

Chapter 40: Program Regulations

8 VAC 40-40-10. Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Academic year" means the enrollment period which normally extends from late August to May or June.

"Accredited" means an institution approved to confer degrees pursuant to the provisions of §23-9.5 or §§23-265 through 23-276 of the Code of Virginia.

"Applicant" means any student who is a domiciliary resident of Virginia and who has completed an approved application for need-based aid and filed the application by the closing date established by the participating institution at which the student will enroll.

"Cost of attendance" means the sum of tuition, fees, room, board, books and supplies, and other education related expenses, as determined by an institution for purposes of calculating a student's financial need and awarding federal campus-based student aid funds.

"Council" means the State Council of Higher Education for Virginia.

"Domiciliary resident" means a student who is determined by the council or by a participating institution to meet the definition of a domiciliary resident of Virginia eligible for in-state tuition rates as specified under §23-7.4 of the Code of Virginia.

"Eligible course of study" means a curriculum of courses at or below the baccalaureate degree level which requires at least one academic year to complete. Programs that provide religious training or theological education are not eligible courses of study under the College Scholarship Assistance Program. Programs in the 39.xxxx series, as classified in the National Education Center for Educational Statistics' Classification of Instructional Programs (CIP), are not eligible programs.

"Eligible institution" means a public or private, accredited, nonprofit degree-granting institution of higher education in Virginia whose primary purpose is to provide collegiate education and not to provide religious training or theological education.

"Exceptional financial need" means a student's Expected Family Contribution (EFC) is less than one-half of the student's total Cost of Attendance, as determined by an eligible institution.

"Expected Family Contribution" (EFC) means the amount the student and the student's family is expected to contribute toward the cost of college attendance. A student's EFC will be determined by the federal need analysis method used for Title IV programs. The institution may exercise professional judgment to adjust the student's EFC, as permitted under federal law, based on factors which affect the family's ability to pay.

"Financial need" means any positive difference between a student's Cost of Attendance and the student's Expected Family Contribution.

"Fiscal year" means the period extending from July 1 to June 30.

"Full-time study" means enrollment for at least 12 credit hours per semester or its equivalent. The total hours counted will not include courses taken for audit, but may include required developmental or remedial courses and other elective credit courses which normally are not counted toward a certificate, diploma, or degree at the institution.

"Gift assistance" means financial aid in the form of scholarships, grants, and other sources that do not require work,

repayment, or use of endowment funds.

"Part-time study" means enrollment for six to 11 credit hours per semester or its equivalent. The total hours counted will not include courses taken for audit but may include required development or remedial courses and other elective credit courses which normally are not counted toward a certificate, diploma or degree at the institution.

"Participating institution" means any eligible postsecondary institution which has been approved by the council to participate in the College Scholarship Assistance Program.

"Program" means the College Scholarship Assistance Program (CSAP).

"Remaining need" means any positive difference between a student's financial need and the sum of all gift assistance.

"Undergraduate student" means a student in a program leading to an associate's or bachelor's degree who has not earned a bachelor's or higher degree, and who is not classified by the institution as a "professional" or "graduate" student.

8 VAC 40-40-20. Application Procedures.

To participate in the program, eligible institutions not previously approved by the council to participate must file formal application with the council no later than January 31 of the calendar year preceding the calendar year in which fall term grants would first be available to students. Applications shall be addressed to the council's Financial Aid Coordinator and shall include:

1. Estimates of the number of students who would be eligible to receive grants under the program in the first and second years of participation;
2. A copy of the Fiscal Operations Report and Application to Participate in Federal Student Financial Aid Programs (FISAP);
3. A copy of the most recent independent audit of financial aid programs, as required under the federal Single Audit Act; and
4. Certifications from the institution's chief executive officer that the institution:
 - a. Meets eligibility requirements for participation, namely, that it is an accredited, nonprofit, Virginia degree-granting institution of higher education whose primary purpose is not to provide religious training or theological education;
 - b. Will furnish whatever data the council may request in order to verify its institutional eligibility claims to the satisfaction of the council;
 - c. Will promptly notify the council within 30 days following any change in governance or mission that may affect the institution's status as an eligible institution; and
 - d. By its governing body has authorized its adherence to the requirements of this chapter, as the same are now constituted or hereafter amended, until such time as the institution may withdraw from participation in the program.

All documents must be on file before any funds are disbursed.

8 VAC 40-40-30. Institutional Allocations.

Participating institutions will receive from the council on or before an annually established date a notice of the amount of CSAP funds projected to be available for the next fiscal year. Final notice of available funds is dependent on provisions of federal funds. Institutional allocations will be based on the aggregate remaining need for grant funds as demonstrated by CSAP eligible applicants enrolled at each participating institution. The council will calculate the aggregate remaining need using data reported by the institution in the fall preceding the fiscal year for which the allocation will be made. The aggregate remaining need for grant funds is the sum of the positive remaining need of all CSAP eligible applicants enrolled for at least part-time study at a participating institution. For purposes of this calculation, an individual student's remaining need is calculated as follows:

Remaining Need =

Cost of attendance (as defined by the council)

- Expected family contribution (as reported by the institution)

- Total gift assistance (as reported by the institution)

The aggregate remaining need of an individual institution, expressed as a percentage of the statewide aggregate remaining need of all participating institutions, determines the institution's share of the program funds. Eligible students at institutions approved to participate in the program beginning in a specific year will be assured equal access to the total available program funds based on their aggregate remaining financial need. Equal access may result in the reduction of funds at other participating institutions if new funds are not provided for the additional students.

8 VAC 40-40-40. Reallocations of Unused Funds.

An institution shall establish and maintain financial records that accurately reflect all program transactions as they occur. The institution shall establish and maintain general ledger control accounts and related subsidiary accounts that identify each program transaction and separate those transactions from all other institutional financial activity. Program funds shall be deposited in a noninterest bearing account established and maintained exclusively for that purpose. Funds may only be disbursed to student accounts receivable or to the council. All unused funds must be returned to the council no later than the end of the fiscal year.

Funds received by the institutions under the program may be used only to pay awards to students. The funds are held in trust on behalf of the Commonwealth of Virginia by the institutions for the intended student beneficiaries and may not be used for any other purpose.

8 VAC 40-40-60. Student Eligibility.

In order to be eligible to receive an award under the program, the applicant must:

- A. Be a domiciliary resident of Virginia eligible for in-state tuition rates as defined in §23-7.4 of the Code of Virginia;
- B. Be maintaining satisfactory academic progress as defined by the participating institution for purposes of determining eligibility for federal Title IV student aid funds;
- C. Not be in default on a federal student loan, owe a refund on a federal grant, or be ineligible on any other legal grounds to receive federal student aid funds which comprise a portion of the individual awards made under the program;
- D. Meet the criterion of exceptional need and demonstrate a positive financial need for grant aid, as determined by the participating institution; and
- E. Be enrolled for at least part-time study in an eligible course of study at a participating institution.

8 VAC 40-40-70. Criteria for Determining Financial Need.

An institution shall determine a student's financial need using the federal method of need analysis. An award under the program will be set by the institution so that the student's total financial aid, including the program award, will not exceed the student's financial need.

8 VAC 40-40-80. Priorities in Making Awards.

Because the number of eligible applicants will normally exceed the number that can be assisted with the CSAP funds allocated to an institution, the institutional aid officer's professional recommendation will determine which candidates receive CSAP awards as well as the specific amount of each individual's award.

In determining each student's need for additional grant aid, the institutional aid officer may consider the individual student's educational need, family financial circumstances, the amount of other types of aid (e.g., loans, work-study) available to the student, and any unique circumstances affecting the student's ability to enroll and complete a course of study.

8 VAC 40-40-90. Individual Awards.

Individual awards are to be made for the academic year, a portion thereof, or the summer term. The maximum individual award for the academic year shall not exceed any award limit set forth in the Appropriations Act.

8 VAC 40-40-100. Preventing Overawards.

Should additional aid or reports of income changes be received after the initial CSAP award has been included in a student's financial aid package, the student's package should be reviewed to ensure that total aid does not exceed need. Procedures followed will be identical to those required for adjusting awards under the federal campus-based financial aid programs.

8 VAC 40-40-110. The Council.

The council will provide assistance, interpretation of policy and regulations, and guidance to the institutions in their handling of administrative matters.

8 VAC 40-40-120. Participating Institutions.

Institutions shall:

1. Act as an agent for the council to evaluate student eligibility, select award recipients and determine individual award amounts, in accordance with the criteria set forth in this chapter;
2. Provide information which the council may require to ensure that CSAP recipients do not receive grant funds in excess of their actual financial need;
3. Certify that the recipients are enrolled for at least part-time study, are making satisfactory progress in eligible courses of study, and, to the extent that federal funds comprise a part of the awards, meet all applicable criteria prescribed by federal laws and regulations for recipients of federal funds;
4. Secure and provide to the council such information regarding student award recipients as the council deems necessary for the proper administration of the program;
5. Act, with the student's authorization, as the student's agent to receive and hold funds for use as student assistance under the program; and
6. Furnish periodic reports and other pertinent information as may be required by the council. The reports shall include but not be limited to copies of institutional financial aid audit reports and audited financial statements.

The institution's chief executive officer shall designate one individual at the institution to act as the primary representative of the institution in all matters pertaining to the administration of the program. The chief executive officer shall, in addition, indicate whether the primary institutional representative may designate a single subordinate who may act as an alternate representative for routine administrative operational matters at the campus. At multi-campus institutions, an alternate representative may be designated for each branch campus if the chief executive officer authorizes the appointment of

alternate representatives. If there is a change in the primary representative, the chief executive officer shall designate another individual and notify the council within 30 days, in writing, of the change. It is the responsibility of the primary representative to advise the council in a similar fashion of changes in alternate representative(s), if any.

8 VAC 40-40-130. Responsibility of Recipients.

A recipient of an award under the program shall notify the institution, in writing, of any name or permanent address changes.