



SC Higher Education  
Tuition Grants Commission

*Providing Opportunity. Promoting Choice.*

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***SOUTH CAROLINA TUITION GRANTS***  
***POLICIES & PROCEDURES MANUAL***  
***2022-2023***

**The South Carolina Higher Education Tuition Grants Commission is an Equal Opportunity Employer. The agency does not discriminate on the basis of race, color, sex, sexual orientation, gender identity, national origin, religion, disability, genetic information, age, or political affiliation.**

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## **HIGHER EDUCATION TUITION GRANTS COMMISSION**

The South Carolina Tuition Grants Program is administered by the South Carolina Higher Education Tuition Grants Commission, which was established by law in 1970. Eight college presidents and the Executive Director of the South Carolina Commission on Higher Education (ex-officio) are members of the Commission. Voting at Commission meetings is restricted to those members present. Membership on the Commission rotates among the presidents of the participating colleges. Officers are chosen by the Commission members. The Commission is responsible solely to the General Assembly and reports to the General Assembly at least annually.

### **SC TUITION GRANTS COMMISSION STAFF**

Executive Director ..... Katherine H. Harrison  
Deputy Director ..... Zachary R. Christian  
Financial Officer ..... Gena F. Miles  
Program Coordinator ..... Monique Lemmon

### **DEFINITIONS**

**VERIFICATION** -- The required verifying by colleges of certain application information as submitted to the federal processor by a Tuition Grant applicant. Verification requirements apply to student applications selected by the federal processor or by the institution.

**ELIGIBLE STUDENT** -- A student meeting legal residency requirements for South Carolina who is attending, or plans to attend, an approved South Carolina independent college on a full-time undergraduate basis and who pays tuition directly to the independent college attended and who meets all other eligibility requirements.

**FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)** -- The free application provided by the United States Department of Education to apply for and determine eligibility for all Title IV Federal Student Assistance Programs. This application is used to apply for a Tuition Grant.

**COST OF ATTENDANCE** -- Itemization of the cost of education for an average student in one of several specified categories.

**FINANCIAL NEED** -- The result of the difference between the student's cost of attendance and the family's ability to contribute toward this cost, as determined by the United States Department of Education's Federal Methodology Calculation.

**NEED ANALYSIS** -- The process of assessing the financial strength of a family as represented by income, assets, liabilities, and cost of maintaining a household in relation to meeting expenses of post-secondary education.

**NON-TRADITIONAL PROGRAM** -- Non-Traditional Programs are those programs of enrollment at colleges in which students enrolling Fall Terms and Spring Terms take classes offered outside of the regular on-campus day classes and are charged tuition and fees designated specifically for their program (which may or may not be the same amount as Tradition Program students). Non-Traditional Programs are usually those offered to adult-learner students in which enrollment may be in evening or weekend classes on the college's main campus or on a satellite campus or via online classes. Classes may run the exact same dates as the Traditional Program Academic calendar or may be in shorter blocks of enrollment. Non-Traditional Programs are reviewed by the Commission annually to determine if they meet the required enrollment patterns for eligibility. If a Non-Traditional Program is approved by the Commission, the college is notified in writing with a specific approved policy for that college's Non-Traditional Program. Non-Traditional Programs are defined by the Commission and not by the Federal definitions of standard and non-standard terms.

**TRADITIONAL PROGRAM** -- Traditional Programs are those programs of enrollment at colleges in which students enrolling Fall Terms and Spring Terms take regular day classes and are charged the college's regular tuition and fees. Traditional programs are typically those to which most recent high school graduates are accepted and students enroll starting August/September for the Fall Term after high school and continue matriculation through a college degree.

**UNDERGRADUATE STUDENT** -- A student who is in the process of attaining either an associate's degree or a bachelor's degree.

**INCOMING FRESHMAN** -- A first-time freshman who has **never** enrolled as a regular student at any post-secondary institution prior to the summer terms preceding the academic year for which the application is intended, regardless of credits registered.

**UPPERCLASSMAN** -- A student who is not classified as an "Incoming Freshman" for Tuition Grant purposes. This includes transfer students with previous coursework.

**FULL-TIME STUDENT** -- A full-time student for Tuition Grant purposes is any student who enrolls for a minimum of twelve (12) eligible undergraduate hours of coursework per semester. The annual academic load for full-time status would be twenty-four (24) hours. There are currently no eligible colleges operating on Traditional academic calendars other than the semester system.

**INDEPENDENT STUDENT** -- A student who is not required to provide parental information on the FAFSA.

**PARENT** -- Father, Mother, or Stepparent (if required to provide information on the FAFSA).

**PROGRAM REVIEWS** -- Program Reviews of South Carolina Tuition Grants records maintained at the colleges are conducted by the colleges' independent auditors. The results of annual Program Reviews are required to be forwarded to the Commission by December 31<sup>st</sup> annually.

**SATISFACTORY PROGRESS** -- The minimal academic standard that must be met for upperclassmen to receive funding through the Tuition Grants Program, which is the satisfactory academic progress requirement established by the college for Title IV Federal Student Aid Programs.

**RENEWAL APPLICANT** -- A renewal applicant for Tuition Grant purposes is any student who has previously received funding through this program.

# **SECTION I - STUDENT ELIGIBILITY**

## **STUDENT ELIGIBILITY**

To be eligible for a South Carolina Tuition Grant; a student (or the parent(s) of a dependent student) must have been a legal resident of South Carolina for at least twelve continuous months immediately preceding the date classes begin for the Fall term of the year receiving a grant, must be registered in or be accepted for admission as a degree-seeking student at a participating college, and must meet all full-time federal financial aid eligibility requirements (including owing no refund of a federal grant nor being in default on a federal educational loan). The student must be of good moral character and must demonstrate financial need and academic merit.

Tuition Grants Awards may be made only for the regular academic terms and only to undergraduate students who enroll full-time during the Fall Semester and who have not obtained their first four-year degree. Only undergraduate classes may be counted toward full-time enrollment during any enrollment term. Additionally, students who fail to enroll full-time during the Fall Semester forfeit their eligibility for the entire academic year. Applicants must apply annually by completing the Free Application for Federal Student Aid (FAFSA) and by indicating the South Carolina independent college of their choice in the college choice section. An annual application deadline of June 30<sup>th</sup> must be met. To meet the deadline, the FAFSA must be **received by the federal processor by June 30<sup>th</sup> of the award year**. FAFSAs or copies of FAFSAs that are mailed, hand-delivered, or otherwise submitted to the Commission are not considered eligible applications for a South Carolina Tuition Grant.

Freshman applicants must graduate in the upper three-fourths (top 75.00%) of their high school class **OR** score 900 or above on the Math and Evidence-Based Reading and Writing sections of the Scholastic Aptitude Test (SAT) **OR** score a 19 Composite on the ACT **OR** graduate from a South Carolina high school with a final GPA of at least 2.700 on the South Carolina Uniform Grading Policy. An incoming freshman who is twenty-two (22) years old or older by September 1<sup>st</sup> of the award year and who has obtained a high school diploma or its equivalent (GED or Adult Education Diploma) is academically eligible for a Tuition Grant. An upperclassman must show “satisfactory progress” toward graduation to receive an award (see Satisfactory Progress Requirements section for additional information). This is ordinarily defined as meeting the satisfactory progress requirement established by the college for the Title IV Federal Student Aid Programs.

The maximum number of years that a student is eligible to receive a South Carolina Tuition Grant is four (4) years. However, if a student is enrolled in a five-year undergraduate degree program that has been approved by the South Carolina Commission on Higher Education to be an eligible program for state scholarship programs, the student may also be eligible for a fifth year of the Tuition Grant. Individual institutions are responsible for notifying the Commission of students who fall under this exception to the four-year policy.

### **GUIDELINES FOR STATE RESIDENCY**

South Carolina residency to determine eligibility for the Tuition Grants Program has been established to be consistent between all South Carolina scholarship and state grant programs. Therefore, state residency requirements for the South Carolina Tuition Grants Program will follow the residency requirements as stated in the South Carolina Code of Laws, Title 59, Chapter 112 (<http://www.scstatehouse.gov/code/t59c112.php>) and as defined in the South Carolina Commission on Higher Education's Regulations Chapter 62 (Appendix B).

Marriage affects determinations of residency for Tuition Grant purposes only insofar as it operates to emancipate minors or to provide evidence of intention by the parties to make a permanent home in South Carolina.

Grant recipients must be United States citizens, or eligible non-citizens in accordance with Title IV Federal Student Assistance Program requirements. They must be in South Carolina for other than a temporary purpose with the intention of being permanent residents. Holders of student visas are not considered residents and, therefore, are not eligible for consideration under the Tuition Grants Program.

Military personnel and/or their dependents, who are not legal residents of South Carolina but who are permanently stationed in South Carolina on or before the first day of Fall term classes, will be considered state residents for the purposes of this program. Documentation (military PCS orders) showing the date of stationing in South Carolina along with a valid ISIR must be provided to the Commission.

To be eligible for a Tuition Grant, military personnel and/or their dependents who consider themselves to be legal residents of South Carolina and who are stationed outside of the state of South Carolina must provide documentation of state residency that was effective at the time of enlistment and must provide proof that residency status was never forfeited while serving outside of the State of South Carolina. In addition to providing proof of military status and proof of residency at the time of enlistment (a military document showing a South Carolina address at original enlistment), the student must provide for themselves or their parents the previous two years' South Carolina State Tax Returns with W-2's, a copy of the

most recent military Leave and Earnings Statements showing the payment of state taxes to South Carolina, and a South Carolina Voter's registration card.

The following conditions/documentation may be considered by the Commission to prove legal South Carolina residency, although no single condition or group of conditions is necessarily determinative:

- Paying SC State Resident income tax and filing a SC State Tax Return**
- Registered to vote in South Carolina**
- South Carolina Vehicle Registration for all vehicles owned by the family (*State Law requires that all vehicles to be registered within 45 days of establishing South Carolina residency.*)**
- South Carolina Driver's License (*State Law requires that individuals convert out-of-state driver's licenses to South Carolina Driver's licenses within 90 days of establishing South Carolina residency.*)**
- Payment of South Carolina vehicle property tax on all vehicles owned by the family**
- Being employed full-time in a permanent capacity in South Carolina**
- Complete absence of residency in another state**

The South Carolina Tuition Grants Commission can only draw down applications from the Federal processor for students who indicate on the FAFSA that they are legal residents of South Carolina. While verifying residency, if the college is unable to clearly verify South Carolina residency, the college should notify the Commission in writing so that the Commission can follow up with the student for required documentation.

### **VERIFICATION REQUIREMENTS**

All participating colleges are responsible for verifying the following items for their applicants **prior to indicating eligibility and requesting funds** via the Enrollment Report:

- 1) **Freshman Rank and SAT/ACT Scores and final South Carolina High School GPA for all incoming freshman applicants; OR, prior year Satisfactory Progress for all upper-class applicants (including transfers); AND,**
- 2) **State Residency for all Tuition Grant applicants; AND,**
- 3) **Financial Information for all Tuition Grant applicants who are selected for Verification (either by the federal processor or by the institution); AND,**
- 4) **A signed "Felony, Drug, or Alcohol Affidavit" is in the student's file.**

Students who are selected either by the Federal processor or by the institution must complete Verification before being considered eligible to receive a South Carolina Tuition Grant. Students who fail to complete verification by the time the Fall Enrollment Report is submitted **must** be reported as **not eligible** on the Enrollment Report. If verification is completed after submission of the Fall Enrollment Report and on or before November 15, the college must notify the Commission of the

correction to the student's eligibility status no later than November 15. Requests for funds may be submitted after November 15 provided the student was reported as eligible to the Commission by November 15. **Students who fail to complete verification by November 15 forfeit their Tuition Grant for the full year.**

Final Program Integrity Regulations, published in the Federal Register on October 29, 2010, eliminated the 30 percent verification cap (allowing colleges the authority to discontinue the verification process for applications received after the college had verified 30 percent of applicants). ALL federally-selected applicants must now be verified by the college's financial aid office. Therefore, any student eligible for a Tuition Grant who has been selected for verification must have his or her verification completed **prior to** the college requesting funds via the Enrollment Report or, after the Enrollment Report is submitted, via a check request.

If a South Carolina Tuition Grant applicant has been selected for Verification and the result of verification is **no change in** a student's Tuition Grant **eligibility**, no further action is required by the South Carolina Tuition Grants Commission.

**If corrections** resulting from the completed verification process **change the student's Tuition Grant eligibility**, the college **must** complete and send the "Correction/Verification Form" to the Commission. On the Form, complete all appropriate areas and submit it to the Commission along with the current ISIR (with PII redacted). The student will receive an updated Eligibility Notice from the Commission if his/her eligibility changes.

Also, beyond Verification, colleges **must** submit to the Commission a "Correction/Verification Form," along with the current ISIR (with PII redacted), for **ANY** changes in a student's application that result in a student's **revised eligibility**. Those changes could be the result of Professional Judgement changes, or resolution of conflicting information, or dependency changes, or for any other reason creating a change in the student's Tuition Grant eligibility.

Should a student's FAFSA be selected for Verification after November 15, but before the processing of the Spring Enrollment Report, the institution may retain the Fall semester funds until Verification is completed, as the student was considered eligible at the time of disbursement. However, if the verification process is not complete by the time the Spring Enrollment Report is submitted to the Commission, the student should be reported as ineligible for the Spring semester, using the "Verification Incomplete" ineligibility code. If the institution completes the verification process at any time during the Spring semester and the results do not change the student's eligibility, the institution may complete a Check Request Form to request the Spring disbursement of the student's Tuition Grant. If the verification results reduce or eliminate the student's eligibility for the Tuition

Grant, the institution is responsible for returning any Fall semester funds to the Commission within 30 working days. Should a student's record be selected for verification after all funds have been disbursed for the entire year, and the verification results reduce or eliminate the student's eligibility, the institution is responsible for processing the appropriate refund to the Commission within 30 working days.

### **FELONY, DRUG, OR ALCOHOL AFFIDAVIT**

The law governing the South Carolina Tuition Grants Program requires that grant recipients must not have "been adjudicated delinquent or been convicted or pled guilty or nolo contendere to any felonies or any second or subsequent alcohol or drug-related offenses under the laws of this or any other state or under the laws of the United States in order to be eligible for a South Carolina tuition grant, except that a high school or college student otherwise qualified who has been adjudicated delinquent or has been convicted or pled guilty or nolo contendere to a second or subsequent alcohol or drug-related misdemeanor offense nevertheless shall be eligible or continue to be eligible for such grants after the expiration of one academic year from the date of the adjudication, conviction, or plea." (SC Code of Laws, Section 59-113-20 (f))

The only feasible way to determine that grant recipients meet this requirement is to collect a signed affidavit annually from each student that he/she is not in violation of this requirement. An example of the wording for this affidavit is found in the "Forms Section" of this Manual. Since this requirement is found identically in the law for all other State grant and scholarship programs (except the Lottery Tuition Assistance Program), the Commission does permit colleges to use a single affidavit to collect students' signatures. The permitted use of a single affidavit presumes that it references all State aid programs by name and that it also meets the requirements of the South Carolina Commission on Higher Education.

Required Affidavits **must** be on file in the student's college financial aid file **prior** to the student being reported as eligible on the Fall Enrollment Report.

### **REMEDIAL/DEVELOPMENTAL COURSES**

Generally, remedial (also referred to as "developmental") courses are those that a student takes to increase his/her probability of success in college-level work, and which, therefore, extend the length of the normal program since they do not count toward graduation. However, the decision as to which courses are considered "credits toward the degree" and which are "remedial" or "developmental" is strictly an institutional matter.

A student must be enrolled in a minimum of 12 semester hours of undergraduate courses each semester to be considered full-time for a South Carolina Tuition Grant. In a situation where the student is **required** by the college to take remedial courses, the required remedial courses may count toward the hour requirement for full-time attendance with the following limitations:

- 1) **remedial courses may be counted toward full-time enrollment only during the first two semesters of the freshman year (see definition of “Freshman Year” which follows), and**
- 2) **allowed remedial courses must show on the college transcript for credit (although not required as credit toward the student's degree), and**
- 3) **the student must pay full tuition for required remedial classes for them to be counted as eligible classes for receiving a South Carolina Tuition Grant.**

Definition of “Freshman Year:” The “freshman year” for the use of remedial courses toward eligibility is defined as the first two full-time semesters of enrollment **OR**, if the student has only been enrolled full-time for one semester or has never enrolled full-time, the first 30 credit hours of enrollment.

It should be noted that this exception does not extend the maximum number of four (4) years that a student may receive a South Carolina Tuition Grant.

Colleges should also keep in mind that, regardless of whether enrolled in remedial courses or not, the student must also be eligible for full-time federal financial aid to qualify for the South Carolina Tuition Grant.

### **REPEATED COURSEWORK**

Effective July 1, 2011 the Federal Government passed a regulation making a student ineligible for federal aid towards any class where a passing grade of “D” has been obtained and the course is being repeated more than one time by the student. A student can receive federal aid for only one additional attempt at a previously passed course. While the student may repeat a previously passed course one time, there is no repetition of a previously passed course due to the student failing other coursework in a prior term (for example, a student takes four classes and fails one course. The school may opt to require the student to retake all four courses. In that case, the school may count the failed class in the next period of enrollment but not the courses that were passed.)

Tuition Grant eligibility is based, in part, on whether a student is eligible for full-time, federal financial aid. For Tuition Grant purposes, the financial aid office must determine whether a student who is enrolled in a course for a second or subsequent semester is enrolled in enough additional hours to be considered full-time and, therefore, maintains eligibility for full-time, federal aid. If an otherwise

eligible applicant loses eligibility for federal aid based on the repeated coursework regulations, he or she also loses eligibility for the Tuition Grant.

### **STUDENTS PURSUING A SECOND UNDERGRADUATE DEGREE**

Once a student has earned a four-year, undergraduate degree, that student is no longer eligible to receive a South Carolina Tuition Grant.

### **TRANSIENT STUDENTS**

Transient students who are admitted to an eligible independent college are not eligible for a South Carolina Tuition Grant to attend another college since they are not paying tuition at their home institution. Transient students at an eligible independent college from another institution are **not** eligible since they are not degree-seeking students at the eligible independent college where they are attending. Therefore, **all** transient students are **ineligible** for a Tuition Grant.

### **STUDY ABROAD PROGRAMS**

Students attending South Carolina Tuition Grant eligible institutions who are involved in Study Abroad Programs are eligible for South Carolina Tuition Grants if their studies meet the following guidelines:

- 1) **The student must be enrolled full-time (12 semester hours of undergraduate courses), and**
- 2) **The student must pay full-time tuition and fees directly to the Home Institution, and**
- 3) **All credit that the student earns in the Study Abroad Program must count towards the student's Home Institution degree.**

The Costs of Attendance used for Study Abroad Programs may be adjusted according to federal guidelines to allow for the expenses associated with participation in the Programs. If the college chooses to use a different Cost of Attendance or if the college opts to reduce its tuition and required fees charges for students in Study Abroad Programs, the new student COA and/or adjusted tuition and required fees charges must be communicated to the Commission via the "Correction/ Verification Form." Adjustments in COA or tuition charges may require a change in the amount of the Tuition Grant awarded to the student.

### **INCARCERATED STUDENTS**

Incarcerated students are not eligible to receive a South Carolina Tuition Grant.

## **SECTION II - COLLEGE ELIGIBILITY**

### **COLLEGE ELIGIBILITY -- PARTICIPATION REQUIREMENTS**

In order to participate in the South Carolina Tuition Grants Program, a college must be an independent eleemosynary (non-profit) institution of higher learning (junior or senior college) in South Carolina whose major campus and headquarters are located within South Carolina and which is accredited by the Southern Association of Colleges and Secondary Schools or is an independent bachelor's level institution chartered before 1962 whose major campus and headquarters are located within South Carolina.

The following procedure must be followed by all higher education institutions seeking approval for participation in the South Carolina Tuition Grants Program:

**Documentation that the institution meets all the institutional requirements for participation set forth in the South Carolina Tuition Grants statute must be submitted to the South Carolina Tuition Grants Commission along with a letter from the college president requesting consideration for institutional participation. The information received from the college will be presented to the Commission at its next regularly scheduled meeting. Upon approval by the Commission, the newly eligible college will be officially notified by the Commission. On October 1 following the date of approval by the Commission, students may begin submitting applications for South Carolina Tuition Grants assistance for the fiscal year that will begin July 1 of the following calendar year.**

### **NON-TRADITIONAL CALENDAR PROGRAM ELIGIBILITY**

To be an eligible program in which a student may receive South Carolina Tuition Grants assistance, a Non-Traditional Calendar Program must:

- a) **be offered by a college that is already approved for participation in the South Carolina Tuition Grants Program; and,**
- b) **the Non-Traditional Calendar Program must be fully accredited for awarding of a degree; and,**
- c) **begin classes no sooner than 10 working days prior to the beginning of the college's traditional fall semester and no later than 10 working days after the beginning of the college's traditional fall semester, and end classes no earlier than 10 working days prior to the end of the college's traditional spring semester and no later than 10 working days after the end of the college's traditional spring semester (Tuition Grants may not be used for programs of instruction offered during the summer); and,**
- d) **teach sufficient courses to enable a student to obtain a baccalaureate degree within four years; and,**

- e) **regardless of the program structure, teach sufficient courses so that the student has the opportunity to earn a minimum of 24 semester hours during the timeframe outlined in (c) that runs parallel to the college's traditional academic year.**

Students in Non-Traditional Calendar Programs must enroll full-time in the beginning term associated with the Traditional Fall Semester to be considered as full-time and eligible. Eligibility for the Spring Semester is considered in the same way as the Fall Semester. As with traditional programs, if a student fails to enroll full-time during the Fall Semester, the student loses eligibility for the full academic year. Disbursement of each semester's funds will be made after students are registered and have paid tuition for full-time enrollment for the enrollment periods associated with the college's Fall term.

All students in Non-Traditional Calendar Programs must also meet the Satisfactory Academic Progress requirements set by the college for Title IV Federal Student Aid Programs.

Program eligibility for Non-Traditional Calendar Programs is reviewed on a program-by-program basis by the Commission. The following procedure must be followed by all eligible participating colleges seeking approval for Non-Traditional Calendar Programs in the South Carolina Tuition Grants Program:

**Documentation that the institution meets all the requirements for participation set forth above must be submitted to the Executive Director of the South Carolina Tuition Grants Commission along with a letter from the appropriate college official requesting consideration for institutional participation. The information received from the college will be reviewed by the Executive Director to ensure that the college's Non-Traditional Program meets the established eligibility requirements. Upon approval by the Executive Director, the college will be notified in writing of the approval. Complete documentation requesting institutional eligibility consideration must be submitted by September 30. On October 1 following the date of approval by the Commission's Executive Director, students may begin submitting applications for South Carolina Tuition Grants assistance for the fiscal year that will begin July 1 of the following calendar year.**

## **SECTION III - AWARDING/DISBURSING/REPORTING**

### **AMOUNT AND DISBURSEMENT OF AWARDS**

The amount of an award may not exceed (a) the average state appropriation for each full-time student enrolled in the state-supported institutions of higher learning with four-year undergraduate degree programs in the previous year, (b) the tuition and fees at the college attended, or (c) the student's financial need.

In determining an applicant's financial need, the Expected Family Contribution (EFC), as derived from the Free Application for Federal Student Aid (FAFSA) calculations, will be subtracted from the appropriate college's Federal Cost of Attendance. At the March 16, 2021 Commission Meeting, the Commission voted to remove the \$700 Student Contribution cap, thus removing the modified EFC calculation used for the awarding of South Carolina Tuition Grants for "dependent" students. The South Carolina Tuition Grants EFC for all students is the federally calculated Expected Family Contribution.

### **TUITION GRANTS NEED EQUATION:**

	<u>Cost of Attendance</u> (boarding, commuting, off-campus, non-traditional)
<b>Minus:</b>	<u>Expected Family Contribution</u> (federal formula calculation)
<b>Equals:</b>	<u>Financial Need</u> (used to determine amount of a Tuition Grant)

If a student is eligible for less than the maximum grant at a college, the yearly eligibility amount is rounded down to the nearest \$10 figure. This is the only time awards are rounded down. If **refunds** occur later, award computations are computed to the exact dollar figure (**cents omitted**).

The minimum Tuition Grant award amount for the academic year is \$100.

Initial Federal Costs of Attendance are reported to the Commission by participating institutions by March 1 of each year. Final Costs of Attendance are submitted by the colleges as soon as they are available. Cost of Attendance categories are: Boarding/On-Campus; Commuting/Living with Parents; Off-Campus/Not Living with Parents; and Non-Traditional Calendar Program. Tuition Grants funds shall be disbursed for eligible students on a semester-by-semester basis after the appropriate Fall and Spring Enrollment Reports have been submitted by the colleges to the Commission. Tuition Grants funds are remitted for deposit into the students' accounts at the colleges chosen by the students, **not** chosen by the State of South Carolina, as evidenced by their full-time matriculation.

## **SELECTION OF RECIPIENTS**

Available Tuition Grants Program funds appropriated by the State Legislature will be used to fund all eligible applicants applying by the annual application deadline of June 30. Any changes in funding shall be used to increase or decrease the awards to eligible applicants who applied by the annual June 30 deadline according to the Commission's approved policy. After the Fall Semester Show-Up Rate is calculated, after the final funding level of the South Carolina Tuition Grants Program by the State Legislature is determined, and after the number of eligible applicants applying through June 30 is known, the Commission will determine whether an adjustment to the tentative awards is necessary. If adjustments are needed to the yearly eligibility amounts, they will normally be made to the Spring Semester portion of the yearly awards.

## **REPORTING PROCEDURES**

As the Commission receives applications throughout the awarding cycle, a weekly "Applicants Report" is provided to each college electronically via the Commission's web site (<https://sctuitiongrants.org>). The Applicants Report lists applicant names and information to be used by colleges for information and assistance in planning. The Applicants Report will indicate which students have been tentatively selected for grants and the amounts of their awards as well as ineligible applicants and the reasons for their ineligibility. After reviewing the Applicants Report, each financial aid office **must** report any adjustments which should be made to students' Tuition Grant eligibility (caused by Verification, ROTC or tuition-specific VA Benefits or tuition-specific scholarships, changes in cost of attendance including housing status changes, or for ANY other reason).

Colleges with approved Non-Traditional Calendar Programs will receive separate Enrollment Reports for their Traditional and Non-Traditional students. Therefore, colleges with Non-Traditional Programs are required annually to **review** the Applicants Report **and report** to the Commission, **prior to August 31**, all students on the Applicants Report who are registered in their Non-Traditional Program. **It is highly recommended that this be done regularly as Applicants Reports are received and reviewed instead of only one time on August 31.** Should a college be unable to verify Non-Traditional Program students prior to August 31, those students will appear on the institution's Traditional Enrollment Report. The institution must then follow the process for reporting a switch from Traditional to Non-Traditional Program via the Enrollment Report submission process by coding the affected students with an ineligibility code of 21 and indicating that the student should be switched to the Non-Traditional Program.

Upon the completion of registration, the authorized college official, via the Enrollment Report for each eligible enrollment period (downloaded by colleges

from the Commission's web site and returned to the Commission via the web site), certifies which awardees have enrolled in college as full-time students (**must be considered full-time for federal financial aid purposes**) and have satisfied all other eligibility requirements, including South Carolina residency, completion of Verification if required, Felony, Drug or Alcohol Affidavit on file, and meeting required Satisfactory Academic Progress standards.

### **ENROLLMENT REPORTS PROCESSING AND DEADLINES**

After the beginning of each Fall and Spring enrollment term, the Commission will post to its web site each college's Traditional or Non-Traditional Program Enrollment Report. The Enrollment Report is used to report to the Commission the enrollment and eligibility status of each student who has been tentatively awarded a South Carolina Tuition Grant. The Commission will publish a schedule of expected posting dates based on each college's Drop/Add Dates as provided to the Commission. Instructions for accurately processing each Enrollment Report, along with a required form to be signed certifying that the report has been processed according to State law and Program policies, are provided to the colleges each term. As each Enrollment Report is posted to the Internet, the Commission will notify each Financial Aid Office of the report availability. From the official date of posting, each college is given twenty-five (25) working days to complete and return the Enrollment Report via the Commission's web site. In accordance with Commission approved policy, if an Enrollment Report is not returned by the end of the 25th working day, the Commission's Executive Director is required to contact that college's president to notify him or her of the report being late.

### **DISBURSEMENT PROCESSING**

Upon the receipt of each college's Enrollment Report, the Commission will reconcile the Report with the Commission's database. After reconciliation, award funds will be drawn by the Commission from the State Treasurer's Office (may take up to 5 business days) and forwarded to the college. **Immediately** upon receipt of the Electronic Funds Transfer (EFT) or check, the appropriate college official will sign the acknowledgment letter, indicating receipt of the funds, and **without delay** return the acknowledgment to the Commission.

Due to the pattern of disbursements of State Lottery Revenues, which may create a cash flow problem for Spring Term funds, the approved policy for Spring Semester disbursements is for the Commission to disburse 80% of each student's Spring Term grant funds as Enrollment Reports are submitted, if necessary. Upon completion of the 80% disbursement of Spring Term funds to all colleges, the Commission will disburse the remaining 20% of Spring grants in the order that Enrollment Reports were submitted as soon as funds become available to the

Commission through Lottery proceeds. The Commission will notify all colleges prior to the start of Spring Disbursements if two disbursements are required based on available grants funding.

It is **highly recommended** by the Commission, for accurate auditing and accountability purposes, that each college use a separate account exclusively for the South Carolina Tuition Grants Program, and that State funds are deposited **only** to this account and that refunds are written only from this account. After depositing Tuition Grants funds from the Commission into the specific South Carolina Tuition Grants Program account, college officials are **required** to transfer each student's grant funds directly into his/her **individual** student account according to the specific Voucher Listing posted to Commission's web site. **State funds should never be deposited to a student account for a student who is not listed on the appropriate college's Voucher Listing. *Depositing funds into an unapproved student's account is in violation of South Carolina State Law (Section 59-113-40)*. The transfer of funds to individual student accounts must be done within five (5) working days of the college's receipt of the EFT (or check)**. Any funds that cannot be transferred to an individual student's account, including due to the student's ineligibility, must be returned to the Commission within thirty (30) working days accompanied by a correctly completed Tuition Grants Refund Form (available in the Forms section of this Manual, and on the Commission's web site) indicating the reason the funds are being returned.

### **SEMESTER DISBURSEMENT REPORT**

Each semester, the Commission requests that each college submit an encrypted Excel file through the Commission's web site listing all students to whom a Tuition Grant was disbursed including the amount posted to their individual student accounts. The spreadsheet should include "last name," "first name," "full SSN," and "amount of disbursement" showing on the student's account. This file will enable the Commission to match college records against its data base to ensure all students have received their fully awarded Tuition Grants for the Fall and Spring terms. The Commission will reconcile any differences with the college.

### **SECURITY PROCEDURES**

In December 2012, the Commission, in an effort to enhance and further protect the security of personally identifiable information (PII) and other sensitive data, instituted a number of security measures affecting access to the reports and files referenced in this section (Applicants Reports, Enrollment Reports, and Voucher Listings), in addition to the available Renewals Report (which assists financial aid administrators in identifying students who need to complete the FAFSA prior to

the June 30 deadline). Security measures impacting college personnel include the following:

1. All authorized users of the secure Aid Administrators section of the Commission's web site are required to complete a user agreement form (see the "Forms" section of this Manual). A copy of each user's agreement remains on file in the Commission's office.
2. All authorized users of the secure Aid Administrators section of the Commission's web site are required to obtain and secure an individual username and password to access reports.
3. The college financial aid director is required twice annually, upon request from the Commission, to provide a list of currently authorized college users. Failure to do so will restrict access to Commission reports. The college is also expected to provide an update to the Commission at any time that an authorized user is no longer authorized.
4. The college financial aid director is required twice annually to verify currently authorized college personnel permitted to discuss student data with Commission staff via the "Authorized Financial Aid Contact List."
5. All reports containing personally identifiable information (PII) are encrypted for data security and cannot be opened directly from the Commission's web server. Reports must be saved locally to the user's computer. A separate, institution-specific password, generated and provided by the Commission is required to open the reports once they have been saved to the user's computer.
6. All reports containing personally identifiable information (PII) (i.e., Applicants Reports, Enrollment Reports, Voucher Listings) are only available from the Commission's web site for a two-day timeframe and are then removed from the web server. In general, reports are made available on Tuesdays before noon and are removed from the web server on Thursdays at 4:00 pm.
7. The Tuition Grants Commission requires Financial Aid Administrators to redact all sensitive, Personally Identifiable Information (PII) of applicants (and students or spouses, if applicable) when submitting documentation to the Commission. This includes Social Security Numbers (the Commission only requires last four digits of applicant SSN; complete Social Security Numbers for parents or spouses must be fully redacted), Dates of Birth, and Driver's License Numbers (State of issue must remain visible). **Failure to redact PII could be considered a data security breach requiring notification of the student (and parents) and required State Public Officials providing to them public notification of the name of the college that failed to protect their Personally Identifiable Information (PII).**

## **DEADLINE FOR END OF FISCAL YEAR CHECK REQUESTS**

Because of the State Comptroller General's Office's processing requirements for the completion of fiscal year expenditures, all Spring Semester check requests must be received by the Commission **no later than July 1** annually. Check requests received after July 1 will be considered late and will not be processed.

## **ROTC, VA BENEFITS, OR OTHER TUITION-SPECIFIC AID PROGRAMS**

Students receiving ROTC Scholarships, VA Benefits covering 100% of tuition, regardless of chapter, or other scholarships or aid programs (whether institutional or non-institutional) which are specifically designated to cover **full** tuition and fees are not eligible for a South Carolina Tuition Grant. Students receiving ROTC Scholarships, VA Benefits, or other scholarships or aid programs (whether institutional or non-institutional) which are specifically designated to cover **partial** tuition and fees may receive a Tuition Grant equal to the lesser of the following: 1) South Carolina Tuition Grant need, 2) South Carolina Tuition Grant maximum grant, or 3) difference in tuition and fees and ROTC/VA Benefits/Other Tuition-specific Aid amount. ROTC, VA Benefits, or other tuition-specific scholarships and aid programs received by a student must be reported to the Commission in writing as soon as the college becomes aware of the scholarship or benefit. Tuition-specific aid will be reported on each Fall Enrollment Report. The award for the Spring semester will not be cancelled or reduced by the Commission based on the report of a fall semester tuition-specific aid. In the event of a mid-year loss or reduction in their tuition-specific aid, students will retain full spring semester eligibility for a South Carolina Tuition Grant.

**NOTE: The Post-9/11 GI Bill (VA Chapter 33) Benefits are also included in this policy.** Based on official guidance received by the Tuition Grants Commission from the Veterans Administration in December 2011, an eligible student's SC Tuition Grant award is not included when determining eligibility for Veterans Education Benefits, including Chapter 33 benefits. Therefore, students receiving VA Chapter 33 Benefits, designated to cover 100% of tuition and required fees, are not eligible to receive a SC Tuition Grant. Students receiving VA Chapter 33 Benefits which cover **partial** tuition and fees may receive a Tuition Grant equal to the lesser of the following: 1) SC Tuition Grant need, 2) SC Tuition Grant maximum grant, or 3) difference in tuition and fees and VA Benefits.

## **TUITION WAIVERS FOR ELIGIBLE COLLEGE EMPLOYEE DEPENDENTS**

If a Tuition Grant eligible student is the dependent of an eligible college employee and he/she qualifies for a waiver of tuition and required fees (i.e., the same amount of fees charged to all students), the amount of eligibility for a SC Tuition Grant is

calculated after the application of the tuition and fees waiver unless the college has a written policy requiring that the Tuition Grant and other non-institutional tuition-specific scholarships be first applied to the student's eligibility before the waiver.

### **EMPLOYER REIMBURSEMENT FOR TUITION AND FEE EXPENSES**

If a student is reimbursed by his/her employer for tuition and fee expenses, this reimbursement should be treated the same as a scholarship covering tuition and fees. That is, if an employer reimburses a student for 100% of his/her tuition, that student is not eligible for a South Carolina Tuition Grant. If an employer reimburses a student for partial tuition, the student's Tuition Grant must be adjusted according to the requirements for partial tuition scholarships. Tuition and Fee reimbursements made by employers often occur after completion of classes by the student. Therefore, it is the responsibility of the college to monitor this assistance and make appropriate Tuition Grant refunds within thirty (30) working days of the college becoming aware of such reimbursements.

### **NO INCREASES, ADDITIONS, OR APPEALS AFTER NOVEMBER 15**

No increases in existing awards, no additions of new awards, no appeals of eligibility, and no corrections of errors to eligibility increasing an award are allowed after November 15. Colleges must provide any corrections (including mid-year changes between Traditional and Non-Traditional Programs), that would increase a student's existing award or that would change the student from ineligible to eligible, **no later than November 15**. Valid student ISIR's that add new awards must be submitted by the colleges by November 15. No appeal, regardless of the reason, may be considered after November 15. If, on November 15, a student is in the Commission's data base as ineligible or eligible for less than a full award, and a determination is made by the college after November 15 that this is an error, this Commission-approved policy prohibits a correction of the error. However, a reduction in a Tuition Grant for any reason must be made at any time during the award year, including after November 15. No student may be added to a college's Non-Traditional Enrollment Report after November 15, unless they were previously in the Commission's data base as an eligible student.

As noted on Page 8 of this Manual under the Verification requirements section, **"Students who fail to complete verification by November 15 forfeit their Tuition Grant for the full year."** This same principle applies to students who have not completed all other eligibility requirements, including submission of the Felony, Drug and Alcohol Affidavit and all required residency documentation, by November 15. The college must have everything on file by November 15 for a student to be eligible. If appeals are being submitted, the college must ensure that all required Tuition Grant eligibility documentation is on file by November 15,

even if the Commission does not make a decision on the appeal until after that date.

### **EXCEPTIONS FOR APPROVED NON-TRADITIONAL PROGRAMS**

Due to enrollment patterns of the approved Non-Traditional Programs at some participating institutions, Fall Enrollment Reports for these Programs may not be submitted to the Commission until after the November 15 deadline has passed. Much of what exists in the November 15 policy above will continue to apply as a November 15 deadline for all students, including the college's Non-Traditional students. Non-Traditional students must be eligible in the Commission's data base on November 15 (valid ISIRs for eligible students must be received by the Commission – no students can be added to the data base after November 15), all appeals for Non-Traditional students must be complete and submitted by November 15, and any requests to change those students to Traditional Programs for the Spring term must be submitted by November 15. Completion of Verification and receipt of all required eligibility documentation must be on file at the college by the date that the Non-Traditional Fall Enrollment Report is submitted to the Commission.

The exceptions for Fall Non-Traditional Enrollment Reports are:

- 1. Increases to existing eligibility may be made as part of the Enrollment Report submission process.**
- 2. Students may be added to the Enrollment Report if they were in the Commission's data base by November 15 and were tentatively awarded at another college (but not the current college's Traditional program since those would have been corrected upon submission of the Fall Traditional report).**
- 3. The college will be allowed 10 business days after the Commission notifies the college that the Non-Traditional Program Voucher has been posted to make any corrections to errors in the submitted report that correct a student's eligibility. After the 10 business days, whatever is posted to the Commission's data base stands as the final eligibility determination for the award year.**

***EXAMPLE FOR EXCEPTION NUMBER 3:*** The college reports that Student X was “not enrolled full-time” on the Fall Enrollment Report submitted to the Commission on December 5 and the student's eligibility was zeroed out. The Commission posts the Non-Traditional Voucher to the web on December 8 and notifies the college via e-mail on December 8 that it has been done. If the college finds that it made an error and that the student actually did enroll full-time, the financial aid office would then have until December 22 (10 business days from December 8) to correct that status in writing with the Commission.

## **COLLEGE TRANSFER REQUESTS**

When an applicant writes a letter, or submits the proper form requesting transfer of his/her grant from one college to another, a general notification of the transfer will be made to the Financial Aid Office at the college from which the student is transferring. This notification will not include identifying information concerning the college to which the student is transferring, but assists the college in maintaining accurate award information. The following week, the student will be listed as a new applicant on the Applicants Report of the college to which he/she is transferring. The original request will be kept on file in the office of the South Carolina Tuition Grants Commission. Please note that, per Federal Department of Education policy, Commission staff is prohibited from sharing any information identifying other institutions the student may have listed on the FAFSA.

### **GRANT ELIGIBILITY RESULTING FROM MID-YEAR TRANSFERS**

If a student transfers in mid-year, after having received South Carolina Tuition Grant funds during the Fall Semester, the student may receive a Spring Semester Tuition Grant not to exceed the lesser of: 1) the maximum remaining grant at the original college, or 2) the maximum remaining grant at the second college, or 3) the student's Spring Semester financial need at the second college.

### **DETERMINING TOTAL INCOME FOR STUDENTS WITH DIVORCED OR SEPARATED PARENTS**

When a divorce or separation occurs between the parents of a "dependent" student, the student must follow all guidelines and instructions according to the FAFSA to provide correct parental income information.

### **REFUND PROCEDURES OF THE TUITION GRANTS PROGRAM**

Tuition Grants are awarded for a full academic year with payments prorated for each term of full-time enrollment.

Any funds received by a college for a student's Tuition Grant payment that cannot be disbursed to the student must be refunded by the college to the Commission within thirty (30) working days of the later of either (a) the date the college receives the funds or (b) the date that the college becomes aware that a student is ineligible for the funds. For South Carolina Tuition Grants Program purposes, the official date that the college becomes aware that a student is ineligible because of withdrawing or dropping classes to a less than full-time status is the date that the College Registrar is notified of the student's change in enrollment status. A Tuition Grant Refund Form must be submitted with the college refund check(s).

**STUDENT WITHDRAWS FROM FULL-TIME STATUS “PRIOR TO”  
DISBURSEMENT OF TUITION GRANT FUNDS:**

If a student who has been awarded a Tuition Grant withdraws or drops below full-time status prior to receipt of the student’s funds for that semester, the college should follow one of the following procedures:

1. **If the student withdraws or drops below full-time during the college’s refund period, determine any refund (according to the regular refund policy of the college) of the student’s Tuition Grant based on the full award of the student. If the Fall Enrollment Report has not yet been returned, request only the amount required by the refund policy and note the reason for the reduced request on the Report. If the Fall Enrollment Report has already been returned to the Commission, upon receipt of the funds, return only those funds to the Commission (within 30 working days accompanied by the required Refund Form) required by the refund policy and deposit the remaining funds to the student’s account.**
2. **If the student withdraws or drops below full-time after the college’s refund period, meaning the student incurred full tuition charges, deposit the full Tuition Grant to the student’s account.**

**STUDENT WITHDRAWS FROM FULL-TIME STATUS “AFTER”  
DISBURSEMENT OF TUITION GRANT FUNDS:**

If a student who has been awarded a South Carolina Tuition Grant withdraws or drops below full-time status after the start of the semester and after Tuition Grant funds have been disbursed, a refund must be made by the college (according to the regular refund policy of the college) within 30 working days from the date full-time status is lost using one of the following procedures:

1. **If the student withdraws or drops below full-time status during the refund period of the college, an appropriate refund of the Tuition Grant must be made (sent with the required Refund Form explaining the reason for the refund) within 30 working days to the Tuition Grants Commission; or,**
2. **If the student withdraws or drops below full-time status after the college's refund period has ended, and the student is charged the full-time rate for the semester, he/she may retain that semester’s entire portion of the yearly award.**

If a student enrolls full-time in the Fall Semester and then withdraws, receiving anything other than a 100% refund, he/she will be eligible for the second semester portion of his/her South Carolina Tuition Grant. After the student's Spring semester full-time enrollment and eligibility are verified, the college should request the student’s second semester grant via the Spring Enrollment Report. Students receiving a **100% refund** for the Fall Semester (including retroactive refunds of 100% for any reason) are not considered to be enrolled full-time and are ineligible

for the full award year unless an appeal for a “Spring-only” grant is received by the November 15 deadline and approved. See “Section IV – Professional Judgement/Appeals” for additional information on Spring-only grant appeals.

The timely submission of refunds at the end of the current fiscal year is important for the retention of grants funds for the Tuition Grants Program. Current year refunds that are submitted by July 1 annually are available for future grants while refunds submitted after that date may be lost permanently to the Program.

### **PROCESSING SPRING SEMESTER REFUNDS:**

Because of the timing of Lottery Fund disbursements for the Tuition Grants Program, on June 8, 2009, the Commission voted to change the disbursement policy for Spring Term funds, effective with the Spring 2010 semester. In January 2017, the Commission voted to further revise the policy based on lagging Lottery disbursements from the state. See the paragraph concerning this under the “Disbursement Processing” of this section of the Policies and Procedures Manual (page 17). This change in disbursements necessitates establishing the following process for Spring term refunds.

If a student withdraws or drops below full-time status during the Spring term and a refund is due to the Commission, the college must calculate the refund based on the full amount (100%) of the Spring award including the 80% disbursement and the 20% disbursement, whether the funds have been disbursed to the college or not.

The following examples will assist the college in calculating and returning refunds for Spring semester grants for students who have **not** received their full award:

1. **Total Spring Semester Award = \$1000**  
**College has received the first disbursement of \$800 (80% of total award).**  
**Student withdraws and is subject to a 60% refund calculation. The college should calculate the refund as if the full \$1000 had been received. The calculated refund amount would be \$600 (60% of \$1000). The college should retain the amount for which the student is eligible (\$400) and return the balance of the 80% disbursement (\$400 of the original \$800 disbursement). The Commission would then cancel the remaining \$200 (20%) disbursement, providing the full \$600 refund back to the Commission.**
  
2. **Total Spring Semester Award = \$1000**  
**College has received the first disbursement of \$800 (80% of total award).**  
**Student withdraws and is subject to a 10% refund calculation. The college should calculate the refund as if the full \$1000 had been received. In this case, the student is eligible for \$900 of the Spring semester award. The college should retain the full amount of the first disbursement (\$800). Since the remaining \$200 (20%) disbursement has not been disbursed, the college**

should notify the Commission that the student's remaining eligibility is only \$100. The Commission will adjust the student's eligibility in the data base and only disburse the \$100 balance at the time of the second (20%) disbursement.

3. **Total Spring Semester Award = \$1000**  
College has received the first disbursement of \$800 (80% of total award). Student withdraws and is subject to a 100% refund calculation. The college should calculate the refund as if the full \$1000 had been received. In this case, the student is not eligible for any of the Spring semester award, and the full amount of the first disbursement (\$800) must be returned to the Commission. The Commission would then cancel the remaining \$200 (20%) disbursement, providing the full \$1,000 refund. The Commission's cancellation of the second disbursement effectively cancels out the entire Spring grant amount.

### **PROCESS FOR RETURNING PRIOR YEAR REFUNDS:**

Occasionally colleges must return funds for a student for an award year other than the current one (such as may occur because of an auditor's findings during a Program Review). When this occurs, because of the requirements of the State Treasurer's Office, the college must issue to the Commission separate checks and separate Refund Forms to accompany those checks for each different award year. Prior year refunds must also meet the thirty (30) working days policy.

### **PROGRAM REVIEW REQUIREMENTS**

Each college participating in the South Carolina Tuition Grants Program is required to have a Tuition Grants Program Review as a part of its regular yearly college audit. Results of the annual Program Review must be received by the Tuition Grants Commission no later than December 31. If a college is unable to comply with this requirement, it must provide a written explanation prior to the due date and, if appropriate, request an extension.

To assist with the Annual Program Review, each audit firm is provided a copy of the Commission's annual "Program Review Guide." The Commission also posts to its web site, on or about July 1 of each year, the "Applicants Report-Auditor's Copy" which each college must draw down for use by their auditor. Because no corrections of EFCs are required to be sent to the Commission unless a student's eligibility changes, if during the Program Review process there is any unresolved EFC or Financial Need discrepancy, auditors should contact the Commission staff to help resolve the difference to help avoid any unnecessary audit findings.

At the January 31, 2003, Commission Meeting, the following Program Review Policies were approved effective that date.

The following is a schedule of events associated with the annual Program Reviews:

1. **April**: Forms sent to Financial Aid Office and College Presidents from the South Carolina Tuition Grants Commission requesting Name, Address, and Contact Person of Audit Firm conducting regular college audit; and,
2. **May**: Program Review Guidelines are posted to the Commission's web site and emailed from the Tuition Grants Commission to Audit Firms; and,
3. **June 30**: The fiscal year ends; and,
4. **July**: Auditor's copy of Applicants Report (Report 8-College Awardee Information) available for the college at the Commission's web site; and,
5. **October**: Reminder sent to colleges and audit firms regarding December 31 deadline; and,
6. **November**: Second reminder sent to colleges (copy to audit firms) regarding December 31 deadline; and,
7. **December**: Colleges that have not submitted reports are sent a third reminder (copy to audit firms) of the December 31 deadline with an explanation of the Request for Extension procedure; and,
8. If, by **December 31**, the college has not submitted the Program Review report or a request for extension from the college, the Agency's Executive Director is required to contact the college president by telephone to inquire about the status of the Program Review. A letter to the President (copy to the audit firm) should follow the telephone call. The President should be informed that no further grant funds will be disbursed to the college until the final report of the Program Review is received; and,
9. **February**: Warning of possible penalty mailed to college; and
10. **April**: Second warning of possible penalty mailed to college; and,
11. **June**: Final warning of impending penalty mailed to college.
12. If the final report of the Program Review of the prior year is received **after** June 30 following the December 31 deadline, the following penalty is in effect:

**First Occurrence**: Grant funds are disbursed to the college after the end of the following semester;

**Second Consecutive Occurrence**: Grant funds are disbursed to the college after the end of the following two (2) semesters;

**Third Consecutive Occurrence**: The college is suspended from participation in the South Carolina Tuition Grants Program for one (1) award year;

**Fourth Consecutive Occurrence**: The college is suspended from participation in the South Carolina Tuition Grants Program for five (5) award years.

## ***EXCEPTIONS, FINDINGS, AND MANAGEMENT RECOMMENDATIONS:***

1. A formal exit conference should occur between the audit firm and key college administrative personnel to discuss findings and corrective measures that need to be taken. This exit conference should occur as soon as possible after the conclusion of the Program Review.
2. If the submitted Program Review contains no findings and no refund of grant dollars is owed to the South Carolina Tuition Grants Commission from the college, the Program Review is considered closed and a letter indicating such will be mailed to the College President from the Agency's Executive Director.
3. Refund of Tuition Grant dollars resulting from Program Review findings must be made by the college to the South Carolina Tuition Grants Commission within thirty (30) working days from the date of the college exit interview with the auditor. A refund form indicating the student names, last four of social security numbers, and grant amounts being refunded should accompany the refund check from the college. The Program Review is not considered "closed" until all appropriate refunds have been made to the Commission. Grant funds for a subsequent award year will not be disbursed to a college until all refunds from the prior year are received.
4. Management recommendations made by the auditor that do not require Tuition Grant dollars to be refunded to the Commission should be responded to in the college's response to the Program Review findings.
5. If a college has the same management recommendation from the auditor for three (3) consecutive years (indicating that corrective measures have not been taken), the college is required to submit a written plan to the South Carolina Tuition Grants Commission outlining the corrective measures that will be taken. If the management problem occurs in the fourth (4<sup>th</sup>) consecutive year, the college will be placed on a one (1) year suspension from eligibility for the South Carolina Tuition Grants Program.

## **SECTION IV - PROFESSIONAL JUDGEMENT/APPEALS**

### **PROFESSIONAL JUDGEMENT/APPEALS COMMITTEE**

The South Carolina Tuition Grants Commission determines state grant eligibility based on the financial aid theory that a student's family income and family circumstances will remain consistent from year to year. However, all students shall have the right to appeal for adjustments to the data submitted on their FAFSA or for any other special circumstances that may affect their eligibility for a Tuition Grant.

Any appeal request involving an income change or other type of change involving a federal need analysis data element must be submitted directly to the student's financial aid office for Professional Judgement consideration. If the student's college financial aid office approves the requested changes, the college will then submit the appeal to the Commission's Appeals Committee via the Commission's "Correction/Verification Form" with an updated ISIR. No other documentation from the college is required, only the updated ISIR. A brief explanation in the "Comments" section of the "Correction/Verification Form" must be included with the reason for the Professional Judgement.

Adjustments for the following professional judgement/appeals situations are accepted by the Commission after a favorable review by the financial aid office:

- 1) **Loss of Employment,**
- 2) **Separation or Divorce of Parents or Student,**
- 3) **Loss of Untaxed Income or Benefit,**
- 4) **Death of Family Member,**
- 5) **Loss of Earnings/Assets due to Disability or Natural Disaster,**
- 6) **Retirement Contributions and Accounts.**

All other appeals should be made in writing to the South Carolina Tuition Grants Commission via the formal appeals document provided by the Commission in this Manual or on the Commission's web site. The Appeals Committee consists of the Commission's Financial Aid Counselor, Deputy Director, and Executive Director. All professional judgement/appeals cases must receive final review and approval or denial by the Executive Director.

The decision of the Appeals Committee shall be communicated in writing to the student and to the student's financial aid office. Copies of the appeals form, supporting documentation, final resolution by the Appeals Committee, and all correspondence to the student and the college shall be placed on file in the office of the South Carolina Tuition Grants Commission.

The South Carolina Tuition Grants Commission shall keep detailed records of all professional judgement/appeals decisions made. The following information is recorded for each case: 1) Student's Name, 2) Social Security Number (last four digits only), 3) College, 4) Type(s) of Adjustment(s), 5) South Carolina Tuition Grant Eligibility Before and After Adjustment(s).

With appropriate documentation, the Commission's Appeals Committee may consider adjustments for the following professional judgement/appeals situations:

- 1) **Residency determination,**
- 2) **"Dependent" student's marriage after filing the FAFSA,**
- 3) **Spring-Only Grant Requests for Unusual Circumstances,**
- 4) **Late Applications,**
- 5) **Properly documented situations as approved by the appropriate college office that qualify under the Americans with Disabilities Act (ADA), and**
- 6) **5<sup>th</sup>-Year Grant Request for Extenuating Circumstances.**

All appeals, including complete documentation, regardless of reason, must be received by the Commission no later than November 15.

### **TREATMENT OF RETIREMENT CONTRIBUTIONS AND ACCOUNTS**

For purposes of determining a student's eligibility for the South Carolina Tuition Grants Program, contributions made to IRA accounts, Keogh Plans, or any similar retirement programs, which are listed as untaxed income on the FAFSA, will not be counted toward the Family's Contribution (EFC). Also, the balance of funds in such retirement accounts is not to be counted as an available asset.

If a college has an applicant in this situation, the financial aid office should document this and provide the corrected untaxed income and/or assets information to the Commission via the Commission's "Correction/Verification Form." The college is to indicate in the "Comments" section of the Form that this is a "Retirement Account Adjustment." The college must also recalculate the PC or SC and provide the recalculated PC or SC in the "Comments" section on the Form.

### **DEPENDENCY OF STUDENTS WHO MARRY AFTER APPLYING**

"Dependent" students who marry during an academic year prior to November 15 may be considered "Independent" from the date of the marriage for Tuition Grant purposes. Students in this situation must write a letter of appeal to the Commission's Appeals Committee providing the following information: Name, Social Security Number (last four digits only), college, projected taxable and untaxable income (including all financial support that will be provided by the student's and/or spouse's parents during the award year), and assets for the student

and spouse based on the directions in the asset section of the FAFSA. The appeal letter must be signed by both the student and spouse and a copy of the marriage license/certificate must be attached.

### **SPRING-ONLY GRANT APPEALS**

In general, students who fail to enroll full-time during the Fall semester forfeit their South Carolina Tuition Grant eligibility for the entire year (See Section I – Student Eligibility). In the case of an extenuating circumstance which prevents a student from enrolling full-time during the Fall semester, the student may choose to appeal directly to the Commission, no later than November 15, for consideration of a Spring-Only Grant. Some examples of such extenuating circumstances are military training or service, pregnancy, a medical emergency, and extended medical leave. A student must have been eligible for and met all general eligibility requirements for a Fall Semester Tuition Grant to appeal for a Spring-Only Grant.

Commission policy allows students who withdraw during the Fall semester and receive less than a 100% refund to maintain eligibility for the Spring semester (See Section III – Refund Procedures). The Spring-Only appeals allowance extends to students who completely withdraw during the Fall semester and, due to extenuating circumstances, receive a 100% refund. To request the Spring-Only portion of the Tuition Grant, the student or the college, on the student’s behalf, must appeal directly to the Commission no later than the November 15 deadline.

### **LATE APPLICATIONS**

The Tuition Grants Program has a firm annual application deadline of June 30. However, there are occasions where an application is received after the deadline because of extenuating circumstances beyond the student’s control. In the ineligibility letter sent to students the Commission states the following concerning appealing a late application:

***“Because of limited funding, the Committee has very narrowly defined what are considered extenuating circumstances. In the case of applications that are received after the June 30 annual deadline, the Committee defines “extenuating circumstances” as those circumstances that are beyond the student’s control that cause a student’s application to be received after the deadline. There are only two extenuating circumstances that are considered “beyond the student’s control” and, when appealed in writing, are approved by the Committee. First, the Committee will approve appeals that include documented errors by the processing agency for applications that are documented as being received on or before June 30 and are marked by the processor as “received” after June 30. Second, the Committee will approve appeals that document that a student was “100% incapable” of completing an application “during the entire***

*nine-month application period” from October 1 through June 30 (i.e., serving out-of-country on active military duty during the full application period). If a student’s personal circumstances make the student incapable during only part of the nine-month application period of completing an application, the Committee does not consider those circumstances to be extenuating and will not approve an appeal.”*

There have also been several circumstances for late applications, primarily for entering freshmen, that have been favorably considered by the Commission’s Appeals Committee. These include students who filed an application prior to June 30 but who were required to refile after the deadline because the student completed the FAFSA for the wrong application year or because a student filed a FAFSA using the incorrect Social Security Number.

### **DISABLED STUDENTS MEETING ADA REQUIREMENTS**

Students with disabilities may appeal eligibility based on special circumstances under the Americans with Disabilities Act (ADA) as documented through the college’s disabilities office. Complete documentation from the college indicating that it is providing special accommodations for a student must be provided to the Commission for review by the Appeals Committee. This could include a reduced course load being considered as full-time. If the college’s disabilities office approves a student as full-time for less than 12 hours, an appeal can be considered allowing the student to receive a South Carolina Tuition Grant and adjusting the student’s academic progress requirement. Please note that, if the student is being charged pro-rated tuition, the amount of the Tuition Grant will be adjusted. Eligibility for students approved for less than 12 hours enrollment will be extended until the student uses the equivalent of 8 full-time semesters of Tuition Grant. Appeals must be submitted by November 15.

### **FIFTH-YEAR REQUEST FOR EXTENUATING CIRCUMSTANCES**

Students who received the maximum four (4) years of Tuition Grants eligibility, but who will earn their degree within a one-year timeframe may appeal to request a South Carolina Tuition Grant for up to an additional two (2) semesters. A letter of appeal from the student, along with all college transcripts, and a letter from a College/University official confirming the student’s ability to complete his/her degree program within an additional one or two semesters of study is required no later than November 15 for consideration. Students must meet all other eligibility requirements, including full-time enrollment, to appeal under this circumstance. Consideration will be made on a case-by-case basis. Students enrolled in a five-year degree program approved by the CHE to be an eligible program for state

scholarships, as previously described in Section I – Student Eligibility, are **not** required to submit an appeal.

### **REQUESTING FUNDS FOR APPROVED APPEALS**

The Commission accepts and processes student appeals throughout the awarding cycle, which runs from March through the November 15 deadline. As a result, the possibility exists that the Commission may approve a student's appeal after Fall Tuition Grant funds have been requested via the Enrollment Report process. In such cases, it is the responsibility of the institution to complete a Check Request Form to request a student's Tuition Grants funds upon receiving notification from the Commission that the student's appeal has been approved. As with all Check Requests, the Check Request Form serves as the institution's certification that, by November 15, the student met all eligibility requirements including completion of Verification, submission of the required affidavit, and providing proof of residency necessary to receive Tuition Grant funding.

## **SECTION V - SATISFACTORY PROGRESS**

### **SOUTH CAROLINA TUITION GRANTS PROGRAM SATISFACTORY PROGRESS REQUIREMENTS**

The Satisfactory Progress standards of the South Carolina Tuition Grants Program are as follows:

#### **INCOMING FRESHMEN:**

Incoming Freshmen must graduate in the top three-fourths (top 75%) of their high school class **OR** score at least 900 on the SAT (combined Math and Evidence-Based Reading and Writing sections) **OR** score at least a 19 Composite on the ACT **OR** graduate from a South Carolina high school with at least a final GPA of 2.700 on the South Carolina Uniform Grading Policy (UGP) as evidenced on the student's final high school transcript. Eligible students who graduate from an out-of-state high school must graduate in the top 75% of their high school class **OR** score at least 900 on the SAT (combined Math and Evidence-Based Reading and Writing sections) **OR** score at least a 19 Composite on the ACT **OR** graduate from their high school with a final GPA equivalent of "C" or better.

An incoming freshman who is twenty-two (22) years old or older by September 1<sup>st</sup> of the award year and who has obtained a high school diploma or its equivalent (GED or Adult Education Diploma) is academically eligible for a Tuition Grant.

Incoming Freshmen under twenty-two (22) years of age who complete their high school diplomas through an Adult Education Program (i.e., not graduating from high school) qualify only if they meet the SAT or ACT Test Score Requirement since they cannot meet the High School Rank or GPA Requirements.

#### **UPPERCLASSMEN:**

Upperclassmen, including incoming transfer students, must meet the college's Federal Title IV Satisfactory Academic Progress requirements.

## **SECTION VI - FUNDING**

### **THE STATE BUDGET PROCESS**

The State of South Carolina fiscal year runs from July 1 - June 30. The budget process begins when the State Budget Office requires submission of agency budget requests in September of the year preceding the beginning of the budgetary fiscal year. Between October and December, the Governor's Office may use those requests to hold budget hearings and in January makes its Executive Budget recommendation. The Governor's Office recommendation is considered by the House Ways and Means Committee during January and February. The Ways and Means Committee recommends its version of the budget, which is then considered by the full House, which makes any further changes and approves its final version of the State Budget. The final House budget is presented to the Senate Finance Committee, which makes further amendments and develops its version of the State Budget to be presented to the full Senate in April for approval. If there are differences in the final versions of the State Budget passed by the House and the Senate at this point, the budget goes to a House/Senate Conference Committee that resolves the differences in the budgets. The Conference Committee version of the State Budget must be approved by the House and the Senate and then goes to the Governor for signature and possible line-item vetoes (usually May or June). Any line items vetoed return to the House and then Senate for override or sustaining after which the annual State Budget is final.

### **PROCEDURE FOR DETERMINING MAXIMUM GRANTS**

On December 9, 1999, the Commission approved a new maximum grant formula effective for the 2000-2001 award year. The new policy was approved making Maximum Tuition Grants the same amount for all traditional students at all grade levels attending any of the eligible independent colleges. Due to increases and reductions in state budgets and increases and declines in the number of eligible students since 2000-2001, the Maximum Tuition Grant has varied between a low of \$2,200 and a high of \$4,390 in the most recent year. In 2021-2022, the Maximum Grant was set at \$4,390.

On March 15, 2022, the Commission approved a new policy of setting the Maximum Grant for eligible Non-Traditional Programs to be the same as the Traditional programs at all independent colleges, thus removing the previously used proration calculation.

For the 2022-2023 award year, the Commission Members, at the March 15, 2022, Commission meeting, set the initial Maximum Grant at \$4,500 based on the budget

recommendation as submitted to the full House of Representatives by the House Ways and Means Committee plus the projected number of eligible students.

Because the possibility exists that more students may enroll than projected or because the possibility exists that funding levels from the state do not match the amount necessary to fund all students at the approved maximum award amounts, the final maximum grant awards will be determined after the final appropriation level for the South Carolina Tuition Grants Program is known and after all refunds for Fall and Spring Semester withdrawals have been received. Due to the timing of lottery funds disbursements, it is possible annually that no Spring Semester grant funds will be issued until all 22 participating colleges have submitted their Spring Traditional Enrollment Reports to the Commission.

# APPENDIX A - SC CODE OF LAWS, TITLE 59, CHAPTER 113 SOUTH CAROLINA TUITION GRANTS PROGRAM

## Title 59 - Education

### CHAPTER 113

#### TUITION GRANTS

**SECTION 59-113-10.** Higher Education Tuition Grant Commission.

There is created a Higher Education Tuition Grant Commission consisting of eight representatives of the independent institutions of higher learning in the State who choose to come under the provisions of this chapter. In addition, the membership of the commission includes one ex officio member who must be the chief executive officer of the State Commission on Higher Education or his designee. The terms of the representatives of the institutions are for three years and until their successors are selected and qualify. The membership of the commission must be rotated among the participating institutions. The commission shall administer the provisions of this chapter and shall make those regulations as may be necessary in order to carry out the intent of this chapter. The commission is responsible solely to the General Assembly and shall report to that body at least annually.

**SECTION 59-113-20.** Qualifications of applicants for grants.

The State of South Carolina shall grant an amount, as provided in this chapter, to any applicant who meets the following qualifications:

- (a) has been a resident of South Carolina for at least one year;
- (b) is of good moral character;
- (c) has demonstrated qualities of academic merit and financial need;
- (d) has been accepted by or is registered in a South Carolina independent institution of higher learning as a full-time student whose academic programs are not comprised solely of sectarian instruction;
- (e) is not enrolled in a course of study leading to a degree in theology, divinity, or religious education; and
- (f) has not been adjudicated delinquent or been convicted or pled guilty or nolo contendere to any felonies or any second or subsequent alcohol or drug-related offenses under the laws of this or any other state or under the laws of the United States in order to be eligible for a South Carolina tuition grant, except that a high school or college student otherwise qualified who has been adjudicated delinquent or has been convicted or pled guilty or nolo contendere to a second or subsequent alcohol or drug-related misdemeanor offense nevertheless shall be eligible or continue to be eligible for such grants after the expiration of one academic year from the date of the adjudication, conviction, or plea.

**SECTION 59-113-30.** Students covered by chapter; amount of grants; adjustment for scholarships.

(A) The provisions of this chapter apply to students entering college as freshmen during the 1970-71 academic year.

(B) The amount of the grant to be paid for each semester, or appropriate academic term, must be determined by the Higher Education Tuition Grant Commission and the Commission shall award the maximum amount permissible under its regulations or the determined need of the student, whichever is less.

(C) The maximum amount may not exceed the average state appropriation for each full-time student enrolled in the state-supported institutions of higher learning with four-year undergraduate degree programs in the previous year. The tuition grants must be calculated annually by the Commission.

(D) The need of each applicant must be determined by acceptable need analysis such as the parents' confidential statement and such other analyses as the Commission may determine.

(E) An adjustment must be made in the tuition grant of any student awarded a scholarship from any other source if the combination of grants and awards exceeds the calculated need of the student. If the scholarship is for only a portion of tuition and fees, the student may qualify for a proportionate tuition grant in accordance with the provisions of this chapter.

**SECTION 59-113-40.** Misapplication of grants.

It shall be unlawful for any person to obtain, attempt to obtain, expend or attempt to expend, any tuition grant provided by this chapter for any purpose other than in payment of, or reimbursement for, the tuition cost of the student to whom such scholarship has been awarded at the institution the student is authorized to attend under the tuition grant.

**SECTION 59-113-45.** Disbursement of funds; awards of accrued interest on undisbursed funds.

South Carolina Tuition Grant funds shall be disbursed to eligible students on a semester-by-semester basis. Interest accruing on the balance of undisbursed tuition grant funds on deposit with the State Treasurer's office from September fifteenth through December thirty-first shall be calculated by the State Treasurer's office and transferred within thirty days to the South Carolina Tuition Grant Commission to be awarded as tuition grants to eligible students.

**SECTION 59-113-47.** Exemption from mid-year budget reductions.

The grant funds appropriated pursuant to this chapter are exempt from mid-year budget reductions.

**SECTION 59-113-50.** "Independent institution of higher learning" defined.

For the purposes of this chapter, an independent institution of higher learning means an:

(1) independent eleemosynary junior or senior college in South Carolina whose major campus and headquarters are located within South Carolina and which is accredited by the Southern Association of Colleges and Secondary Schools; or

(2) independent bachelor's level institution chartered before 1962 whose major campus and headquarters are located within South Carolina.

<http://www.scstatehouse.gov/code/t59c113.php>

# APPENDIX B – SC CHE REGULATIONS CHAPTER 62 (RESIDENCY)

Document No. 4729

## COMMISSION ON HIGHER EDUCATION

### CHAPTER 62

Statutory Authority: 1976 Code Section 59-112-100

#### ARTICLE V

#### DETERMINATION OF RATES OF TUITION AND FEES

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62-610.	Application for Change of Resident Status.
62-611.	Incorrect Classification.
62-612.	Inquiries and Appeals.

### **62-600. Rates of Tuition and Fees**

**A.** Resident classification is an essential part of tuition and fee determination, admission regulations, scholarship eligibility, and other relevant policies of the state. It is important that institutions have fair and equitable regulations that can be administered consistently and are sensitive to the interests of both students and the state. The Commission on Higher Education hereby establishes regulations for the Statute Governing Residency for Tuition and Fee Purposes to be applied consistently by all South Carolina institutions of higher education. These regulations do not address residency matters relating to in county categories used within the State's technical colleges.

**B.** Institutions of higher education are required by the Statute to determine the residence classification of applicants. The initial determination of one's resident status is made at the time of admission. The determination made at that time, and any determination made thereafter, prevails for each subsequent semester until information becomes available that would impact the existing residency status and the determination is successfully challenged. The burden of proof rests with the students to show evidence as deemed necessary to establish and maintain their residency status.

## **62-601. Code of Laws Governing Residence**

Rules regarding the establishment of legal residence for tuition and fee purposes for institutions of higher education are governed by Title 59, Chapter 112 of the 1976 South Carolina Code of Laws, as amended.

## **62-602. Definitions**

- A. “Academic Session” is defined as a term or semester of enrollment. (62-607.B)
- B. “Continue to be Enrolled” is defined as continuous enrollment without an interruption that would require the student to pursue a formal process of readmission to that institution. Formal petitions or applications for change of degree level shall be considered readmissions. (62-607.A)
- C. “Dependent Person” is defined as one whose predominant source of income or support is from payments from a parent, spouse, or guardian, who claims the dependent person on his/her federal income tax return. In the case of those individuals who are supported by family members who do not earn enough reportable income for taxation purposes, a dependent person can be defined as one who qualifies as a dependent or exemption on the federal income tax return of the parent, spouse, or guardian. A dependent person is also one for whom payments are made, under court order, for child support and the cost of the dependent person’s college education. A dependent person’s residency is presumed to be that of the person upon whom they are dependent. (62-602.G) (62-602.N) (62-603.B) (62-605.C) (62-607.A)
- D. “Domicile” is defined as the true, fixed, principal residence and place of habitation. It shall indicate the place where a person intends to remain, or to where one expects to return upon leaving without establishing a new domicile in another state. For purposes of this section, one may have only one legal domicile. One is presumed to abandon automatically an old domicile upon establishing a new one. Housing provided on an academic session basis for student at institutions shall be presumed not to be a place of principal residence, as residency in such housing is by its nature temporary. (62-602.E) (62-602.K) (62-602.M) (62-602.N) (62-603.A) (62-603.B) (62-605.B) (62-605.C) (62-607.A) (62-607.B) (62-608.A) (62-608.C) (62-608.D) (62-609.A.3) (62-609.A.4)
- E. “Full time employment” is defined as employment that consists of at least thirty seven and one half hours a week on a single job in a full time status, with gross earnings of at least minimum wage. However, a person who works less than thirty seven and one half hours a week but receives or is entitled to receive full time employee benefits shall be considered to be employed full time if such status is verified by the employer. A person who meets the eligibility requirements of the Americans with Disabilities Act must present acceptable evidence that they satisfy their prescribed employment specifications in order to qualify as having full time employment. (62-605.C.1) (62-609.A.2) (62-609.A.3)
- F. “Guardian” is defined as one legally responsible for the care and management of the person or property of a minor child based upon the five tests for dependency prescribed by the Internal Revenue Service; provided, however, that where circumstances indicate that such guardianship or custodianship was created primarily for the purpose of conferring South Carolina domicile for tuition and fee purposes on such child or dependent person, it shall not be given such effect. (62-602.C) (62-602.E) (62-602.I) (62-602.M) (62-603.B) (62-605.C)

**G.** “Immediately Prior” is defined as the period of time between the offer of admission and the first day of class of the term for which the offer was made, not to exceed one calendar year. (62-607.A)

**H.** “Independent Person” is defined as one in his/her majority (eighteen years of age or older) or an emancipated minor, whose predominant source of income is his/her own earnings or income from employment, investments, or payments from trusts, grants, scholarships, commercial, educational or student loans in the name of the independent person and provided by an insured and federally regulated financial entity, or payments made in accordance with court order and for the purposes of determining residency for tuition and fees. An independent person:

- (1) must provide more than half of his or her support, which shall include the institutional cost of attendance as defined by Title IV, during the twelve months immediately prior to the date that classes begin for the semester for which resident status is requested;
- (2) cannot claim the domicile of another individual as their own for the purposes of establishing intent to become a South Carolina resident;
- (3) must have established his/her own domicile and provide documentation of establishing his/her own domicile for twelve months to include documentation of renting a domicile if applicable, prior to receiving in-state tuition and fees; and
- (4) cannot be claimed as a dependent or exemption on the federal tax return of his or her parent, spouse, or guardian for the year in which resident status is requested. (62-602.N) (62-603.A) (62-605.C) (62-607.B) (62-608.B)

**I.** “Minor” is defined as a person who has not attained the age of eighteen years. An “emancipated minor” shall mean a minor whose parents have entirely surrendered the right to the care, custody and earnings of such minor and are no longer under any legal obligation to support or maintain such minor. (62-602.G)

**J.** “Non-resident Alien” is defined as a person who is not a citizen or permanent resident of the United States. By virtue of their non-resident status “non-resident aliens” generally do not have the capacity to establish domicile in South Carolina. (62-602.M) (62-604.A)

**K.** “Parent” is defined as the father, mother, stepfather, stepmother, foster parent or parent of a legally adopted child. (62-602.C) (62-602.E) (62-602.I) (62-602.J) (62-602.M) (62-603.B) (62-603.C) (62-605.C)

**L.** “Reside” is defined as continuous and permanent physical presence within the State, provided that absences for short periods of time shall not affect the establishment of residence. Excluded are absences associated with requirements to complete a degree, absences for military training service, and like absences, provided South Carolina domicile is maintained. (62-603.A) (62-606.B) (62-609.A) (62-609.A.3) (62-609.A.4) (62-609.B)

**M.** “Resident” for tuition and fee purposes is defined as an independent person who has abandoned all prior domiciles and has been domiciled in South Carolina continuously for at least twelve months immediately preceding the first day of class of the term for which resident classification is sought and for whom there is an absence of domiciliary evidence in other states or countries, notwithstanding other provisions of the Statute. (62-600.A) (62-600.B) (62-602.I) (62-602.K) (62-602.M) (62-603.A) (62-603.B) (62-603.C) (62-604.A) (62-605.A) (62-605.C) (62-605.C.7) (62-606.A) (62-606.A.5) (62-606.B) (62-607.A) (62-608.B) (62-609.A.3) (62-610.A) (62-610.B) (62-611.A) (62-611.B)

N. “Spouse” is defined as the husband or wife of a married person in accordance with Title 20, Chapter 1 of the 1976 South Carolina Code of Laws, as amended. (62-602.C) (62-602.E) (62-602.I) (62-602.M) (62-603.B) (62-605.C)

O. “Temporary Absence” is defined as a break in enrollment during a fall or spring semester (or its equivalent) during which a student is not registered for class. (62-606.A)

P. “Terminal Leave” is defined as a transition period following active employment and immediately preceding retirement (with a pension or annuity), during which the individual may use accumulated leave. (62-609.A.4)

Q. “United States Armed Forces” is defined as the United States Air Force, Army, Marine Corps, Navy, and Coast Guard. (62-606.B) (62-609.A(1))

R. “Trust” is defined as a legal entity created by a grantor for the benefit of designated beneficiaries under the laws of the state and the valid trust instrument. However, that where circumstances indicate that such trust was created primarily for the purpose of conferring South Carolina domicile for tuition and fee purposes on such child or independent person, it shall not be given such effect.

### **62-603. Establishing Residency, Citizens and Permanent Residents**

A. Independent persons who have physically resided and been domiciled in South Carolina for twelve continuous months immediately preceding the date the classes begin for the semester for which resident status is claimed may qualify to pay in state tuition and fees. The twelve month residency period starts when the independent person establishes the intent to become a South Carolina resident per Section 62-605 entitled “Establishing the Requisite Intent to Become a South Carolina Domiciliary.” The twelve month residency period cannot start until the absence of indicia in other states is proven. Absences from the State during the twelve month period may affect the establishment of permanent residence for tuition and fee purposes.

B. The resident status of a dependent person is based on the resident status of the person who provides more than half of the dependent person’s support and claims or, only in the case of those individuals who are supported by family members who do not earn enough reportable income for taxation purposes, qualifies to claim the dependent person as a dependent for federal income tax purposes. Thus, the residence and domicile of a dependent person shall be presumed to be that of their parent, spouse, or guardian.

C. In the case of divorced or separated parents, the resident status of the dependent person may be based on the resident status of the parent who claims the dependent person as a dependent for tax purposes; or based on the resident status of the parent who has legal custody or legal joint custody of the dependent person; or based on the resident status of the person who makes payments under a court order for child support and at least the cost of his/her college tuition and fees.

### **62-604. Non-Resident Aliens, Non-Citizens, and Non-Permanent Residents**

A. Except as otherwise specified in this section or as provided in Section 62-609 (1) & (2), independent non-citizens and non-permanent residents of the United States will be assessed tuition and fees at the non-resident, out of state rate. Independent non-resident aliens, including

refugees, asylees, and parolees may be entitled to resident, in state classification once they have been awarded permanent resident status by the United States Citizenship and Immigration Services (USCIS) and meet all the statutory residency requirements provided that all other domiciliary requirements are met. Time spent living in South Carolina immediately prior to the awarding of permanent resident status does not count toward the twelve month residency period. Certain non resident aliens present in the United States in specified visa classifications are eligible to receive in state residency status for tuition and fee purposes as prescribed by the Commission on Higher Education. They are not, however, eligible to receive state sponsored tuition assistance/scholarships.

**B.** Title 8 of the Code of Federal Regulations (CFR) serves as the primary resource for defining visa categories.

### **62-605. Establishing the Requisite Intent to Become a South Carolina Domiciliary**

**A.** Resident status may not be acquired by an applicant or student while residing in South Carolina for the primary purpose of enrollment in an institution or for access to state supported programs designed to serve South Carolina residents. An applicant or student from another state who comes to South Carolina usually does so for the purpose of attending school. Therefore, an applicant or student who enrolls as a non-resident in an institution is presumed to remain a non-resident throughout his or her attendance and does not qualify under any of the residency provisions.

**B.** If a person asserts that his/her domicile has been established in this State, the individual has the burden of proof. Such persons must provide to the designated residency official of the institution to which they are applying any and all evidence the person believes satisfies the burden of proof. The residency official will consider any and all evidence provided concerning such claim of domicile, but will not necessarily regard any single item of evidence as conclusive evidence that domicile has been established.

**C.** For independent persons or the parent, spouse, or guardian of dependent persons, indicia showing intent to become a South Carolina resident may include, although any single indicator may not be conclusive, the following indicia:

- (1) Statement of full time employment;
- (2) Designating South Carolina as state of legal residence on military record;
- (3) Possession of a valid South Carolina driver's license, or if a non-driver, a South Carolina identification card. Failure to obtain this within 90 days of the establishment of the intent to become a South Carolina resident will delay the beginning date of residency eligibility until a South Carolina driver's license is obtained;
- (4) Possession of a valid South Carolina vehicle registration card for every vehicle the independent person is in sole or partial ownership. Failure to obtain this within 45 days of the establishment of the intent to become a South Carolina resident will delay the beginning date of residency eligibility until the applicant obtains a valid South Carolina vehicle registrations card(s);
- (5) Maintenance of an established and current domicile in South Carolina;
- (6) Paying South Carolina income taxes as a resident during the past tax year, including income earned outside of South Carolina from the date South Carolina domicile was claimed;
- (7) Ownership of principal residence in South Carolina;

(8) Licensing for professional practice (if applicable) in South Carolina.

**D.** The individual seeking residency must ensure that no item from the list above or any other item, reflects residency or intent to be a resident in another state or country. Having any one item from the list above or any other item(s) reflecting residency in another state or country will delay the beginning date of residency. The absence of indicia in other states or countries is required before the student is eligible to pay in state rates.

### **62-606. Maintaining Residence**

**A.** A person's temporary absence from the State does not necessarily constitute loss of South Carolina residence unless the person has acted inconsistently with the claim of continued South Carolina residence during the person's absence from the State. The burden is on the person to show retention of South Carolina residence during the person's absence from the State. Steps a person should take to retain South Carolina resident status for tuition and fee purposes include:

- (1) Continuing to use a South Carolina permanent address on all records;
- (2) Maintaining South Carolina driver's license;
- (3) Maintaining South Carolina vehicle registration;
- (4) Satisfying South Carolina resident income tax obligation. Individuals claiming permanent residence in South Carolina are liable for payment of income taxes on their total income from the date that they established South Carolina residence. This includes income earned in another state or country.

**B.** Active duty members of the United States Armed Forces and their dependents who are permanently assigned to a state outside of South Carolina on active duty are eligible to pay in state tuition and fees as long as they continuously claim South Carolina as their state of legal residence during their military service. Documentation will be required in all cases to support this claim, including an official Leave and Earnings Statement (LES) demonstrating South Carolina as the member's state of legal residence. South Carolina residents who change their state of legal residence while in the military lose their South Carolina resident status for tuition and fee purposes.

### **62-607. Effect of Change of Residency**

**A.** Notwithstanding other provisions of this section, any dependent person of a legal resident of this state who has been domiciled with his/her family in South Carolina for a period of not less than three years immediately prior to his/her enrollment may enroll at the in state rate and may continue to be enrolled at such rate even if the parent, spouse or guardian upon whom he is dependent moves his domicile from this State. The student must continue to be enrolled and registered for classes (excluding summers) in order to maintain eligibility to pay in state rates in subsequent semesters. Transfers within or between South Carolina colleges and universities of a student seeking a certificate, diploma, associate, baccalaureate, or graduate level degree does not constitute a break in enrollment.

**B.** If domicile of an independent person in South Carolina is lost after enrollment, and information becomes available that would impact the existing residency status, eligibility for in state rates shall end on the last day of the academic session during which domicile is lost. Application of this provision shall be at the discretion of the institution involved. However, a student must continue to be enrolled and registered for classes (excluding summers) in order to maintain eligibility to pay in state rates in subsequent semesters.

## **62-608. Effect of Marriage**

**A.** In ascertaining domicile of a married person, irrespective of gender, such a review shall be determined just as for an unmarried person by reference to all relevant evidence of domiciliary intent.

**B.** If a non-resident marries a South Carolina resident, the non-resident does not automatically acquire South Carolina resident status. The non-resident may acquire South Carolina resident status if the South Carolina resident is an independent person and the non-resident is a dependent of the South Carolina resident.

**C.** Marriage to a person domiciled outside South Carolina shall not be solely the reason for precluding a person from establishing or maintaining domicile in South Carolina and subsequently becoming eligible or continuing to be eligible for residency.

**D.** No person shall be deemed solely by reason of marriage to a person domiciled in South Carolina to have established or maintained domicile in South Carolina and consequently to be eligible for or to retain eligibility for South Carolina residency.

## **62-609. Exceptions**

**A.** Persons in the following categories qualify to pay in state tuition and fees without having to establish a permanent home in the state for twelve months. Persons who qualify under any of these categories must meet the conditions of the specific category on or before the first day of class of the term for which payment of in state tuition and fees is requested. The following categories apply only to in state tuition and do not apply to State supported scholarships and grants. Individuals who qualify for in state tuition and fees under the following exceptions do not automatically qualify for LIFE, SC HOPE or Palmetto Fellows Scholarships.

1. “Military Personnel and their Dependents”: Members of the United States Armed Forces who are permanently assigned in South Carolina on active duty and their dependents are eligible to pay in state tuition and fees. When such personnel are transferred from the State, their dependents may continue to pay in state tuition and fees as long as they are continuously enrolled or transfer to an eligible institution during the term or semester, excluding summer terms, immediately following their enrollment at the previous institution. In the event of a transfer, the receiving institution shall verify the decision made by the student’s previous institution in order to certify the student’s eligibility for in-state tuition rates. It is the responsibility of the transferring student to ensure that all documents required to verify both the previous and present residency decisions are provided to the institution. Members of the United States Armed Forces who are permanently assigned in South Carolina on active duty (and their dependents) may also be eligible to pay in state tuition and fees as long as they are continuously enrolled after their discharge from the military, provided they have demonstrated an intent to establish a permanent home in South Carolina and they have resided in South Carolina for a period of at least twelve months immediately preceding their discharge. Military personnel who are not stationed in South Carolina and/or former military personnel who intend to establish South Carolina residency must fulfill the twelve month “physical presence” requirement for them or their dependents to qualify to pay in state tuition and fees.

2. “Faculty and Administrative Employees with Full Time Employment and their Dependents”:  
Full time faculty and administrative employees of South Carolina state supported colleges and universities and their dependents are eligible to pay in state tuition and fees.

3. “Residents with Full Time Employment and their Dependents:” Persons who reside, are domiciled, and are full time employed with an employer that is physically located in the State and who continue to work full time until they meet the twelve month requirement and their dependents are eligible to pay in state tuition and fees, provided that they have taken steps to establish a permanent home in the State. Steps an independent person must take to establish residency in South Carolina are listed in Section 62-605 entitled (“Establishing the Requisite Intent to Become a South Carolina Domiciliary”).

4. “Retired Persons and their Dependents:” Retired persons who are receiving a pension or annuity who reside in South Carolina and have been domiciled in South Carolina as prescribed in the Statute for less than a year may be eligible for in state rates if they maintain residence and domicile in this State. Persons on terminal leave who have established residency in South Carolina may be eligible for in state rates even if domiciled in the State for less than one year if they present documentary evidence from their employer showing they are on terminal leave. The evidence should show beginning and ending dates for the terminal leave period and that the person will receive a pension or annuity when he/she retires.

5. “Covered Individuals Receiving Specific Education Benefits:” Covered individuals living in South Carolina, who are enrolled in a public institution of higher education and receiving educational assistance under Chapter 30 and Chapter 33, Title 38 of the United States Code, are entitled to pay in-state tuition and fees without regard to the length of time the covered individual has resided in this State. For purposes of this subsection, a covered individual is defined as:

- (a) a veteran who served ninety days or longer on active duty in the Uniformed Service of the United States, their respective Reserve forces, or the National Guard and who enrolls within three years of discharge;
- (b) a person who is entitled to and receiving assistance under Section 3319, Title 38 of the United States Code by virtue of the person's relationship to the veteran described in subitem (a) who enrolls within three years of the veteran's discharge;
- (c) a person using transferred benefits under Section 3319, Title 38 of the United States Code while the transferor is on active duty in the Uniformed Service of the United States, their respective Reserve forces, or the National Guard; or
- (d) a person who is entitled to and receiving assistance under Section 3311(b)(9), Title 38 of the United States Code.
- (e) a person who is entitled to and is receiving assistance under Section 3102(a), Title 38 of the United States Code.

At the conclusion of the applicable three-year period described in this section, a covered individual shall remain eligible for in-state rates as long as he remains continuously enrolled in an in-state institution or transfers to another in-state institution during the term or semester, excluding summer terms, immediately following his enrollment at the previous in-state institution. In the event of a transfer, the in-state institution receiving the covered individual shall verify the covered individual’s eligibility for in-state rates with the covered individual’s prior in-state institution. It is the responsibility of the transferring covered individual to ensure all documents required to verify both the previous and present residency decisions are provided to the in-state institution

**B.** South Carolina residents who wish to participate in the Regional Contract Program sponsored by the Southern Regional Education Board (SREB) must have continuously resided in the State for other than educational purposes for at least two years immediately preceding their submission of the residency status application and must meet all other residency requirements during this two year period. Individuals who qualify for in-state tuition and fees are not automatically classified as South Carolina residents. A determination of one's resident status made at the time of one's initial application to be certified as a South Carolina resident for purposes of participation in the Regional Contract Program does not prevail for each subsequent academic year. A South Carolina resident student who has been certified as a State resident for the purpose of participating in the Southern Regional Education Board Contract Program must be recertified prior to the beginning of each fall semester for each academic year for which benefits are requested.

**C.** South Carolina residents who wish to participate in the Academic Common Market program sponsored by the Southern Regional Education Board must be a resident for at least one year, or satisfy the conditions of an exception as provided in R.62-609A(1), R.62-609A(3) or R.62-609A(4), immediately preceding application for consideration and must meet all other residency requirements during this one year period.

### **62-610. Application for Change of Resident Status**

**A.** Persons applying for a change of resident classification must complete a residency application/petition and provide supporting documentation prior to a reclassification deadline as established by the institution.

**B.** The burden of proof rests with those persons applying for a change of resident classification who must show required evidence to document the change in resident status.

### **62-611. Incorrect classification**

**A.** Persons incorrectly classified as residents are subject to reclassification and to payment of all non-resident tuition and fees not paid. If incorrect classification results from false or concealed facts, such persons may be charged tuition and fees past due and unpaid at the out of state rate. The violator may also be subject to administrative, civil, and financial penalties. Until these charges are paid, such persons will not be allowed to receive transcripts or graduate from a South Carolina institution.

**B.** Residents whose resident status changes are responsible for notifying the Residency Official of the institution attended of such changes.

### **62-612. Inquiries and Appeals**

**A.** Inquiries regarding residency requirements and determinations should be directed to the institutional residency official.

**B.** Each institution will develop an appeals process to accommodate persons wishing to appeal residency determinations made by the institution's residency official. Each institutions appeal process should be directed by that institutions primary residency officer, in conjunction with those individuals who practice the application of State residency regulations on a daily basis. The professional judgment of the residency officer and administrators will constitute the institutional

appeal process. Neither the primary residency official nor appellate official(s) may waive the provisions of the Statute or regulation governing residency for tuition and fee purposes.

**Fiscal Impact Statement:**

There will be no increased administrative costs to the state or its political subdivisions.

**Statement of Rationale:**

R.62-600 through 62-612 of Chapter 62 is being amended. Revisions to the existing regulation for the SC Residency Regulation are being considered to clarify the policies and procedures for administering the program. In the proposed amendment, the regulation is being updated to reflect recently passed Act 10 of 2019, relating to the allowance of veterans and covered individuals using specific education benefits to be charged at a tuition rate equivalent to the institution's in-state rate. The revisions seek to promote consistency among the State institutions and their residency classification processes.

The full text of the SC Code of Laws Title 59, Chapter 112 governing South Carolina Residency can be found at <http://www.scstatehouse.gov/code/t59c112.php>

**Source:**

[https://www.che.sc.gov/CHE\\_Docs/student-services/residency/ResidencyRegulationforTuitionandFeeRatesApproved2020.pdf](https://www.che.sc.gov/CHE_Docs/student-services/residency/ResidencyRegulationforTuitionandFeeRatesApproved2020.pdf)