

SCHOLARSHIP STACKING POLICY

A post-secondary institution shall not award state aid in a student aid package in excess of the recognized cost of attendance at the institution where the student enrolls. State aid is defined to include scholarships and grants awarded to a student from public funds, including without limitation the Arkansas Academic Challenge Scholarship under § 6-85-201 et seq., Arkansas Division of Higher Education (ADHE) scholarships and grant programs, state general revenues, tuition, and local tax revenue. All post-secondary institutions shall report to ADHE the total amount of financial aid from all sources for any student who receives an award from an ADHE program. When a student receives a student aid package that includes state aid and the student aid package exceeds the cost of attendance, the postsecondary institution shall reduce state aid starting with the institutional aid.

For purposes of this policy, the student aid package includes federal aid, state aid and other aid a student receives for postsecondary education expenses. The definitions for federal aid, state aid and other aid are below.

Federal aid - scholarships or grants awarded to a student as a result of the Free Application for Federal Student Aid, excluding the Pell grant.

Other aid – a scholarship, grant, waiver, or reimbursement for tuition, fees, books, or other cost of attendance, other than federal aid or state aid, provided to a student from a postsecondary institution or a private source.

State aid - scholarships and grants awarded to a student from public funds, including without limitation the Arkansas Academic Challenge Scholarship under § 6-85-201 et seq., Arkansas Division of Higher Education (ADHE) scholarships and grants, programs, state general revenues, tuition, and local tax revenue.

The Federal Cost of Attendance (COA) method shall be used for all students receiving state aid, regardless of whether the student is receiving federal financial aid. Costs that would not be included in Federal COA may not be included in the package of any student who receives state aid. Exceptions to the normal COA allowances as set forth in federal regulations may be included in COA calculations. Institutional work study is not included in COA unless it is need based. This policy shall apply to students entering college in the 2025-2026 academic and subsequent years.

An institution of higher education shall award aid in the following order:

- (A) The Arkansas Academic Challenge Scholarship;
- (B) Any other state scholarship program, excluding the Arkansas Future Grant Program, Arkansas Teacher Academy Scholarship Program, and Arkansas National Guard Tuition Waiver Program;

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(C) The Arkansas Future Grant Program, Arkansas Teacher 4 Academy Scholarship Program, or Arkansas National Guard Tuition Waiver Program; and
(D) Institutional aid

A postsecondary institution shall report to the division, no later than September 30 of each year, the total amount of federal aid, state aid, and other aid a student receives if the student receives an award from a division scholarship or grant program, including the Arkansas Academic Challenge Scholarship under § 6-85-201 et seq.

When a student receives a student aid package that includes state aid and the student aid package exceeds the cost of attendance, the post-secondary institution shall repay state aid in the amount exceeding the cost of attendance, utilizing the stacking order under subdivision (b)(6) of this section