



SC Higher Education
Tuition Grants Commission

Providing Opportunity. Promoting Choice.

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South Carolina Tuition Grants Program Policies & Procedures Manual

Effective 2024-2025

The SC 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 SC 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 DirectorKatherine H. Harrison
Deputy DirectorZachary R. Christian
Financial Officer Gena F. Miles
Program Coordinator Kira Demery

DEFINITIONS

VERIFICATION -- The required verifying by colleges of certain application information as submitted to the FAFSA Processing System by a South Carolina Tuition Grant applicant. Verification requirements apply to student applications selected by the FAFSA Processing System 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 South Carolina 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 Traditional 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 South Carolina Tuition Grant purposes. This includes transfer students with previous coursework.

FULL-TIME STUDENT -- A full-time student for South Carolina Tuition Grants 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 -- Biological or Adoptive 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 31st annually.

SATISFACTORY PROGRESS -- The minimal academic standard that must be met for upperclassmen to receive funding through the South Carolina 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 South Carolina Tuition Grants 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.

South Carolina 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 August 1st must be met. To meet the deadline, the FAFSA must be **received by the FAFSA Processing System (FPS) by August 1st 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 be fully admitted as degree-seeking students based on the college's academic requirements for admission and have obtained a high school diploma or its equivalent (GED or Adult Education Diploma). An upperclassman must show "satisfactory progress" toward graduation to receive an award (see Section V – Satisfactory Academic Progress 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 South Carolina Tuition Grants. Individual institutions are responsible for notifying the Commission of students who fall under this exception to the four-year policy. Further, students who are on-track to graduate within one or two additional semesters may submit a "5th-year Grant" appeal request to the Commission, to be reviewed on a case-by-case basis (see Section IV – Appeals of Eligibility Status for additional information).

GUIDELINES FOR STATE RESIDENCY

South Carolina residency to determine eligibility for the South Carolina 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 South Carolina Tuition Grants 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 South Carolina 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 South Carolina 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, and a copy of the most recent military Leave and Earnings Statements showing the payment of state taxes to South Carolina.

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

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 FAFSA Processing System 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 OF ELIGIBILITY REQUIREMENTS

All participating colleges are responsible for verifying the following items for their applicants **prior to indicating eligibility and requesting funds** via the Certification Process in *myTG*:

1. Confirming final high school transcript, GED, or other high school diploma equivalent on-file and full admission status as a degree-seeking student for all incoming freshman applicants; or Satisfactory Academic Progress for all upper-class applicants (including transfers); AND,
2. State Residency for all South Carolina Tuition Grants applicants; AND,
3. Financial Information for all South Carolina Tuition Grants applicants who are selected for Verification (either by the FAFSA Processor or by the Institution); AND,
4. Full-time (12 semester hours of undergraduate courses) enrollment for the semester; AND,
5. A signed "Felony, Drug, or Alcohol Affidavit" is in the student's file.

Students who are selected either by the FAFSA 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 Certification Deadline **must** be reported as **not eligible** through the Certification Process. If verification is completed after initially certifying the student as ineligible for "Verification Incomplete" and on or before January 15, the college may reinstate the student in *myTG* and request fall funds by certifying eligibility. **Students who fail to complete verification by January 15 forfeit their South Carolina 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 South Carolina Tuition Grant who has been selected for verification must have their verification completed **prior to** the college requesting funds by certifying the student as eligible in *myTG*.

If a South Carolina Tuition Grant applicant has been selected for Verification and the result of verification is **no change in** a student's South Carolina 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 South Carolina Tuition Grant eligibility, the college **must** complete and submit the "ISIR Overlay Request Form" to the Commission. On the Form, complete all appropriate areas and submit it to the Commission for processing. The student will receive an updated Eligibility Notice from the Commission if their eligibility changes.

Also, beyond Verification, colleges **must** submit to the Commission the "ISIR Overlay Request Form" for **ANY** changes in a student's application that result in a student's revised eligibility. Those changes could be the result of Special or Unusual Circumstances being processed by the Institution, resolution of conflicting information, or for any other reason creating a change in the student's South Carolina Tuition Grant eligibility as a result of using an ISIR Transaction different from the current transaction on the student's South Carolina Tuition Grants application.

Should a student's FAFSA be selected for Verification after January 15, but before the Spring Certification Process, 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 prior to the Spring Certification Process, the student should be certified using the "Verification Incomplete" status. 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 college may reinstate the student's Spring grant and complete Certification. If the verification results reduce or eliminate the student's eligibility for the South Carolina 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 they are not in violation of this requirement. An example of the wording for this affidavit can be found in the "Quick Access to PPM & Forms" in *myTG* and via the "Aid Administrators Corner" on the Tuition Grants Commission website.

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 certified as eligible during the Certification Process in *myTG*.

REMEDIAL/DEVELOPMENTAL COURSES

Generally, remedial (also referred to as "developmental") courses are those that a student takes to increase their 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.)

South Carolina Tuition Grant eligibility is based, in part, on whether a student is eligible for full-time, federal financial aid. For South Carolina Tuition Grants 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, the student also loses eligibility for South Carolina Tuition Grants.

SECOND BACCALAUREATE DEGREE/MASTER'S DEGREE

Once a student has earned a bachelor's 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 South Carolina 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 or adjusted using the "Other" COA Type in *myTG*. Adjustments in COA or tuition charges may require a change in the amount of the South Carolina 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 AND 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 the first day of August and end classes no later than the last day of May, to coincide with the traditional fall and spring semesters; 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 (12 or more semester hours) 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:

A completed Non-Traditional Calendar Program Application and all associated documentation that the institution meets all the requirements for participation set forth above must be submitted to the Executive Director or Deputy 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 or Deputy Director to ensure that the college's Non-Traditional Program meets the established eligibility requirements. Upon approval, the college will be notified in writing. Complete documentation requesting institutional eligibility consideration must be submitted by September 30. On October 1 following the date of approval by Commission Staff, 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.

Colleges with approved Non-Traditional Calendar Programs must demonstrate that requirements for participation are continued to be met via periodic recertification.

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 Maximum South Carolina Tuition Grant amount set by the Tuition Grants Commission, (c) the tuition and fees at the college attended, or (d) the student's financial need.

In determining an applicant's financial need, the Student Aid Index (SAI) as derived from the Free Application for Federal Student Aid (FAFSA) calculations, will be subtracted from the appropriate college's Federal Cost of Attendance. A negative SAI will be set at \$0 for the determination of South Carolina Tuition Grants eligibility.

SOUTH CAROLINA TUITION GRANTS NEED EQUATION:

	Cost of Attendance (boarding, off-campus living with parent, off-campus not with parent, non-traditional)
Minus:	Student Aid Index (set at \$0 if negative)
Equals:	Financial Need (used to determine amount of a South Carolina Tuition Grant)

If a student is eligible for less than the maximum grant at a college, the amount awarded will be rounded such to omit cents. If refunds occur, award computations are also computed to the exact dollar figure with cents omitted.

The Maximum South Carolina Tuition Grant for the upcoming academic year is established by a vote of the Tuition Grants Commission at the annual March Commission Meeting and may vary from year to year.

The Minimum South Carolina Tuition Grant award amount for the academic year is \$100.

Initial Federal Costs of Attendance are to be reported to the Commission by each participating college by March 1 of each year. Final Costs of Attendance are to be submitted by the colleges as soon as they are available. Cost of Attendance categories are: Boarding; Off-Campus Living with Parent; Off Campus Not Living with Parent; and Non-Traditional Calendar Program(s). South Carolina Tuition Grants funds shall be disbursed for eligible students on a semester basis after the Certification Process has been completed for the applicable semester. South Carolina 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

The SC Higher Education Tuition Grants Commission is the awarding entity for the South Carolina Tuition Grants Program. As such, no student may be a recipient of a South Carolina Tuition Grant until a valid application is on file with the Commission and eligibility is confirmed through the Certification Process.

Available South Carolina Tuition Grants Program funds appropriated by the State Legislature will be used to fund all eligible applicants applying by the annual application deadline of August 1. Any changes in funding shall be used to increase or decrease the awards to eligible applicants who applied by the annual August 1 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 August 1 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.

APPLICATION, AWARDING, AND EARLY PACKAGING

Applications for South Carolina Tuition Grants are accepted from when the FAFSA form is made available until the 1st of August of the Academic Year. Applications are loaded electronically in *myTG* from when ISIR data becomes available until the start of the Fall Certification Process. The Commission begins notifying students of their eligibility status for the upcoming academic year following the Annual March Commission Meeting once the initial Maximum Grant has been set and continues sending notifications on a weekly basis until fall certification begins. This is considered to be the Commission's Awarding Cycle.

To support all participating colleges, Commission Staff permit the practice of Early Packaging, which may only begin when a student's application for the applicable academic year is available in *myTG*.

If a college chooses to package South Carolina Tuition Grants prior to the official start of the Awarding Cycle, the student's aid package must indicate the South Carolina Tuition Grant is only an estimate and is subject to change. Colleges that package South Carolina Tuition Grant prior to the March Commission Meeting must also be prepared to update aid packages as quickly as possible once the initial Maximum Grant Amount has been set for the upcoming year.

APPLICANTS ROSTERS

As the Commission receives applications throughout the awarding cycle, authorized staff at the participating colleges with user account access may review student eligibility, generate applicable reports, and make certain adjustments to a student's South Carolina Tuition Grant record within the *myTG* system. A college's Applicants Roster, available in *myTG*, will indicate which students have been tentatively selected for grants and the amounts of their awards as well as ineligible applicants and the reason(s) for their ineligibility. After reviewing the Applicants Roster and/or the student's South Carolina Tuition Grant record in *myTG*, each financial aid office must make any applicable changes or adjustments which would impact students' South Carolina Tuition Grants eligibility, such as Cost of Attendance type changes, within *myTG* or submit the applicable form to the Commission to update the student's application.

Students enrolled in approved Non-Traditional Calendar Programs may be on an alternate certification schedule than students enrolled as a Traditional student; therefore, colleges with Non-Traditional Programs are required annually to review their Applicants Roster and make adjustments to the student's "COA Type" in *myTG* **prior** to the start of the Fall Semester Certification Process. It is highly recommended that this be done regularly throughout the awarding process.

CERTIFICATION PROCESS AND DEADLINE

Upon reviewing the academic calendar of each participating college and university, the Commission will create a Certification Schedule for each Fall and Spring enrollment term, based on the add/drop date of each college's Traditional and Non-Traditional Calendar Programs (if applicable). Students will appear on a college's Certification Roster starting on the "Certification Available Date" in *myTG*, and Financial Aid Office staff will have twenty-five (25) working days from that date to certify each student's eligibility. In accordance with Commission approved policy, if certification of a student's eligibility is not completed by the end of the 25th working day, the Commission's Executive Director is required to contact that college's president to notify them of the process being incomplete.

Instructions on completing the Certification Process, along with reminders of applicable State Law and Program Policies, will be provided to each Financial Aid Office at the beginning of the term.

Certifying a student as "eligible" for South Carolina Tuition Grants is the official request for funding; therefore, the financial aid administrator completing the Certification Process confirms the student:

1. Is enrolled full-time (12 or more hours) or an approved Reduced Courseload Appeal is on file; and,
2. Is a South Carolina resident for Tuition Grants purposes; and,
3. Meets the applicable academic requirements; and,
4. Has a signed Felony, Drug, or Alcohol affidavit on file in the financial aid office; and,
5. Demonstrates financial need as determined in this Section; and,
6. Has been reviewed for ROTC, VA Benefits, and/or other Tuition-Specific financial aid that may impact eligibility; and,
7. Has completed the Verification Process if selected by the FAFSA Processor or the institution; and,
8. Has not previously received eight (8) semesters of South Carolina Tuition Grants unless enrolled in an approved 5th-year Program or has been approved a 5th-Year Grant request; and,
9. Has not received a baccalaureate degree; and,
10. If applicable, is in the correct "traditional" or "non-traditional" COA Type

DISBURSEMENT PROCESSING

Prior to the start of the Fall Certification Process, the Commission will request the Financial Aid Director of each college to submit their disbursement schedule preference. Commission Staff can disburse South Carolina Tuition Grants to eligible students at each college on a weekly basis, bi-weekly basis, or upon the written request of the financial aid office. In accordance with the chosen disbursement option, 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. Staff at the college with a user account will receive notice of the disbursement and can access the applicable Voucher Listing from *myTG*.

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 Certification is completed, 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 Certification was completed 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.

Commission Staff reserve the right to request student-specific reconciliation review at the conclusion of each semester, or upon discovery of possible mismatches between the disbursement records within myTG and the college's financial aid management system.

SECURITY PROCEDURES

In an effort to enhance and further protect the security of personally identifiable information (PII) and other sensitive data, the Commission has enacted a series of standard security measures that may impact college personnel, and include the following:

1. All authorized users of myTG are required to complete a myTG User Agreement Form prior to the user account being provided. A copy of each user's agreement remains on file in the Commission's office.
2. All authorized users of myTG are required to obtain and secure an individual username and password to access the system.
3. The college financial aid director is required to actively confirm users at their college at least once annually and upon request from the Commission. The college is also expected to provide an update to the Commission at any time a specific user's access should be revoked (such as for separation of employment).
4. All reports obtained through myTG which contain sensitive or restricted personally identifiable information (PII) must be handled with extreme care and protected by appropriate means. Disclosure of sensitive information to unauthorized individuals, whether intentional or unintentional, may result in the revocation of access and be subject to legal penalties.
5. The Tuition Grants Commission requires Financial Aid Administrators to redact all sensitive, Personally Identifiable Information (PII) of applicants (and parents or spouses, if applicable) when submitting documentation to the Commission through non-secure means, such as email. 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). Users with at least "Update" level access may submit documentation securely to the Commission via Document Management on a student's record in *myTG*.

DEADLINE FOR END OF FISCAL YEAR PAYMENT PROCESSING

Because of the State Comptroller General's Office's processing requirements for the completion of fiscal year expenditures, all Spring Reinstatement requests, and subsequent certification of eligibility must be completed no later than June 30th. Requests received on July 1 or later 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 via the Certification Process each term. 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 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 their 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 their 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.

JANUARY 15 ELIGIBILITY DEADLINE

As noted in Section I of this Manual under the Verification Requirements header, **"Students who fail to complete Verification by January 15 forfeit their South Carolina Tuition Grant for the full year."** This same principle applies to students who have not completed all other eligibility requirements. Students must be in *myTG* as tentatively eligible and with **all** eligibility requirements, such as the completed Felony, Drug, and Alcohol Affidavit, satisfied with their respective college on or before January 15 to be eligible for the academic year.

Students initially made ineligible through the Fall Certification Process must be reinstated on or before January 15, *after* all eligibility requirements have been satisfied. If Verification, professional judgment, or other changes are made to a student's FAFSA on or before January 15, but the updated ISIR transaction will not be available until after the deadline, an ISIR Overlay Form must be submitted to the Commission on or before the deadline to be processed.

Students initially ineligible for South Carolina Tuition Grants who are appealing their eligibility status, or students who are submitting a Spring-Only Grant appeal with the Commission **must** submit all documentation on or before January 15. Because not all college financial aid staff are aware of student-initiated appeals, students whose completed appeal packet was submitted on or after January 1, will have two weeks from the date listed on their Appeal Approval Letter or January 15, whichever is later, to satisfy all eligibility requirements.

No increases in existing awards, no additions of new awards, no appeals of eligibility, and no corrections of error to eligibility increasing or reinstating an award are allowed after January 15. Colleges must provide any corrections to eligibility or information that would change the student from ineligible to eligible, **no later than January 15**. If, on January 15, a student is in *myTG* as ineligible or eligible for less than a full award, and a determination is made by the college after January 15 that this is an error, this Commission-approved policy prohibits a correction of the error. However, a reduction in a South Carolina Tuition Grant for any reason must be made at any time during the award year, including after January 15.

EXCEPTION TO THE ELIGIBILITY DEADLINE:

Students who satisfy their eligibility requirements, with the exception of Verification or Special Circumstances documentation (as these processes must be completed on or before January 15), on January 15 but **after** the financial aid office's business hours can be reinstated by Commission Staff with proof showing the timestamp during this short timeframe. This exception does **not** apply to students who completed requirements or submitted necessary documentation prior to the deadline who were simply not reinstated by the cutoff, as this would be considered an error by the college.

COLLEGE TRANSFER REQUESTS

Students can transfer their South Carolina Tuition Grant from one participating college or university to another by:

1. Submitting a request, in writing, to the Commission asking for their grant to be transferred; or,
2. Completing the online Grant Transfer Request Form; or,
3. Completing the transfer process in the *myTG* Student Portal.

Because South Carolina Tuition Grants are awarded directly to the student, the Commission cannot process grant transfer requests made by Financial Aid Office staff until the Fall Certification Process begins and the student has matriculated.

Grant transfers are only possible for terms within the academic year that have not yet been paid, and a student still must be eligible and receiving a fall South Carolina Tuition Grant to receive the spring semester portion, unless a Spring-Only Grant was approved.

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.

SOUTH CAROLINA TUITION GRANTS REFUND PROCEDURES

South Carolina 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 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 South Carolina Tuition Grant based on the full award of the student. If the student has not yet been certified, request only the reduced amount required by the refund policy and select the “Withdrew – Received Partial Grant” option. If the**

student was certified but is still in “ready to pay” status, contact the Commission to see if payment status can be reset. If the student has been paid, 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 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 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 South Carolina Tuition Grant must be made (sent with the required Refund Form explaining the reason for the refund) within 30 working days to the 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, the student may retain that semester’s South Carolina Tuition Grant.**

If a student enrolls full-time in the Fall Semester and then withdraws, receiving anything other than a 100% refund, they will be eligible for the second semester portion of their 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 Certification Process. 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 January 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 South Carolina 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:

As indicated as part of the “Disbursement Processing” information of this Section of the Manual, funds for the Spring Semester may be split into two disbursements based on the availability of Lottery funding at the start of the term. In those circumstances, this adjusted process for Spring Semester Refunds comes into play:

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 South Carolina Tuition Grants Program Review as a part of its regular yearly college audit. Results of the annual Program Review must be received by the 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 financial aid director and/or the primary contact at each college will be provided instructions on how to obtain a Payment Roster Report from *myTG*, to be used by the audit firm when conducting their review. Commission staff will generate and maintain a copy of this report on the first business day of July for each participating college.

Because no corrections of SAIs are required to be sent to the Commission unless a student's eligibility changes, if during the Program Review process there is any unresolved SAI or Financial Need discrepancy, auditors should contact the Commission staff to help resolve the difference to help avoid any unnecessary audit findings.

Financial Aid Office staff at each college should thoroughly review the annual "Program Review Guide" to ensure all necessary items are readily available for the annual Program Review conducted by the college's audit firm.

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 website and emailed from the Tuition Grants Commission to Audit Firms; and,
3. June 30: The fiscal year ends; and,
4. July: Commission staff generate and save a Payment Roster Report for each college; 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 or *myTG* ID, 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 (4th) consecutive year, the college will be placed on a one (1) year suspension from eligibility for the South Carolina Tuition Grants Program.

MAINTENANCE OF RECORDS AND RETENTION REQUIREMENTS

Each college participating in the South Carolina Tuition Grants Program is required to maintain certain controlling documents/records as an audit trail of Program administration and fund disbursement, based upon the college's record retention policy or a minimum of three years, whichever is greater.

Such records include, but are not limited to, downloaded South Carolina Tuition Grants Certification Rosters (if not using the online certification process), end of year Payment Rosters, Voucher Listings, EFT Signature and Certification Pages, and Refund Forms.

The location of these items should be known by key personnel and readily available upon request.

SECTION IV: **APPEALS OF ELIGIBILITY STATUS**

SPECIAL OR UNUSUAL CIRCUMSTANCES

The SC Higher Education Tuition Grants Commission determines 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 South Carolina Tuition Grants.

Any appeal request revolving 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 Special Circumstances consideration. If the student's college financial aid office approves the requested changes, the college will then submit a completed "ISIR Overlay Request" form, noting that Professional Judgment was completed. No other documentation from the college is required.

A brief explanation in the "Comments" section of the "ISIR Overlay Request" form must be included with the reason for the Professional Judgment.

Upon receipt of the "ISIR Overlay Request" form, Commission staff will request the updated ISIR transaction be loaded into *myTG* and will note the reason for the change in information.

SOUTH CAROLINA TUITION GRANTS PROGRAM APPEALS COMMITTEE

All other appeals should be made in writing to the South Carolina Tuition Grants Commission's Appeals Committee and include the "Eligibility Appeal Request" form. The Appeals Committee consists of the Commission's Program Coordinator, Deputy Director, and Executive Director. All appeal cases must receive final review and approval or denial by the Executive Director, and all decisions are final.

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 SC Higher Education Tuition Grants Commission.

The Commission shall keep detailed records of all appeals decision made. The following information is recorded for each case: Students Name, SSN (last 4 only) or *myTG* ID, College, Type(s) of Adjustment, and South Carolina Tuition Grants eligibility before and after Adjustment(s).

With appropriate documentation, the Commission's Appeals Committee may consider adjustments for the following appealable situations:

1. Residency determination,
2. Spring-only Grant Requests for unusual circumstances,
3. Late Applications,
4. Reduced Course Load based on approved ADA Accommodations,
5. 5th-Year Grant Requests

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

RESIDENCY DETERMINATION APPEALS

If a student's South Carolina Tuition Grants application is flagged for possible non-residency, that student may appeal their residency determination with the Commission's Appeals Committee. Because of the nuances associated with residency, the student is encouraged to contact the Tuition Grants Commission to explain their situation to determine if there is cause for a possible appeal, and what documentation may be necessary for the Committee to conduct a review.

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 January 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 South Carolina Tuition Grant, the student or the college, on the student's behalf, must appeal directly to the Commission no later than the January 15 deadline.

SCHOOL-INITIATED SPRING-ONLY GRANT APPEAL FOR SPRING STARTS:

A student who is beginning their initial enrollment at the college effective with the Spring semester, either as a first-time freshman or as a transfer student from a non-participating college or university, may have the college submit an appeal on their behalf, for consideration of a Spring-only grant no later than **February 15**. The college must provide the appropriate documentation showing that the student was not enrolled during the fall semester at an eligible participating college or university, as these students would either have the ability to potentially qualify as a mid-year transfer or, in the case of not receiving Tuition Grants during the fall, have the opportunity to submit a Spring-only Appeal Request by the Eligibility Deadline. The college must ensure all eligibility requirements are satisfied (e.g., Signed Affidavit on-file, Verification completed, etc.) prior to submitting this type of request to the Commission.

LATE APPLICATION APPEALS

The South Carolina Tuition Grants Program has a firm annual application of August 1 to ensure that all applicants who meet the deadline and are otherwise eligible may receive South Carolina Tuition Grants funding. However, there are occasions where an application is received after the deadline because of extenuating circumstances beyond the student's control. The Commission's Appeals Committee has defined the following circumstances as warranting a Late Application Appeal:

1. The student was incapable of completing their application during the entire application period because of circumstances beyond their control. If a student's personal circumstances make the student incapable of submitting their application during only part of the lengthy application period, the Committee does not consider those circumstances to be extenuating and will not approve an appeal.
2. The student applied prior to the August 1 deadline and can provide documentation of such, but FAFSA Processing System marks the application as received after August 1.
3. The student is a first-time freshman who applied and was admitted *after* August 1 and was not otherwise notified of the possibility to receive a South Carolina Tuition Grant.

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 August 1 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.

REDUCED COURSELOAD BASED ON APPROVED ACCOMMODATIONS

State Law requires students be enrolled full-time to qualify for South Carolina Tuition Grants; however, students with reduced courseload accommodations approved by the authorized official at the college based on special circumstances under the Americans with Disabilities Act (ADA) may appeal to receive a pro-rated amount of South Carolina Tuition Grants funding while enrolled in fewer than 12 credit-hours. Documentation must be submitted at least annually, and clearly indicate the student approved to be considered "full-time" for financial aid purposes while enrolled for less than 12 hours. The semester award amount will be prorated based on the number of eligible credit-hours attempted:

12 or more hours: 100% of their semester eligibility
9-11 credit-hours: 75% of their semester eligibility
6-8 credit-hours: 50% of their semester eligibility

Eligibility for students approved for less than 12 hours enrollment will be extended until the student uses the equivalent of 8 full-time semester of South Carolina Tuition Grants funding. Appeals must be submitted by January 15.

FIFTH-YEAR GRANT APPEALS

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 their degree program within an additional one or two semesters of study is required no later than January 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 appeals of eligibility status up through the January 15 deadline. As a result, the possibility exists that the Commission may approve a student's appeal after the college has

completed the Fall Certification Process, placing the student in "Ready to Certify" status. In such cases, the financial aid office staff should certify eligibility as quickly as possible after receipt of the Appeal Approval letter. See Section III – January 15 Eligibility Deadline for information regarding the defined exception to the January 15 Deadline for students who submit appeals on or after January 1.

SECTION V: **SATISFACTORY ACADEMIC PROGRESS**

SOUTH CAROLINA TUITION GRANTS ACADEMIC REQUIREMENTS

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

INCOMING FRESHMAN:

Incoming Freshmen who are fully admitted as degree-seeking students based on the college's academic requirements for admission, and who have obtained a high school diploma or its equivalent (GED or Adult Education Diploma) shall be considered academically eligible for South Carolina Tuition Grants.

UPPERCLASSMEN:

Upperclassmen, including incoming transfer students, must meet the college's Federal Title IV Satisfactory Academic Progress requirements to be considered academically eligible for South Carolina Tuition Grants.

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.

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.

Prior to the Annual March Commission Meeting, Commission Staff will review currently available carryforward funds, enrollment patterns, application numbers, and the recommendation from the Governor's Office and Higher Education Subcommittee of the House Way & Means to provide the "Staff Recommendation for Initial Grants" to be considered by the Tuition Grants Commission members. After review and discussion of the Recommendation, the Commission will vote to set the initial Maximum Grants for the upcoming award year. The financial aid offices at each college will be notified of the Maximum Grant, and the Commission will officially begin the awarding process for the upcoming academic year.

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 completed the Certification Process.

APPENDIX A: **SC CODE OF LAWS, TITLE 59, CHAPTER 113**

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. 5051

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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62-600. 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/their federal income tax return. In situations where the dependent is submitting the tax return of joint filers, the residency of both filers should be considered. 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 valid 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. A person who obtains indicia in another state after leaving the state is demonstrating intent to be a resident of that 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. However, where all scholarship & grant timelines related to residency and academic requirements are met, persons in categories (1), (3) and (4) may qualify for state scholarships or grants:

(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 with taxable retirement income received as monthly/quarterly/annual disbursements from a retirement account, or 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. All retirement income must show South Carolina income tax withholdings prior to the first day of classes for the term in which residency is being sought. Social Security is not considered as a type of eligible retirement income. 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. 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").

(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, Chapter 31 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;
- (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);
- (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;
- (d) a person who is entitled to and receiving assistance under Section 3311(b)(9), Title 38 of the United States Code; or
- (e) a person who is entitled to and is receiving assistance under Section 3102(a), Title 38 of the United States Code.

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:

These regulations are updated to be consistent with changes in law and to clarify the policies and procedures for administering the program

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://che.sc.gov/sites/che/files/Documents/Students%2C%20Families%2C%20Military/Scholarships/5051_Determination%20of%20Rates%20of%20Tuition%20and%20Fees.pdf