



# MEMORANDUM

TAB E

April 10, 2020

## **Revision of Policy R620, *Access Utah Promise Scholarship***

[H.B. 103, \*Utah Promise Scholarship Program Amendments\*](#) makes a technical change that allows institutions to more efficiently use state funds under this program, while ensuring tuition and fee waivers are still used wherever possible to fund the full amount of the scholarship. This issue was brought to the Commissioner's Office through feedback by the USHE Financial Aid offices.

### **Commissioner's Recommendation**

The Commissioner recommends the Board approve the revisions to Policy R620 to conform to recently adopted legislation.

**R620-1 Purpose:** To provide the Board of Regents (“The Board”) policy and procedures for implementing the Access Utah Promise Scholarship (“Promise Scholarship”). This program provides a statewide needs-based scholarship program to expand access to postsecondary opportunities for all students who face financial barriers in paying for college. The program provides students an award for up to full tuition and fees in qualifying circumstances.

## R620-2. References<sup>1</sup>

- 2.1. Utah Code [§53B-8-301-304](#) (Access Utah Promise Scholarship Program)
- 2.2. Utah Code [§63G-12-402](#) (Receipt of state, local, or federal public benefits – Verification Exceptions -- Fraudulently obtaining benefits -- Criminal penalties -- Annual report.)
- 2.3. Utah Code [§53B-2-101\(1\)](#) (Institutions of Higher Education)
- 2.4. Utah Code [§53B-8-102](#) (Definition of Resident Student)
- 2.5. Policy and Procedures [R512](#), Determination of Resident Status

## R620-3. Definitions

- 3.1. “**Institution**” means institutions of higher education listed in Utah Code Section 53B-2-101(1).
- 3.2. “**Promise Partner**” an employer that has applied to the Board, and has established a Memorandum of Understanding (MOU) with the Board.

## R620-4. Scholarship Administration

- 4.1. **Eligibility:** To qualify for a Promise Scholarship, applicants must meet the following criteria:
  - 4.1.1. Have a high school diploma or equivalent;
  - 4.1.2. Not have previously earned an associate degree or higher postsecondary degree;
  - 4.1.3. Be a resident of the State of Utah under Utah Code [§53B-8-102](#) and Regent Policy [R512](#).
  - 4.1.4. Demonstrate financial need, in accordance with sections 4.2 and 4.7;
  - 4.1.5. Accept all other grants, tuition and/or fee waivers, and scholarships offered to the applicant to attend the institution in which the applicant enrolls; and
  - 4.1.6. Maintain academic good standing as defined by the institution at which they attend.
- 4.2. **Award Criteria:** An institution shall establish criteria to assess an applicant’s financial need. The criteria shall use quantifiable, need-based measures (for example, institutions may establish a range with a

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<sup>1</sup> Adopted May 17, 2019

minimum and maximum Expected Family Contribution (EFC) based on the Free Application for Federal Student Aid within which an eligible recipient's EFC must fall to be eligible for an award). Institutions shall annually revise and publish eligibility criteria by February 1 in all publications referencing the scholarship.

**4.3. Scholarship Award:** The institution may award an amount to each eligible recipient up to the cost of published tuition and fees.

**4.4. Last Dollar In:** When determining the award amount, the institution shall first apply the total value of all grants, ~~tuition waivers, fee waivers,~~ and scholarships the recipient has received. The institution may then award an amount not to exceed the recipient's remaining cost of tuition and fees. If, after the recipient's aid has been packaged and awarded, the student later receives other financial assistance of more than \$500, the institution will appropriately reduce the amount of financial aid disbursed to the student so that the total Promise Scholarship does not exceed the cost of tuition and fees.

**4.5. Scholarship Duration:** A recipient may receive scholarship funds until the earliest of the following events occurs:

4.5.1. Two years after the initial award;

4.5.2. A recipient uses the scholarship for four semesters;

4.5.3. A recipient meets the academic qualifications for an associate degree; or

4.5.4. For USHE institutions that do not offer an associate degree, a recipient earns a cumulative total of 60 credits.

**4.6. Application Process:** Institutions shall establish an application process that applicants can easily access and complete. The Board may require an institution to modify an application or process that is overly cumbersome or confusing.

**4.7. Prioritizing Awards:** An institution shall, when possible, use other funding sources, tuition waivers, and fee waivers to fully fund awards. If an institution, after having exhausted those funding sources, does not have enough appropriated Promise Scholarship funds ~~or other funding sources~~ to award all eligible applicants, it may establish procedures to prioritize which applicants will receive awards based on financial need.

**4.8. Competency-based Assessment:** Institutions shall evaluate a recipient's knowledge, skills, and competencies acquired through formal or informal education outside the traditional postsecondary academic environment, and award appropriate credit for the recipient's prior learning.

**4.9. Outreach:** Institutions may advertise the Promise Scholarship under another name. All publications about the Promise Scholarship shall include disclosure that program funds are limited and subject to change.

## R620-5 Transfers

**5.1.** A recipient may transfer to another institution and retain eligibility for the scholarship, if the recipient meets the qualifications defined in sections 4.2 at the institution to which the recipient is transferring. Recipients are responsible to inform the financial aid office at the institution to which they are transferring that they are receiving the Promise Scholarship at their current institution. The financial aid offices at the respective institutions shall coordinate the transfer of scholarship information. Upon transfer, the institution shall prioritize the award of any eligible recipient before all others awarded in accordance with section 4.7 of

this policy. The institution to which the recipient is transferring shall make adjustments in a recipient's award in accordance with section 4.3 of this policy.

#### **R620-6 Distribution of Award Funds to Institutions**

6.1. As a condition of program participation, an eligible institution's financial aid director will report to the Board the total dollar amount of Federal Pell Grant funds awarded to resident students at the institution for the most recently completed academic year by March 1 each year.

6.1.1. An institution that fails to report the total amount of Pell Grant funds by March 1 is ineligible to participate in the program for the next fiscal year.

6.2. The Board will allocate program funds to eligible institutions in proportion to each eligible institution's percentage of total Federal Pell Grant funds received for Utah resident students in the most recently completed award year by all participating institutions.

**R620-7 Deferral or Leave of Absence:** A recipient shall apply for a deferral or leave of absence if they do not continuously enroll and wish to continue to receive the scholarship.

7.1. Institutions shall develop a process for recipients to apply for deferrals or leaves of absence, which may be granted for military service, humanitarian/religious service, documented medical reasons, and other exigent reasons.

#### **R620-8 Utah Promise Partners**

8.1. The Board, in consultation with the Talent Ready Utah Center at the Governor's Office of Economic Development, may select employers as Promise Partners whose employees may be eligible to receive a partner award. The Board shall establish an MOU with any selected Promise Partner that includes requirements related to an employer providing reimbursement to an employee who receives an award. The reimbursement of a Promise Partner to a corresponding recipient employed by that Promise Partner must be applied during the eligible term of the award in accordance with section 4.4. of this policy.

8.2. An employee is eligible to receive an award in accordance with the requirements of section 4.1 of this policy in addition to any criteria and limitations established through a corresponding MOU with a Promise Partner.

8.3. A recipient of an award who is an employee of a Promise Partner is subject to the same conditions as all other recipients under this policy.

#### **R620-9 Reporting**

9.1. During the first year of the program, no later than October 1, 2019, participating institutions shall report to the Board all requested data on Promise Scholarships awarded to date.

9.2. Annually, the Board will distribute a Promise Scholarship performance report template to the director of financial aid of each participating institution before the end of each fiscal year. The institution will submit the completed report by July 31 of each year.

9.3. The Board may, at any time, request additional documentation or data related to the Promise Scholarship and may review or formally audit an institution's compliance with this policy. The institution will cooperate with the Board in providing records and information requested for any scheduled audits or program reviews. Participating institutions shall maintain records substantiating its compliance with all the

program's terms 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.

**R620-10 Institutional Participation Agreement:** Each participating institution will enter into a written agreement with the Board 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 additional following terms and conditions:

**10.1.** The institution may at its discretion use up to three percent of the allocated program funds for its student financial aid administrative expenses.

**10.2.** The institution may not carry forward or carry back from one award year to another any of its Promise Scholarship allocation. Any exception to this rule must be approved in advance by the Board. The institution will inform the Board immediately if it determines it will not be able to utilize all program funds allotted to it for an award year. Absent any exception for a carry forward amount, institutions shall return unused funds to the Board. The Board will redistribute unused to the other eligible institutions as supplemental Promise Scholarship allocations for disbursement during the same award year. The portion of Promise Scholarship allocations budgeted for administrative expenses pursuant to Section 10.1 will not be part of any carryover.

**R620-1 Purpose:** To provide the Board of Regents (“The Board”) policy and procedures for implementing the Access Utah Promise Scholarship (“Promise Scholarship”). This program provides a statewide needs-based scholarship program to expand access to postsecondary opportunities for all students who face financial barriers in paying for college. The program provides students an award for up to full tuition and fees in qualifying circumstances.

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