and \$75,000 of one-time funds were appropriated).

Background

The Veterans Tuition Gap Program was created to fund eligible veterans who exhaust their post-9/11 education benefits before they complete the requirements for a bachelor's degree. The grant program will provide funding to help cover tuition for the last year of their undergraduate education. The program is open to any Utah institution that offers bachelor's degree programs with veterans enrolled using their post-9/11 education benefits.

The draft policy has been reviewed by the USHE financial aid directors, veterans officials, budget and finance officers, student services personnel, and presidents. The program administrator for the Veterans Tuition Gap Program is the Associate Commissioner for Student Financial Aid.

Commissioner's Recommendation

The Commissioner recommends that the Regents review the proposed new policy and if in agreement with it, approve R611, Veterans Tuition Gap Program, effective immediately.

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David L. Buhler  
Commissioner of Higher Education

DLB/GLS/DAF  
Attachment

**R611-1. Purpose:** To provide Board of Regents (“the Board”) policy and procedures for implementing the Veterans Tuition Gap Program, Utah Code Title 53B, Chapter 13b, enacted in S.B. 16 by the 2014 General Session of the Utah Legislature.

**R611-2. References:**

- 2.1. Post 9/11 Veterans Educational Assistance Act of 2008, Pub. L. No. 110-252.
- 2.2. Utah Code §53B-8-106 (Resident tuition - Requirements - Rules)
- 2.3. Utah Code §53B-8-102 (Definition of Resident Student)
- 2.4. Utah Code §53B-13b-101 to 104 (Veterans Tuition Gap Program Act)
- 2.5. Policy and Procedures R512, Determination of Resident Status

**R611-3. Effective Date:** These policies and procedures are effective July 1, 2014.

**R611-4. Policy**

**4.1. Program Description:** The Veterans Tuition Gap Program (VeT Gap) is a State supplement grant to provide tuition assistance for veterans who are recipients of Federal Post-9/11 Veterans Educational Assistance Act (Federal program) benefits who are attending institutions of higher education in Utah and whose benefits under the Federal program have been exhausted. This program is only available to higher education institutions that grant baccalaureate degrees.

**4.2. Award Year:** The award year for VeT Gap 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 those located within the State of Utah which are accredited by a regional or national accrediting organization recognized by the Board.

**4.4. Students Eligible to Participate:** To be eligible for assistance from VeT Gap 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 exempt from paying the nonresident portion of total tuition under Utah Code §53B-8-106; and

4.4.2. be a veteran using the post 9/11 Veterans Assistance Program funds; and

4.4.3. be unconditionally admitted and currently enrolled in an eligible program leading to a bachelor's degree at an eligible institution on at least a half-time basis as defined by the institution; and

4.4.4. be maintaining satisfactory academic progress, as defined by the institution, toward the

degree in which enrolled; and

4.4.5. has exhausted the Federal benefit under the post 9/11 Veterans Assistance Program; and

4.4.6. has not completed a bachelor's degree; and

4.4.7. be in the final year of his or her academic baccalaureate program.

4.5. **Program Administrator:** The program administrator for the VeT Gap 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. **Availability of Funds for the Program:** Funds available for VeT Gap allocations to institutions may come from specifically earmarked State appropriations, or from other sources such as private contributions. Amounts available for allocations each year shall be allocated as follows:

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

4.7.1. Annually, the participating institution will provide the following required data, for the most recently completed academic year, by March 1st. The director of financial aid of an eligible institution, in consultation with the institution's veterans affairs officer, will demonstrate intention to continue participation in VeT Gap by submitting to the program administrator a certification, subject to audit, of (a) the total number of veterans using Post 9/11 Veterans Assistance Program funds attending the institution who were resident students of the State of Utah under Utah Code §53B-8-102 and Board Policy R512 and (b) the total number of such students who have graduated from the institution with a baccalaureate degree in the most recently completed academic year.

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. Allocation of program funds to participating institutions will be based on the total number of an institution's Utah resident students who graduated with a baccalaureate degree in the most recently completed academic year and used their Post 9/11 Veterans Assistance Program funds in the State of Utah and the proportion of each participating institution's number of those students to the total population of such students. For example:

$$\frac{\text{A participating institution's number of Utah resident students who graduated with a baccalaureate degree during the most recently completed academic year using Post 9/11 Veterans Assistance Program funds}}{\text{Total number of Utah resident students who graduated from all participating institutions with a baccalaureate degree during the most recently completed academic year using Post 9/11 Veterans Assistance Program funds}} = \text{\% of VeT Gap funds allocated to the participating institution}$$

4.7.4. The program administrator will send official notification of each participating institution's allocation 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 VeT

Gap 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 allocated to it for the award year in a budget for student financial aid administrative expenses of the institution.

**4.8.1.2.** The institution may not carry forward or carry back from one fiscal year to another any of its VeT Gap allocation for a fiscal year. Any unused funds will be returned to the program administrator as directed. Returned funds will be re-distributed to eligible institutions as regular VeT Gap allocations for disbursement the next award year.

**4.8.1.3.** The institution may establish processes to determine the distribution of funds to students so long as it does so in accordance with provisions established in this policy.

**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.** The total amount of any VeT Gap funds awarded to an eligible student in an academic year will not exceed the amount of tuition (not fees) for that academic year and may be impacted by the following:

(a) 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 an amount in proportion to the normally-expected period of enrollment represented by the term, or terms, (e.g. semester or quarter) for which the student is enrolled; or

(b) The minimum student award amount may be the balance of funds remaining in the institution's allocation for the award year in the case that the previous eligible student receiving a VeT Gap award for the year reduced the total available funds to an amount less than that for which an individual qualified.

**4.8.2.3.** VeT Gap funds will be awarded and packaged on an annual award year basis unless the remaining period of enrollment until completion of the academic program is less than one award year. Funds 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.

4.8.2.4. All awards under the program will be made in accordance with current Federal Title IV non-discrimination requirements.

4.8.2.5. 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 VeT Gap funds for other purposes, the institution will disqualify the student from VeT Gap eligibility beginning with the quarter, semester or other defined enrollment period after the one in which the determination is made.

4.8.2.6. In no case will the institution initially award program funds in amounts which, with Federal Direct, Federal Direct 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.

4.8.2.7. 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 \$300, 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.