

March 2010

Proposed Rules for College Bound Scholarship

Action

Higher Education Coordinating Board (HECB) staff seek permission to begin the formal rule-making and public comment process for the College Bound Scholarship. Resolution No. 10-07 is attached for the Board's consideration.

Overview

The 2007 Legislature created the College Bound Scholarship program, which is authorized in RCW 28B.118. The program provides an early commitment of financial aid to inspire students in the seventh and eighth grade that are from low-income families to prepare for and pursue postsecondary education.

Students who are eligible for free or reduced price lunch or are foster youth pledge to graduate from high school with at least a 2.0 GPA and not commit a felony. In order to receive the scholarship, students complete a FAFSA in their senior year and must document that their family income is within 65 percent of the state's median family income (MFI). The scholarship combined with the State Need Grant, covers tuition and fees at public rates, plus \$500.

Program Background

More than 56 percent of eligible students in the first two cohorts, or 32,144 students in the eighth and ninth grade in 2008-2009, submitted a complete application by the deadline. The HECB has developed partnerships with K-12 schools, districts, and professional associations, as well as college access programs to implement promotion strategies. An additional 20,133 students have applied from the seventh and eighth grade cohorts in 2009-2010.

Online and paper applications have been developed – along with promotional materials including brochures, posters, and materials translated into eight languages. The HECB is working with institutions to develop a communication plan with current scholars to permit college access partners to provide information to students. The Office of Superintendent of Public Instruction (OSPI) and the HECB have a data exchange to monitor scholars and ensure compliance for receipt of the scholarship.

The Proposed Rules

The draft rules provide clarifications regarding student eligibility to apply for the program and to receive the scholarship. The rules also outline the role of OSPI relative to the Board related to program promotion and student tracking. To the greatest extent possible, College Bound Scholarship rules are aligned with State Need Grant program regulations.

1. Eligible applicant

- The program follows federal requirements for free or reduced priced lunch eligibility, and as such, foster youth are automatically eligible to sign-up.
- Students must sign the pledge by the end of the eighth grade year. The final deadline is June 30 of the student's eighth grade year.

2. Program promotion to eligible students

- The role of the HECB, OSPI and school districts is defined by the statute.
- The HECB will distribute the application pledge and materials to schools and partners on an annual basis.
- The role of OSPI is to notify schools and encourage targeted communications to eligible students where possible.
- The role of districts is to notify families and school personnel about the program.

3. Tracking of scholars

- The statute requires the HECB and OSPI to develop procedures to monitor compliance for awarding of scholarships.
- The HECB has developed the application, selection and notification process.
- OSPI and the HECB will share data annually including current school, grade level, and expected graduation date.

4. Eligibility for receipt of scholarship

- Students will need to have a family income within 65 percent of MFI and otherwise meet eligibility for State Need Grant.
- Students must enroll within one year of high school graduation.
- Students may receive the scholarship for four years.

5. Scholarship award

- The scholarship combines with State Need Grant to cover tuition and fees plus \$500 for books.
- Students must meet the institution's priority financial aid application deadline to receive the maximum award.

6. Appeals

- Follows the process outlined in State Need Grant to submit appeals to the Board's Executive Director.

7. Grant disbursement to institutions

- Cash requests, reimbursements, and reconciliations follow State Need Grant procedures.

8. Program administration and audits

- The Board will review institutional administrative compliance as outlined for State Need Grant.
- Students who obtain College Bound through willfully falsifying statements will be subject to applicable penalties and repayments.

Next Steps

March 24, 2010	File proposed rules with Code Reviser's Office
April 27, 2010	Public Hearing
June 18, 2010	Comment period ends
July 15, 2010	Adoption at Board meeting

RESOLUTION NO. 10-07

WHEREAS, The 2007 Legislature authorized the Higher Education Coordinating Board in RCW 28B.118 to design the College Bound Scholarship to provide an early commitment of the State Need Grant to help inspire the college aspirations of 7th and 8th grade students from low-income families; and

WHEREAS, The HECB is authorized to adopt rules under RCW 28B.118.060 to implement the College Bound Scholarship; and

WHEREAS, Rules are needed to implement the College Bound Scholarship program to govern the promotion, eligibility, application process, tracking and monitoring, and scholarship disbursement; and

WHEREAS, The HECB has collaborated with statewide partners to develop the draft rules necessary to implement the program and formalize the policies and procedures;

NOW THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board authorizes staff to begin the formal rules-making and public hearing process for the College Bound Scholarship.

Adopted:

March 10, 2010

Attest:

Jesus Hernandez, Chair

Roberta Greene, Secretary

Proposed College Bound Rules

Annotated Notes

WAC 250-84-010

Purpose

The College Bound Scholarship as authorized by RCW 28B.118 is designed to inspire and encourage Washington middle school students from low-income families to dream big. The early commitment of state funding for tuition may alleviate the financial barriers preventing students from considering college as a future possibility.

WAC 250-84-020

Definitions

“Board” – Higher Education Coordinating Board.

“FAFSA” – Free Application for Federal Student Aid.

“OSPI” – Office of Superintendent of Public Instruction.

“High School graduation” – Students must graduate from a public high school, private high school approved under RCW 28A.195, or receive home based instruction per RCW 28A.200 having met requirements to earn a high school diploma as defined in WAC 180-51-061 or 180-51-066 whichever is applicable..

“C average” – defined as a 2.0 grade point average on a 4.0 scale.

“Complete application” – an initial application is considered complete when the student has indicated their eligibility, and the application pledge form has been signed by the student and parent or legal guardian by the deadline.

“Legal guardian” – the person appointed by the court to take legal action on behalf of and be responsible for a minor.

“Tuition and fees” – tuition, building, operating, service and activity fees as are used for purposes of determining the State Need Grant award.

“Median Family Income” – the median income for Washington state, adjusted by family size and reported annually in the federal register and used that year for the administration of the State Need Grant program.

High school graduation determined to meet regular diploma requirements. Earning a GED would not meet the requirement.

WAC 250-84-030

Eligible Applicant

(1) Washington students in 2007-2008 and thereafter may apply who are:

- a. Enrolled in the 7th and 8th grade in a public or private school as approved by RCW 28A.195 or home school as defined by RCW 28A.200, and

Public, private and home schooled students are eligible per the statute.

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- b. Meet the income eligibility as defined in section (2).

Eligible students enrolled in 8th grade in 2007-2008 were granted a one-time extension to sign the pledge during the 2008-2009 school year as 9th graders.

- (2) 7th or 8th grade students are eligible to apply if they meet one of these requirements:

- a. The student's family income falls within the monthly or annual standards set by the U.S. Department of Agriculture (USDA) for eligibility for participation in the free or reduced price lunch program (FRPL), OR
- b. The student participates in the free or reduced price lunch program, OR
- c. The student's family receives TANF benefits, OR
- d. The student is a foster youth.

To determine eligibility in unusual circumstances, or for assistance in defining household size, foster youth status, and other criteria, the Board will refer students and families to the district staff who oversee FRPL, and will refer to the USDA FRPL guidelines.

If a student qualifies in the application year, the information is not required to be updated throughout the middle and high school years. However, income will be verified using the FAFSA upon enrollment. See *eligibility for receipt of scholarship section, WAC 250-84-060*

- (3) Eligible applications are considered complete when the signed pledge has been received by the Board.

- a. A student must sign a pledge during seventh or eighth grade that commits them to:
 - i. Graduate from high school with at least a C average.
 - ii. No felony convictions.
- b. The pledge must be signed by a parent or legal guardian to attest the information is true and accurate.
- c. The signature page for the electronic application, or the signed paper application, must be received by the Board.
- d. The deadline for the application is June 30 of the student's 8th grade year.

Free and reduced priced lunch requirements are defined by the USDA. Since foster youth are automatically eligible for FRPL, they have been determined as automatically eligible for College Bound.

USDA or the district personnel who determines FRPL eligibility make determinations of FRPL eligibility.

A deadline and collection of the pledge signature determines it was signed "but the end of the 8th grade year" per the statute.

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Annotated Notes

- i. Electronic applications must be received by June 30 and paper applications must be postmarked by June 30.
- ii. Missing information for applications received on or before June 30 will be accepted before the student enters the 9th grade year.

Exceptions to the deadline will be made on a case-by-case basis by the Board based on extenuating circumstances.

WAC 250-84-040

Program Promotion to Eligible Students

The role of the Board, OSPI and school districts related to notification to students, families, and school personnel about the College Bound Scholarship is defined by the statute, RCW 28B.118.

- (1) The Board shall develop and distribute to all schools with students enrolled in 7th or 8th grade, an application pledge form that can be completed and returned electronically or by mail by the student or the school to the Board.

- a. The Board will provide K-12 partners, professional associations, and college access programs with program information annually.

- (2) The role of OSPI is to notify elementary, middle, and junior high schools about the College Bound Scholarship program using methods in place for communicating with schools and school districts.

- a. OSPI will encourage schools and districts to target communications to eligible students to the greatest extent possible. Methods may include, but are not limited to, personalized letters, integrating the application into student conferences, or holding sign-up events.

- (3) The role of each school district is to notify students, parents, teachers, counselors, and principals about the Washington College Bound Scholarship program through existing channels.

- a. Notification methods may include, but are not limited to, regular school district and building communications, online scholarship bulletins and announcements, notices posted on school walls and bulletin boards, information available in each counselor's office, and school or district scholarship information sessions.

The statute defines the role of the Board, OSPI and school districts related to promotion.

The Board is not able to notify eligible students, rather will provide partners with information each year.

OSPI notifies schools and will encourage targeted communications where possible.

Districts notify families and school personnel.

Proposed College Bound Rules

Annotated Notes

WAC 250-84-050

Tracking of Scholars

The statute requires the Board and OSPI to develop tracking procedures to ensure continued eligibility and determine compliance for awarding of College Bound Scholarships (RCW 28B.118.020 and 040).

- (1) The Board shall develop and implement a student application, selection, and notification process for scholarships.
 - a. Collect authorization to release information from the student and parent(s)/legal guardian(s).
 - b. Develop a web-based application tool and paper application annually.
 - c. Notify applicants of missing information in a timely manner.
 - d. Notify applicants of their status of complete application in a timely manner.
 - e. Treat applications confidentially and hold in a secure environment.
 - f. Provide complete applicants with information regarding the disbursement of the scholarship and contact information for the Board.
 - g. Require applicants to update their address and other contact information with the Board.
- (2) OSPI will work with the Board to develop student tracking procedures.
 - a. The Board and OSPI will share data regarding the progress of College Bound Scholarship students such as current school, grade level, and expected graduation date on at least an annual basis through high school graduation, following agency protocols for data exchange and security.
- (3) The Board will track complete applicants and monitor progress toward graduation to determine compliance for awarding of scholarships.
- (4) The Board will share data and authorized student information from the application for program sign-up efforts and to provide support services to scholars who have already applied.

The process for tracking is outlined more specifically than the statute.

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Annotated Notes

- a. The Board will share information with schools and approved college access providers who will provide services to College Bound Scholarship students to support their academic success, if the proper release of information has been provided by the student and parent/legal guardian.
- b. Aggregate data will be provided periodically and as requested to schools, districts, and partners to improve sign-up efforts.

WAC 250-84-060

Eligibility for Receipt of College Bound Scholarships

To be eligible to receive the annual scholarship disbursement, College Bound Scholarship students who have met the requirements outlined in WAC 250-84-030, must:

- (1) File a FAFSA (see Priority Consideration section under WAC 250-84-070 (1)).
- (2) Enroll no later than the fall term of the following academic year as defined by the institution one year after high school graduation.

For example, students graduating by August 2012, have until fall 2013 to begin using the scholarship.

- a. Enroll at an institution participating in the State Need Grant program within the State of Washington (requirements outlined in WAC 250-20-013).
 - b. Students who graduate early will be assumed to enroll with their senior year cohort. However, if they enroll early, the four-year scholarship will need to be used within five years of their initial enrollment date.
 - c. Scholarships will not be disbursed prior to fall 2012.
 - d. Students will be considered to have commenced enrollment on the first date of the term for which they receive their first scholarship disbursement.
- (3) Have an annual family income at or below 65 percent of the state’s median family income as determined by the income reported on the FAFSA and verified by the institution the student is attending.
 - (4) The College Bound Scholarship for no more than four academic years within a five year period.

The statute notes the scholarship must be used within five years of receipt which is interpreted as a four year scholarship to be used within one year of high school graduation.

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- a. The four-year scholarship may be used during any term during the five-year period, even if enrollment is not continuous.
- b. The scholarship must be used within five academic years of August of the high school graduation year.

For example, students who graduate from high school in 2011-12 must begin enrollment by fall 2013, and have through spring of 2017 to receive the scholarship. However, students who begin enrollment in fall 2012 have until Spring of 2016 to receive the scholarship.

- c. Each year the College Bound award is limited to one academic year (3 quarters, 2 semesters or equivalent) of payment.
- (5) Other eligibility criteria to receive the College Bound Scholarship are outlined in the State Need Grant program rules as specified in WAC 250-20-011 including but not limited to requirements related to residency, undergraduate student status, academic program eligibility including the theology prohibition, enrollment level, satisfactory academic progress, and repayments.
- (6) The requirements for State Need Grant that do NOT apply to College Bound Scholarships are:
- a. The equivalent of five year limitation (WAC 250-20-011 (6)) since the College Bound Scholarship is a four-year award.
 - b. Allowable use of summer leading to four terms of payment (WAC 250-20-040(5)) as the College Bound Scholarship award is limited to one academic year (See 6c above).

As an early commitment of SNG, the College Bound Scholarship follows nearly all requirements to receive SNG.

WAC 250-84-070

Scholarship Award

The College Bound Scholarship is intended to combine with State Need Grant to ensure eligible students have the opportunity to receive sufficient state financial aid to meet the cost of full tuition, plus \$500 for books each year. The award is intended to replace unmet need, loans, and at the student's option, work-study.

- (1) The value of each College Bound Scholarship shall be determined by the Board annually based on the amount of tuition and fees at public colleges and universities (as used for State Need Grant purposes) plus five hundred dollars, less the amount of State Need Grant the student qualifies for based on the student's MFI, and less any other state aid awarded.

Students must meet the institution's priority deadline to ensure consideration for the SNG portion of the award.

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Annotated Notes

- a. In order to receive the maximum State Need Grant for which the student qualifies, the student must meet the financial aid priority consideration deadline for the institution the student plans to attend.
- b. College Bound Scholarship awards will be prorated for part-time attendance as outlined in WAC 250-20-041 (4b).

Sector College Bound Scholarship award amounts (such as public research, regional and two-year, and private career and private four-year) shall follow base award amounts determined for the State Need Grant program.

WAC 250-84-080

Appeals

Appeals shall follow the process outlined in WAC 250-20-071 for State Need Grant purposes.

WAC 250-84-090

Grant Disbursement to Institutions

- (1) Cash requests and reimbursements will follow procedures similar to State Need Grant.
- (2) A student-by-student reconciliation will be completed each term and filed with the Board at the end of each academic year.
- (3) Recalculations as a result of awards in excess of tuition charges shall follow the tolerance outlined in State Need Grant rules or guidance.

WAC 250-84-100

Program administration and audits.

- (1) The staff of the Board under the direction of the executive director will manage the administrative functions relative to College Bound.
- (2) The Board will review institutional administrative compliance as outlined in WAC 250-20-061.

Any student who has obtained a College Bound Scholarship through means of willfully false statement or failure to reveal any material fact affecting eligibility will be subject to applicable civil or criminal penalties and repayment.

