

Title 6. Education

Chapter IV. Division of Higher Education, Department of Education

Subchapter B. Scholarships and Grants

Part 403. Rules Governing the Arkansas Workforce Challenge Scholarship Program

Subpart 1. Generally

6 CAR § 403-101. Purpose.

(a) This part shall be known as the Division of Higher Education's "Rules Governing the Arkansas Workforce Challenge Scholarship Program".

(b) This part addresses the student eligibility criteria, method for recipient selection, continuing eligibility requirements, procedures for making payments to an approved institution of higher education, and other administrative procedures necessary for operation of the program.

6 CAR § 403-102. [Repealed]

6 CAR § 403-103. Definitions.

As used in this part:

(1) "Academic year" means a measure of the academic work to be accomplished by a student through the fall, spring, and summer semesters, or the equivalent of the fall, spring, and summer semesters, in that order;

(2) "Approved institution of higher education" means an institution of higher education approved by the Division of Higher Education to participate in the Arkansas Workforce Challenge Scholarship Program that is a:

(A) State-supported two-year or four-year institution of higher education;

(B) Private, nonprofit two-year or four-year institution of higher education with its primary headquarters located in Arkansas that is eligible to receive Title IV federal student aid funds;

(C) Public or private vocational-technical school with its primary

headquarters located in Arkansas that is:

- (i) Included on the Workforce Innovation and Opportunity Act eligible training provider list;

- (ii) Qualified to receive approval for veterans' education benefits from the United States Department of Veterans Affairs; or

- (iii) Included on the Private Career Education list; and

(3)(A) "Certificate program" means a program that is offered or made available to a student by an approved institution of higher education that leads to the attainment of a certification or license, including without limitation a program operated or sponsored by a third party.

(B) "Certificate programs" include without limitation the following:

- (i) Advanced manufacturing;

- (ii) Health care;

- (iii) Information technology;

- (iv) Construction trades; or

- (v) Logistics and distribution.

(C) The credit hours or contact hours awarded for a certificate program may include credit hours or contact hours that are not creditable toward an associate or a baccalaureate degree.

6 CAR § 403-104. Funding.

(a) For an academic year, the following shall be used to fund Arkansas Workforce Challenge Scholarships under this part:

- (1) Excess funding returned to the Office of the Arkansas Lottery under Arkansas Code § 6-85-212(d)(2)(B)(i) from the previous academic year; and

- (2) Net proceeds remaining from the previous academic year after the Office of the Arkansas Lottery transfers the funds requested by the Division of Higher Education under Arkansas Code § 23-115-801(c)(2).

(b)(1) A scholarship under this part shall not be awarded for an academic year if:

- (A) Less than two hundred fifty thousand dollars (\$250,000) is available

under subsection (a) of this section; or

(B) The division received a loan from the Scholarship Shortfall Reserve Trust Account under Arkansas Code § 23-115-802 [repealed] for the Arkansas Academic Challenge Scholarship Program, Arkansas Code § 6-85-201 et seq., for the previous academic year.

(2) Any funds under subsection (a) of this section that are not disbursed for scholarships under this part shall be carried over to the next academic year to be used for scholarships under this part.

Subpart 2. Procedures

6 CAR § 403-201. Eligibility requirements.

(a) A student is eligible to receive an Arkansas Workforce Challenge Scholarship for an academic year if the student applies to an approved institution of higher education by a date determined by the Division of Higher Education preceding the academic year and:

(1) Is a legal Arkansas resident or, if the student is less than twenty-one (21) years of age, either a parent of the student or the student is a legal Arkansas resident;

(2) Meets either of the following requirements:

(A) Graduated from a:

(i) Public high school in Arkansas or another state;

(ii) Private high school in Arkansas or another state;

(iii) Home school as recognized under Arkansas Code § 6-15-501 et seq. or recognized by another state; or

(B) Received a high school equivalency diploma approved by the Division of Workforce Services or another state;

(3) Is not receiving a scholarship under the Arkansas Academic Challenge Scholarship Program, Arkansas Code § 6-85-201 et seq.; and

(4) Is accepted for admission in a program of study at an approved institution of higher education that leads to an associate degree or a certificate program in one (1)

of the high-demand fields described in 6 CAR § 403-103(3).

(b)(1) A student who received a scholarship under this part and successfully completed a program of study or certificate program that meets the requirements under subdivision (a)(4) of this section is eligible to reapply for a scholarship under this part if the student is accepted for admission in a different program of study or certificate program that meets the requirements under subdivision (a)(4) of this section.

(2) A student who received a scholarship under this part and does not successfully complete the program of study or certificate program is eligible to reapply for and receive a scholarship one (1) time only.

(c)(1) The program eligibility of institutions of higher education under 6 CAR § 403-103(2) shall be determined by the Division of Higher Education in collaboration with the Office of Skills Development.

(2) The Division of Higher Education shall post the program eligibility policies on its website.

(3) An approved Workforce Challenge Program List shall be posted on the division's website.

6 CAR § 403-202. Distribution – Award amounts.

(a)(1) If funds are available, the Division of Higher Education shall distribute Arkansas Workforce Challenge Scholarships to all students who meet the scholarship eligibility requirements and attend an institution of higher education described in 6 CAR § 403-103(2)(A) and (B).

(2) Subject to the availability of funds, up to five million dollars (\$5,000,000) for scholarships shall be distributed to students who attend a certificate program described in 6 CAR § 403-103(2)(C).

(b)(1) The maximum scholarship award a student may receive in an academic year shall be the lesser of the program of study or certificate program costs, or three thousand dollars (\$3,000).

(2) The scholarship awards may be used only for expenses included in the cost of the certificate program or program of study.

(3) A scholarship under this section shall be only for the academic year for which it is awarded.

(c) Pursuant to 6 CAR § 403-201(a), the Department of Commerce, Division of Arkansas Workforce Connections shall:

(1) Determine eligibility of students; and

(2) Provide the necessary eligibility information to the Division of Higher Education to enable it to distribute scholarship awards on behalf of an eligible student directly to the approved institution of higher education.

(d) The Division of Higher Education shall disburse all scholarship awards on behalf of an eligible student directly to the approved institution of higher education.

6 CAR § 403-203. Institutional responsibilities —Institutions of higher education responsibilities.

(a) Administrative agreement.

(1) The chief executive officer of an approved institution of higher education shall appoint one (1) representative from the financial aid office to act as administrator of the Arkansas Workforce Challenge Scholarship Program and to receive all communications.

(2) This representative is responsible for verification, data, and compliance with all program rules.

(3) The institution must comply with all rules in order to maintain approved eligibility status.

(b) **Disbursement records.** The institution shall maintain information on the student indicating disbursement of scholarship funds.

(c) Institutional verification.

(1) The institution shall provide certification of enrollment in an eligible program of study and enrollment in courses that will meet satisfactory academic progress standards, as of the eleventh day of classes, by completing a verification roster each semester after registration.

(2) The verification roster is an alphabetical listing by institution of all persons

receiving the award for a given academic semester or its equivalent.

(3) The certifying official is responsible for completing the verification rosters each semester or trimester.

(4) The Division of Higher Education shall provide electronic verification rosters to the financial aid administrator for each semester or trimester as needed.

(5) The electronic verification rosters shall be returned to the division by November 1 for the fall semester, by March 15 for the spring semester, and at the date specified by the division for the summer semester.

(6) The division shall also provide electronic continuing eligibility rosters to the financial aid administrator before the end of the fall, spring, and summer semesters.

(7) The continuing eligibility rosters shall be returned to the division no later than January 15 based on the fall semester, June 1 based on the spring semester, and at the date specified by the division for summer semesters to ensure that adequate time is provided to notify students of their status in the program.

(d) Deadlines for disbursement of funds.

(1) The deadline for disbursement of funds by the eligible institution is no later than ten (10) days after receipt of funds.

(2) Any outstanding funds not disbursed by these dates must be returned to the division.

(3) For those students whose applications are received by the division too late to allow disbursement by these dates, disbursement will be made within ten (10) working days of receipt of the verification roster and electronic transfer of funds.

(e) Due diligence.

(1) The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the division on any Arkansas Workforce Challenge Scholarship recipient or former recipient.

(2) In addition, the institution will exercise due diligence in complying with all the rules of the Arkansas Workforce Challenge Scholarship Program.

(3) The division shall periodically review the institution's records concerning this program in an effort to exercise its due diligence requirements as a steward of

state funds.

(f) **Agreements between institutions.** An approved institution of higher education may enter into agreements with other institutions of higher education, including without limitation technical institutes, to allow students enrolled in the approved institution of higher education under this part to take courses at the other institutions of higher education.

(g) **Reporting requirements.**

(1) An approved institution of higher education accepting funds under 6 CAR § 403-103(2)(A) and (B) shall submit an annual report to the Division of Higher Education that includes without limitation the following:

(A) Individual student program completer information as identified by the division; and

(B) The following student information required pursuant to Arkansas Code § 6-85-216:

(i) The criteria for determining eligibility for scholarships;

(ii) Demographic student data; and

(iii) Disaggregated data on remedial courses.

(2) An approved institution of higher education accepting funds under 6 CAR § 403-103(2)(C) but not 6 CAR § 403-103(2)(A) or 6 CAR § 403-103(2)(B) shall submit an annual report to the Office of Skills Development and the Department of Commerce, Division of Arkansas Workforce Connections, that includes without limitation the following:

(A) Individual student program completer information as defined by the division; and

(B) Student information required to be provided to the Division of Higher Education in accordance with the requirements defined in Arkansas Code § 6-85-216.

(3) Approved institutions of higher education accepting funds under 6 CAR § 403-103(2)(C)(iii) shall submit to the Division of Higher Education evidence of compliance with all required financial reporting requirements of the Rules Governing Activities in Private Career Schools in Arkansas, 6 CAR pt. 364.