

# ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM

## PART 2 (TRADITIONAL STUDENT)

### RULE 1 – ORGANIZATION AND STRUCTURE

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- I. The Arkansas Department of Higher Education (ADHE) shall administer the Arkansas Academic Challenge Scholarship Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his/her designee.
- II. The Director of the Arkansas Department of Higher Education has the final responsibility for selecting scholarship recipients pursuant to the provisions of Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664 and 1836 of 2001, Acts 1014, 2197, 2011 and 2214 of 2005, Acts 274 and 840 of 2007, Acts 606 and 1405 of 2009, Acts 265 and 294 of 2010, Act 207 of 2011, Act 825 of 2011 and subsequent legislation, and program rules and regulations.
- III. The Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act when functioning under Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664, and 1836 of 2001, Act 1798 of 2003, Acts 1014, 2197, 2011 and 2214 of 2005, Acts 274 and 840 of 2007, Acts 606 and 1405 of 2009, Acts 265 and 294 of 2010, Act 207 of 2011, Act 825 of 2011, and subsequent legislation.

### RULE 2 – SCHOLARSHIP ELIGIBILITY CRITERIA

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#### I. Eligibility Criteria

An applicant must meet the following requirements to be eligible to receive the Arkansas Academic Challenge Scholarship:

- A. The applicant must be a citizen of the United States or a lawful permanent resident.
- B. The applicant shall have been an Arkansas resident for at least the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education or if the applicant is less than twenty-one (21) years of age, either the applicant or a parent or guardian of the applicant shall have maintained Arkansas residency for the same period of time.

- C. The applicant shall have graduated from high school after December 31, 2009.
- D. The applicant must be accepted for admission and enrolled as a full-time, first-time freshman at an approved institution, as defined by the Department of Higher Education, on or before the fall semester of the academic year that begins immediately following graduation from high school unless ADHE has granted the student a scholarship hold.
- E. The applicant must be enrolled full-time, twelve (12) semester hours or the equivalent for the first fall semester following high school graduation and fifteen (15) semester hours or the equivalent every semester thereafter.
- F. The applicant must be enrolled in a program of study, which leads to or is creditable towards a baccalaureate degree. These programs include baccalaureate degree programs, associate degree programs, qualified certificate programs and nursing school diplomas.
- G. The applicant shall not owe a refund on a federal or state student financial aid grant for higher education, not be in default on a state or federal student financial aid loan for higher education, and not have borrowed, as determined by the approved institution of higher education to be attended, in excess of the annual loan limits under the Federal Family Educational Loan Program Systems, William D. Ford Federal Direct Loan Program, Income Contingent Loan Demonstration Program, Federal Stafford Loan Program, Parent Loan for Undergraduate Students Program, or Supplemental Loan for Students Program in the same academic year for which the student has applied for this scholarship under this subchapter.
- H. The applicant shall not be incarcerated at the time of the application for or during the time the applicant receives a scholarship.
- I. Applicants must certify that they are drug-free and must pledge to refrain from the use or abuse of illegal substances. This includes alcohol for applicants less than twenty-one years of age.
- J. Any male applicant under twenty-six years of age must file a Statement of Selective Service Status with the postsecondary education institution at which he is enrolled certifying that he has complied with the terms of the Military Selective Service Act before funds can be disbursed.
- K. Applicant must complete and submit to the U.S. Department of Education the Free Application for Federal Student Aid (FAFSA) or a subsequent application required by the U.S. Department of Education for federal financial aid.
- L. Applicant must meet one of the following criteria:

- a. Graduate from an Arkansas public high school and successfully complete the Smart Core curriculum established by the Arkansas Department of Education; and either
  - i. Achieve at least a 2.5 HIGH SCHOOL GPA; or
  - ii. Achieve a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent.
- b. Graduate from an Arkansas public high school before the 2013-2014 school year, but did not complete the Smart Core curriculum, shall achieve at least a 2.5 high school GPA; and either
  - i. Achieve a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; or
  - ii. Score proficient or higher on all state-mandated end-of-course assessments, including without limitation, end-of-course assessments on:
    - a. Algebra I;
    - b. Geometry; and
    - c. Biology
- c. Applicant who has a disability identified under the Individuals with Disabilities Act, 20 U.S.C. § 1400 et seq., as it existed on July 1, 2009 and graduates from an Arkansas public high school but did not complete the Smart Core curriculum because the applicant's individualized education program under § 6-41-217 did not require it, shall achieve at least a 2.5 high school GPA; and either;
  - iii. Achieve a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; or
  - iv. Score proficient or higher on all state-mandated end-of-course assessments, including without limitation, end-of-course assessments on:
    - a. Algebra I;
    - b. Geometry
    - c. Biology; and
    - d. Literacy, beginning with the 2013-2014 school year.
- d. Graduate from a private or out-of-state or home school high school and achieve a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent

M. A recipient of a Governor's Distinguished Scholarship is prohibited from receiving an Academic Challenge Scholarship.

## II. Continued Eligibility

Recipients must meet the following criteria in order to have their scholarship renewed:

- a. Maintain a 2.5 cumulative postsecondary GPA;

- b. Successfully complete twenty-seven (27) semester hours or the equivalent in the first year as a recipient and thirty (30) semester hours or the equivalent each academic year thereafter;
- c. Shall be continuously enrolled unless the Arkansas Department of Higher Education has approved a leave of absence.
- d. Meet the satisfactory academic progress standards required to receive other federal financial aid at the approved institution where enrolled;
- e. Successfully complete all remedial courses required within the first thirty (30) semester hours attempted after receiving the scholarship;
- f. Enroll in courses that lead toward a baccalaureate degree program after attempting the lesser of:
  - i. Sixty-six (66) semester hours; or
  - ii. Completion of an associate degree program, unless the number of hours required to complete the associate's degree program exceeds sixty-six (66) semester hours, in which case, the higher number of hours for completion shall be used.

If the recipient becomes ineligible for the scholarship because the recipient's postsecondary grade point average or number of completed semester hours no longer meets the minimum criteria for the scholarship, the recipient may regain eligibility one (1) time in an academic year if the recipient completes the required number of hours and/or achieves a 2.5 cumulative grade point average during the summer term(s), at the recipient's own expense.

A recipient who meets the continuing eligibility requirements shall receive the scholarship for one (1) academic year renewable annually until the recipient first:

- 1. Earns a baccalaureate degree; or
- 2. (A) Attempts a total of one hundred thirty (130) semester hours in eight (8) semesters at any approved institution as an undergraduate full-time student.  
(B) If the recipient's undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the approved institution where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship.

### III. Literacy Tutoring

As an additional component to the Arkansas Academic Challenge Scholarship:

- 1. Each applicant for the scholarship shall agree that for each year the scholarship is awarded he or she may volunteer to serve as a literacy tutor for a minimum of twenty (20) clock hours each

- semester in a public school or a faith based educational institution serving students in prekindergarten through grade six (preK-6);
2. A recipient who agrees to volunteer as a literacy tutor:
    - A. Shall complete the prerequisite training in literacy and college readiness skills provided under this section before he or she begins tutoring; and
    - B. May receive college credit for the tutoring as determined by the institution of higher education where the recipient is enrolled; and
  3. An enrolled college student who participates in the tutorial program and fails to meet the academic eligibility requirement under this subchapter for the fall or spring semester shall be given the probationary opportunity during the subsequent spring or summer term to continue his or her education and improve academic performance before losing scholarship funding in the subsequent semester.

A recipient who agrees to volunteer as a literacy tutor under this section shall receive the prerequisite training in literacy and college readiness from an approved institution of higher education based on training modules developed by the Department of Education.

### RULE 3 – APPLICATION PROCESS

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#### I. Application

Students must submit an on-line application, available at the ADHE website.

#### II. Submission of Application and Application Deadline

The application deadline shall be June 1 of the calendar year in which a student graduates from high school. At its discretion, the ADHE may extend the deadline, provided sufficient notice is provided to the public. The applicant is responsible for submitting the application and all supporting documentation in a timely manner.

#### III. Amount of Scholarship

The scholarship award for a full-time student enrolled in one (1) of the following institutions of higher education is one-half (1/2) of the scholarship award amount for a full-time undergraduate student enrolled in a four-year approved institution of higher education:

1. A two-year approved institution of higher education;
2. A branch campus of a four-year approved institution of higher education; or
3. An approved nursing school.

#### IV. Award Notification and Prioritization of Awards

During times of funding shortages under the Academic Challenge Scholarship Program, the Department of Higher Education shall give priority to a recipient who has continuing eligibility superior to first-time applicants. If the funding is still insufficient, the department will give priority first to those students whose parent, by birth or legal adoption, was a resident of the State of Arkansas at the time that person entered the service of the United States armed forces or whose official residence was in Arkansas when that parent as member of the United States Armed Forces who was killed while performing military duty. If funding still exists after the first priority group, the department's selection criteria will consist of value points assigned to academic achievement measures and other criteria including: level of progress towards completion of a qualified certificate, nursing diploma, associate degree or a baccalaureate degree; enrollment in or intent to enroll in a program of study that is in an area of critical workforce need as determined by the department; or is in a science, technology, engineering, or mathematics field; and postsecondary grade point average. Value points assigned to each selection criterion are weighted as follows:

Highest level of progress toward completion of a qualified certificate, nursing diploma, associate degree or a baccalaureate degree-----70%

High school or postsecondary grade point average, as applicable to the applicant (based on a 4.0 grading scale)-----20%

Enrollment in or intent to enroll (by declaring a major) in a program of study that is in an area of critical workforce need as determined by the department or is in a science, technology, engineering, or mathematics field-----10%

The Arkansas Department of Higher Education shall notify each eligible applicant of his/her award. The award notice includes the student's name, address, social security number, the actual amount the student is eligible to receive, and the student's first institutional choice as indicated on the application form. The award notice also explains the Arkansas Department of Higher Education's disbursement procedures and conditions of the Academic Challenge Scholarship.

The recipient, or the recipient's parent or guardian(s) if the recipient is less than 18 years of age, receiving state-supported student financial assistance shall complete and sign a consent form opting-in or opting-out of authorizing the release of the student's individual information to the Bureau of Legislative Research. Opting-out of the release of information to the Bureau of Legislative Research will not affect a student's eligibility for financial aid.

The information consented to be released by the student shall include:

1. A unique identifier;
2. Status for the Federal Pell Grant;
3. Postsecondary grade point average;

4. Number of semester hours attempted;
5. Number of semester hours completed;
6. Gender, race, ethnicity, and age;
7. High school graduated from or General Educational Development test score;
8. High school grade point average;
9. ACT score or ACT equivalent score, if available.

The consent does not authorize the release of the student's or the student's parents' name, address, or income.

This information will be used to guide the Arkansas General Assembly's evaluation of the need for adjustments to scholarship programs and funding levels.

V. Ineligible Notification

The Arkansas Department of Higher Education shall notify applicants who are determined to be ineligible and provide the reason for ineligibility. They will also be given instructions on how to correct any information on the application they believe to be incorrect.

VI. Incomplete Notification

Applicants who fail to submit complete applications, or who fail to supply the required documentation to process the application, will be classified as Incomplete. The Arkansas Department of Higher Education shall notify these students of their status. The Incomplete notice provides a list of the incomplete items and the actions necessary for completion.

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## RULE 4 – SCHOLARSHIP PAYMENT POLICIES

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I. Limits of Payment

A. Payment of Scholarships

The Arkansas Department of Higher Education shall disburse scholarships to the approved institution of the student's choice. The Arkansas Department of Higher Education shall send funds to the institution via electronic funds transfer or state warrant. After verification of full-time enrollment, the institution will disburse the scholarship to the student according to the institution's disbursement procedures. The scholarship payment will correspond to academic terms, semesters, quarters, or equivalent time periods at the eligible institution. In no instance may the entire amount of the scholarship disbursement for an educational year be paid to or on behalf of such student in advance.

B. Transfer of Scholarships to Another Approved Institution

A recipient who has received an Academic Challenge Scholarship may transfer the scholarship to another approved Arkansas institution of higher education, provided that:

1. The student notifies the Arkansas Department of Higher Education of the change of status by October 1 for the fall term and by February 1 for the winter and/or spring terms;

If transferring institutions between the Fall and Spring terms, the student shall submit an official transcript to ADHE.

C. Withdrawal Policy

A recipient shall be continuously enrolled unless the Arkansas Department of Higher Education has approved a leave of absence/scholarship hold. The department shall allow a student to withdraw from the Arkansas Academic Challenge Scholarship Program for no more than one (1) year due to:

1. A medical condition of the recipient or a member of the recipient's immediate family that, on the basis of a physician's good-faith judgment, necessitates the student or the student's immediate family member to be hospitalized or receive outpatient or home-based medical care or recuperation until released by the attending physician;
2. A personal or family emergency that requires the student to:
  - a. Attend the funeral of an immediate family member; or
  - b. Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;
3. Military service (also see Section F);
4. A commitment for twelve (12) to twenty-four (24) months or of:
  - a. Service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose;
  - b. The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project;
  - c. The department shall release a scholarship hold if the department determines that the student did not complete the commitment under the written agreement; or
5. Any other reason approved by the Arkansas Department of Higher Education

The recipient must submit a written petition for withdrawal. The petition shall give the reason for withdrawal and be supported by documentation. In the absence of extraordinary circumstances, the award will be revoked if the recipient fails to enroll full-time in an eligible institution in Arkansas, and the Arkansas Department of Higher Education receives neither notification of transfer of the scholarship to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the fall term and February 1 for the winter and/or spring terms. At the discretion of the Department of Higher Education, the award will not be revoked if it is determined by ADHE that extraordinary circumstances prevented the student from notifying ADHE by the required dates.

D. Renewal of Scholarship

A recipient who meets the continuing eligibility requirements shall receive the scholarship for one (1) academic year renewable annually until the recipient first:

1. Earns a baccalaureate degree;
2. (A) Attempts a total of one hundred thirty (130) semester hours in eight (8) semesters at any approved institution as an undergraduate full-time student.  
(B) If the recipient's undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the approved institution where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship.

Those recipients who are set to graduate with their bachelor's degree at the end of their current semester of funding shall be exempt from the fifteen (15) credit hour requirement.

A student may not use these funds for educational purposes beyond the baccalaureate degree.

E. Cancellation of the Scholarship

1. The award will be terminated for any of the following reasons:
  - a) Failure to maintain a 2.5 cumulative grade point average on a 4.0 scale and/or successfully complete twenty seven (27) semester hours or the equivalent in the first academic year as a recipient and thirty (30) semester hours or the equivalent every academic year thereafter.
  - b) Failure to meet the continuously enrolled requirements.
  - c) Completion of a first baccalaureate degree.

d) Attempts a total of one hundred thirty semester (130) hours in eight (8) semesters at any approved institution unless degree requires additional hours.

e) Incarceration and/or violation of the drug-free pledge.

2. The recipient is responsible for notifying the Arkansas Department of Higher Education of any change in status (i.e. transfer to another eligible institution in Arkansas, change in name, etc.) before appropriate deadline dates. Failure to provide notification may result in the cancellation of the scholarship for that term.

#### F. Military Service

Recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other than regular unit training and are unable to complete the current term will be allowed to repeat the missed term without loss of scholarship credit. In addition, they will be placed in deferred status until six months after release from active duty, at which time they must be re-enrolled in an approved institution.

#### G. Repayment of Scholarships

If the recipient of a scholarship withdraws, drops out, or is expelled on or after the first day of class of a payment period, the institution will determine whether the student received an overpayment of financial aid funds for noninstitutional expenses. Overpayment is the difference between the amount received as cash disbursements and the amount incurred for non-institutional costs during the portion of the payment period that the student was actually enrolled. It is the institution's responsibility to contact students and recover overpayments.

#### H. Refunds

The Arkansas Academic Challenge Scholarship Program is entitled to a refund of the scholarship or loan amount, for that semester, if the recipient of a scholarship or loan withdraws, drops out, or is expelled on or after his or her first day of class of the payment period and the situation falls under the refund policy of the institution. The institution shall pay the refund to the Arkansas Department of Higher Education.

#### I. Overpayment

If the award of an Arkansas Academic Challenge Scholarship results in an overpayment to the student according to the state law (Arkansas Code § 6-80-105) governing the stacking of scholarships, the institution

shall follow the ADHE Stacking policy in reducing the student's financial package to prevent the student from receiving funds above the federally recognized cost of attendance.

## RULE 5 – INSTITUTIONAL RESPONSIBILITIES

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### I. College/University Responsibilities

#### A. Administrative Agreement

The chief executive officer of the eligible institution is responsible for appointing one representative from the financial aid office to act as administrator of the Arkansas Academic Challenge Scholarship Program and to receive all communications, forms, etc. This representative is responsible for verification, data and compliance with all program rules and regulations. The institution must comply with all rules and regulations in order to maintain continued eligibility status.

#### B. Disbursement Records

The institution shall maintain information on the student indicating disbursement of scholarship funds.

#### C. Institutional Verification

The institution shall provide certification of full-time enrollment 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. The Verification Roster is an alphabetical listing by institution of all persons receiving the award for a given academic term. The certifying official is responsible for completing the verification rosters each semester or trimester. The Arkansas Department of Higher Education shall provide electronic Verification Rosters to the Financial Aid Administrator for each semester or trimester as needed. The electronic Verification Rosters shall be returned to the Arkansas Department of Higher Education by November 1 for the fall term and by March 15 for the spring term. Students who are enrolled less than full-time in the current term shall not receive scholarship benefits in that term. The Arkansas Department of Higher Education shall also provide electronic continuing eligibility rosters to the Financial Aid Administrator before the end of the spring term. The continuing eligibility rosters shall be returned to the Arkansas Department of Higher Education no later than June 1 to ensure that adequate time is provided to notify students of their status in the program.

#### D. Deadlines for Disbursement of Funds



<i>ACT</i>	the ACT Assessment administered by ACT, Inc.
<i>ACT EQUIVALENT</i>	the Scholastic Aptitude Test (SAT), COMPASS, ASSET Accuplacer, or other nationally normed test that is correlated with the ACT and approved by the Department of Higher Education for use by institutions of higher education to assess a person's college readiness
<i>APPROVED INSTITUTION</i>	<p>an institution of higher education approved by the Department of Higher Education that is:</p> <ul style="list-style-type: none"> <li>e. A state-supported two-year or four-year college or university;</li> <li>f. A private, nonprofit two-year or four-year college or university with its primary headquarters located in Arkansas that is eligible to receive Title IV federal student aid funds; or</li> <li>g. An approved school of nursing.</li> </ul>
<i>APPROVED SCHOOL OF NURSING</i>	<p>a school of nursing with its primary headquarters located in Arkansas that:</p> <ul style="list-style-type: none"> <li>a. prepares students as registered nurses;</li> <li>b. grants nursing diplomas;</li> <li>c. is eligible to participate in Title IV federal student aid programs;</li> <li>d. has been approved by the Arkansas State Board of Nursing;</li> <li>e. has been approved by the Department of Higher Education as eligible to participate; and</li> <li>f. is not a two-year or four-year college or university.</li> </ul>
<i>ARKANSAS RESIDENT</i>	<p>To be considered an Arkansas resident by ADHE, a recipient and/or a recipient's parents or guardians must be an Arkansas resident for twelve (12) months prior to enrollment in an approved institution of higher education. Further, the recipient and/or recipient's parents or guardians claiming Arkansas residency may be asked to provide evidence of a permanent connection with the State of Arkansas. ADHE will look to one or more of the following to determine residency in those cases:</p> <ul style="list-style-type: none"> <li>(A) Information from FAFSA;</li> <li>(B) Valid Arkansas Driver's License;</li> <li>(C) Proof of payment for Arkansas personal and/or real taxes for previous year;</li> <li>(D) Proof of Arkansas vehicle registration;</li> <li>(E) Proof of Arkansas voter registration; and</li> <li>(F) Other forms of proof of Arkansas residency.</li> </ul>

<i>CITIZEN</i>	a person who is a U.S. citizen or a lawful permanent resident. If the recipient is not a U.S. citizen, but a lawful permanent resident, the recipient must submit a copy of the lawful permanent resident form I-151, I-551, I-94, or G-641 to the application.
<i>CONTINUOUSLY ENROLLED</i>	traditional student that completes twenty seven (27) semester hours at an approved institution of higher education in the first academic year as a recipient and completes thirty (30) semester hours at an approved institution of higher education each academic year thereafter, not including summer terms.
<i>COST OF ATTENDANCE</i>	An estimate of a student's educational expenses that is designed to provide an accurate projection of the reasonable costs for the period of enrollment. Allowable cost include tuition and fees, room and board, books, supplies, transportation, disability expenses, loan fees, dependent care, study abroad expenses and miscellaneous expenses. Standard cost of attendance will vary for different categories of students. Institutions must maintain written documentation supporting the determined cost of attendance.
<i>ELIGIBLE APPLICANT</i>	any applicant who meets the eligibility criteria established in Rule 2.
<i>END-OF- COURSE ASSESSMENT</i>	an examination taken at the completion of a course of study to determine whether a student demonstrates attainment of the knowledge and skills necessary for mastery of that subject.
<i>FIRST-TIME FRESHMAN</i>	any student currently enrolled as a first-year college student, who has never previously been enrolled as a first-year college student. High school students who complete their senior year of high school while enrolled in a two/four-year college will be considered first-time freshmen in the first year of college work following high school graduation.
<i>FULL-TIME STUDENT</i>	twelve college credit hours or its equivalent per semester for students who are in the first fall semester of college, fifteen college credit hours or its equivalent per fall and spring semester for those students who are beyond their first fall semester in college. Those students who are set to graduate with a bachelor's degree at the end of a semester shall be exempt from the fifteen (15) credit hour requirement.

<i>HIGH SCHOOL GPA</i>	the numbered grade averaged on a student's high school transcript calculated using the first seven (7) of the last eight (8) semesters the student completed prior to graduating high school.
<i>INCARCERATION</i>	serving or being sentenced to serve time in confinement in a jail or prison; imprisonment. Incarceration will result in ineligibility for the Academic Challenge Scholarship.
<i>LAWFUL PERMANENT RESIDENT</i>	a non-United States citizen who resides in the United States under a legally recognized and lawfully recorded permanent residence.
<i>POSTSECONDARY GPA</i>	the cumulative numbered grade average for college credit courses as calculated using a 4.0 scale.
<i>PROFESSIONAL JUDGMENT</i>	authority of ADHE professional staff that allows for the special consideration of applications or renewal requests when situations exist that prohibit the student from meeting the exact guidelines as stated, when specific documentation provided by the student, high school, or approved institution shows that the student meets the objectives or purpose of the program.
<i>QUALIFIED CERTIFICATE PROGRAM</i>	a program that is: (A) Offered by an approved institution of higher education; (B) For which credit hours are awarded that are creditable toward an associate degree; and (C) Recognized by the U.S. Department of Education for financial aid purposes.
<i>RECIPIENT</i>	an applicant awarded a scholarship funded through the program.
<i>Scholarship Hold</i>	the temporary suspension of a scholarship award to a traditional student
<i>Successfully Completed</i>	that a student completed a course at an institution of higher education and received the equivalent of a minimum letter grade of "D"
<i>TRADITIONAL STUDENT</i>	a student who will enter postsecondary education as a full-time, first-time freshman on or before the fall semester of the academic year after graduating from high school and remains continuously enrolled as a full-time student

unless granted a scholarship hold by ADHE. Does not include students awarded as a current achiever student.

# ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM

## PART 2 (CURRENT ACHIEVER STUDENT)

### RULE 1 – ORGANIZATION AND STRUCTURE

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- I. The Arkansas Department of Higher Education (ADHE) shall administer the Arkansas Academic Challenge Scholarship Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his/her designee.
- II. The Director of the Arkansas Department of Higher Education has the final responsibility for selecting scholarship recipients pursuant to the provisions of Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664 and 1836 of 2001, Acts 1014, 2197, 2011 and 2214 of 2005, Acts 274 and 840 of 2007, Acts 606 and 1405 of 2009, Acts 265 and 294 of 2010, Act 207 of 2011, Act 825 of 2011 and subsequent legislation, and program rules and regulations.
- III. The Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act when functioning under Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664, and 1836 of 2001, Act 1798 of 2003, Acts 1014, 2197, 2011 and 2214 of 2005, Acts 274 and 840 of 2007, Acts 606 and 1405 of 2009, Acts 265 and 294 of 2010, Act 207 of 2011, Act 825 of 2011 and subsequent legislation.

### RULE 2 – SCHOLARSHIP ELIGIBILITY CRITERIA

---

#### I. Eligibility Criteria

An applicant must meet the following requirements to be eligible to receive the Arkansas Academic Challenge Scholarship:

- A. The applicant must be a citizen of the United States or a lawful permanent resident.
- B. The applicant shall have been an Arkansas resident for at least the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education, or if the applicant is less than twenty-one (21) years of age, either the applicant or a parent or guardian of the applicant shall have maintained Arkansas residency for the same period of time.

- C. The applicant must have entered postsecondary education before the 2010-2011 academic year as a full-time, first-time freshman within twelve (12) months of graduation from high school.
- D. The applicant has been continuously enrolled at an institution of higher education since entering an institution of higher education. Continuously enrolled requires the successful completion of at least twelve (12) semester hours of courses in consecutive semesters before receiving this scholarship. ADHE may waive this requirement due to the applicant's full-time duty in the active uniformed service of the United States, including members of the National Guard and reserve components of the armed forces on active duty orders.
- E. The applicant has successfully completed at least twelve (12) semester hours of courses granting three (3) or more hours of credit per course at an approved institution of higher education. A course granting less than three (3) hours of credit may be counted toward the twelve (12) semester credit hours if it is related to a credit course required for a degree.
- F. The applicant has achieved a cumulative postsecondary grade point average of at least a 2.5.
- G. The recipient must be enrolled full-time, fifteen (15) semester hours or the equivalent every semester, not including a summer term.
- H. The applicant must be enrolled in a program of study, which leads to or is creditable towards a baccalaureate degree. These programs include baccalaureate degree programs, associate degree programs, qualified certificate programs and nursing school diplomas.
- I. The applicant shall not owe a refund on a federal or state student financial aid grant for higher education, not be in default on a state or federal student financial aid loan for higher education, and not have borrowed, as determined by the approved institution of higher education to be attended, in excess of the annual loan limits under the Federal Family Educational Loan Program Systems, William D. Ford Federal Direct Loan Program, Income Contingent Loan Demonstration Program, Federal Stafford Loan Program, Parent Loan for Undergraduate Students Program, or Supplemental Loan for Students Program in the same academic year for which the student has applied for this scholarship under this subchapter.
- J. The applicant shall not be incarcerated at the time of the application for or during the time the applicant receives a scholarship.
- K. Applicants must certify that they are drug-free and must pledge to refrain from the use or abuse of illegal substances. This includes alcohol for applicants less than twenty-one years of age.

- L. Any male applicant under twenty-six years of age must file a Statement of Selective Service Status with the postsecondary education institution at which he is enrolled certifying that he has complied with the terms of the Military Selective Service Act before funds can be disbursed.
- M. Applicant must complete and submit to the U.S. Department of Education the Free Application for Federal Student Aid (FAFSA) or a subsequent application required by the U.S. Department of Education for federal financial aid.
- N. A recipient of a Governor's Distinguished Scholarship is prohibited from receiving an Academic Challenge Scholarship.
- O. Applicant cannot have:
  - 1. Earned a baccalaureate degree;
  - 2. Completed one hundred thirty (130) semester hours of credit at an institution of higher education;
  - 3. For award at a two-year college, cannot have earned an associate degree; or
  - 4. For award at a two-year college, cannot have completed sixty-six (66) semester hours of credit at an institution of higher education.

## II. Continued Eligibility

Recipients must meet the following criteria in order to have their scholarship renewed:

- a. Maintain a 2.5 cumulative postsecondary GPA;
- b. Successfully complete at least fifteen (15) semester hours of courses in consecutive semesters, not including a summer term;
- c. Shall be continuously enrolled unless the Arkansas Department of Higher Education has approved a leave of absence.
- d. Meet the satisfactory academic progress standards required to receive other federal financial aid at the approved institution where enrolled;
- e. Successfully complete all remedial courses required within the first thirty (30) semester hours attempted after receiving the scholarship;
- f. Enroll in courses that lead toward a baccalaureate degree program after attempting the lesser of:
  - i. Sixty-six (66) semester hours; or
  - ii. Completion of an associate degree program, unless the number of hours required to complete the associate's degree program exceeds sixty-six (66) semester hours, in which case, the higher number of hours for completion shall be used.

If the recipient becomes ineligible for the scholarship because the recipient's postsecondary grade point average or number of completed semester hours no longer meets the minimum criteria for the scholarship, the recipient may regain eligibility one (1) time in an academic year if the recipient completes the required number of hours and/or achieves a 2.5 cumulative grade point average during the summer term(s), at the recipient's own expense.

A recipient who meets the continuing eligibility requirements shall receive the scholarship for one (1) academic year renewable annually until the recipient first:

1. Earns a baccalaureate degree; or
2. (A) Attempts a total of one hundred thirty (130) semester hours in eight (8) semesters at any approved institution as an undergraduate full-time student.  
(B) If the recipient's undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the approved institution where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship.

### III. Literacy Tutoring

As an additional component to the Arkansas Academic Challenge Scholarship:

1. Each applicant for the scholarship shall agree that for each year the scholarship is awarded he or she may volunteer to serve as a literacy tutor for a minimum of twenty (20) clock hours each semester in a public school or a faith-based educational institution serving students in prekindergarten through grade six (preK-6);
2. A recipient who agrees to volunteer as a literacy tutor:
  - A. Shall complete the prerequisite training in literacy and college readiness skills provided under this section before he or she begins tutoring; and
  - B. May receive college credit for the tutoring as determined by the institution of higher education where the recipient is enrolled; and
3. An enrolled college student who participates in the tutorial program and fails to meet the academic eligibility requirement under this subchapter for the fall or spring semester shall be given the probationary opportunity during the subsequent spring or summer term to continue his or her education and improve academic performance before losing scholarship funding in the subsequent semester.

A recipient who agrees to volunteer as a literacy tutor under this section shall receive the prerequisite training in literacy and college readiness from an approved institution of higher education based on training modules developed by the Department of Education.

## RULE 3 – APPLICATION PROCESS

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### I. Application

Students must submit an on-line application, available at the ADHE website.

### II. Submission of Application and Application Deadline

The application deadline shall be June 1. At its discretion, the ADHE may extend the deadline, provided sufficient notice is provided to the public. The applicant is responsible for submitting the application and all supporting documentation in a timely manner.

### III. Amount of Scholarship

The scholarship award for a full-time student enrolled in one (1) of the following institutions of higher education is one-half (1/2) of the scholarship award amount for a full-time undergraduate student enrolled in a four-year approved institution of higher education:

1. A two-year approved institution of higher education;
2. A branch campus of a four-year approved institution of higher education; or
3. An approved nursing school.

### IV. Award Notification and Prioritization of Awards

During times when there exist a funding shortage to provide scholarships to all eligible current achiever applicants, the Department of Higher Education shall give priority to a recipient who has met continuing eligibility requirements prior to receipt of a scholarship by a first-time applicant. In the event that funding is still insufficient, the department will give priority first to those students whose parent, by birth or legal adoption, was a resident of the State of Arkansas at the time that person entered the service of the United States armed forces or whose official residence was in Arkansas when that parent as member of the United States Armed Forces who was killed while performing military duty. If funding still exists after the first priority group, the department's selection criteria will consist of value points assigned to academic achievement measures and other criteria including: level of progress towards completion of a qualified certificate, nursing diploma, associate degree or a baccalaureate degree; enrollment in or intent to enroll in a program of study that is in an area of critical workforce need as determined by the department; or is in a science, technology, engineering, or mathematics field; and postsecondary grade point average. Value points assigned to each selection criterion are weighted as follows:

Highest level of progress toward completion of a qualified certificate, nursing

diploma, associate degree or a baccalaureate degree -----70%

Postsecondary grade point average (based on a 4.0 grading scale) --20%

Enrollment in or intent to enroll (by declaring a major) in a program of study that is in an area of critical workforce need as determined by the department or is in a science, technology, engineering, or mathematics field-----10%

The Arkansas Department of Higher Education shall notify each eligible applicant of his/her award. The award notice includes the student's name, address, social security number, the actual amount the student is eligible to receive, and the student's first institutional choice as indicated on the application form. The award notice also explains the Arkansas Department of Higher Education's disbursement procedures and conditions of the Academic Challenge Scholarship.

The recipient, or the recipient's parent or guardian(s) if the recipient is less than 18 years of age, receiving state-supported student financial assistance shall complete and sign a consent form opting-in or opting-out of authorizing the release of the student's individual information to the Bureau of Legislative Research. Opting-out of the release of information to the Bureau of Legislative Research will not affect a student's eligibility for financial aid.

The information consented to be released by the student shall include:

1. A unique identifier;
2. Status for the Federal Pell Grant;
3. Postsecondary grade point average;
4. Number of semester hours attempted;
5. Number of semester hours completed;
6. Gender, race, ethnicity, and age;
7. High school graduated from or General Educational Development test score;
8. High school grade point average;
9. ACT score or ACT equivalent score, if available.

The consent does not authorize the release of the student's or the student's parents' name, address, or income.

This information will be used to guide the Arkansas General Assembly's evaluation of the need for adjustments to scholarship programs and funding levels.

#### V. Ineligible Notification

The Arkansas Department of Higher Education shall notify applicants who are determined to be ineligible and provide the reason for ineligibility. They will

also be given instructions on how to correct any information on the application they believe to be incorrect.

#### VI. Incomplete Notification

Applicants who fail to submit complete applications, or who fail to supply the required documentation to process the application, will be classified as Incomplete. The Arkansas Department of Higher Education shall notify these students of their status. The Incomplete notice provides a list of the incomplete items and the actions necessary for completion.

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### RULE 4 – SCHOLARSHIP PAYMENT POLICIES

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#### I. Limits of Payment

##### A. Payment of Scholarships

The Arkansas Department of Higher Education shall disburse scholarship to the approved institution of the student's choice. The Arkansas Department of Higher Education shall send funds to the institution via electronic funds transfer or state warrant. After verification of full-time enrollment, the institution will disburse the scholarship to the student according to the institution's disbursement procedures. The scholarship payment will correspond to academic terms, semesters, quarters, or equivalent time periods at the eligible institution. In no instance may the entire amount of the scholarship disbursement for an educational year be paid to or on behalf of such student in advance.

##### B. Transfer of Scholarships to Another Approved Institution

A recipient who has received an Academic Challenge Scholarship may transfer the scholarship to another approved Arkansas institution of higher education, provided that:

1. The student notifies the Arkansas Department of Higher Education of the change of status by October 1 for the fall term and by February 1 for the winter and/or spring terms;
2. If transferring institutions between the Fall and Spring terms, the student shall submit an official transcript to ADHE.

##### C. Withdrawal Policy

A recipient shall be continuously enrolled unless the Arkansas Department of Higher Education has approved a leave of absence. The department shall allow a student to withdraw from the Arkansas

Academic Challenge Scholarship Program for no more than one (1) year due to:

1. A medical condition of the recipient or a member of the recipient's immediate family that, on the basis of a physician's good-faith judgment, necessitates the student or the student's immediate family member to be hospitalized or receive outpatient or home-based medical care or recuperation until released by the attending physician;
2. A personal or family emergency that requires the student to:
  - a. Attend the funeral of an immediate family member; or
  - b. Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;
3. Military service (also see Section F);
4. A commitment for twelve (12) to twenty-four (24) months of:
  - a. Service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose;
  - b. The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project;
  - c. The department shall release a scholarship hold if the department determines that the student did not complete the commitment under the written agreement; or
5. Any other reason approved by the Arkansas Department of Higher Education

The recipient must submit a written petition for withdrawal. The petition shall give the reason for withdrawal and be supported by documentation. In the absence of extraordinary circumstances, the award will be revoked if the recipient fails to enroll full-time in an eligible institution in Arkansas, and the Arkansas Department of Higher Education receives neither notification of transfer of the scholarship to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the fall term and February 1 for the winter and/or spring terms. At the discretion of the Department of Higher Education, the award will not be revoked if it is determined by ADHE that extraordinary circumstances prevented the student from notifying ADHE by the required dates.

D. Renewal of Scholarship

A recipient who meets the continuing eligibility requirements shall receive the scholarship for one (1) academic year renewable annually until the recipient first:

1. Earns a baccalaureate degree;
2. (A) Attempts a total of one hundred thirty (130) semester hours in eight (8) semesters at any approved institution as an undergraduate full-time student.  
(B) If the recipient's undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the approved institution where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship.

Those recipients who are set to graduate with their bachelor's degree at the end of their current semester of funding shall be exempt from the fifteen (15) credit hour requirement.

A student may not use these funds for educational purposes beyond the baccalaureate degree.

E. Cancellation of the Scholarship

1. The award will be terminated for any of the following reasons:
  - a) Failure to maintain a 2.5 cumulative grade point average on a 4.0 scale and/or failure to successfully complete at least fifteen (15) semester hours of courses in consecutive semesters, not including summer terms.
  - b) Failure to maintain continued eligibility requirements.
  - c) Completion of a first baccalaureate degree.
  - d) Attempts a total of one hundred thirty semester (130) hours in eight (8) semesters at any approved institution unless degree requires additional hours.
  - e) Incarceration and/or violation of the drug-free pledge.
2. The recipient is responsible for notifying the Arkansas Department of Higher Education of any change in status (i.e. transfer to another eligible institution in Arkansas, change in name, etc.) before appropriate deadline dates. Failure to provide notification may result in the cancellation of the scholarship for that term.

F. Military Service

Recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other

than regular unit training and are unable to complete the current term will be allowed to repeat the missed term without loss of scholarship credit. In addition, they will be placed in deferred status until six months after release from active duty, at which time they must be re-enrolled in an approved institution.

G. Repayment of Scholarships

If the recipient of a scholarship withdraws, drops out, or is expelled on or after the first day of class of a payment period, the institution will determine whether the student received an overpayment of financial aid funds for noninstitutional expenses. Overpayment is the difference between the amount received as cash disbursements and the amount incurred for non-institutional costs during the portion of the payment period that the student was actually enrolled. It is the institution's responsibility to contact students and recover overpayments.

H. Refunds

The Arkansas Academic Challenge Scholarship Program is entitled to a refund of the scholarship or loan amount, for that semester, if the recipient of a scholarship or loan withdraws, drops out, or is expelled on or after his or her first day of class of the payment period and the situation falls under the refund policy of the institution. The institution shall pay the refund to the Arkansas Department of Higher Education.

I. Overpayment

If the award of an Arkansas Academic Challenge Scholarship results in an overpayment to the student according to the state law (Arkansas Code § 6-80-105) governing the stacking of scholarships, the institution shall follow the ADHE Stacking policy in reducing the student's financial package to prevent the student from receiving funds above the federally recognized cost of attendance.

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## RULE 5 – INSTITUTIONAL RESPONSIBILITIES

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I. College/University Responsibilities

A. Administrative Agreement

The chief executive officer of the eligible institution is responsible for appointing one representative from the financial aid office to act as administrator of the Arkansas Academic Challenge Scholarship Program and to receive all communications, forms, etc. This representative is responsible for verification, data and compliance with all program rules and regulations. The institution must comply with all rules and regulations in order to maintain continued eligibility status.

B. Disbursement Records

The institution shall maintain information on the student indicating disbursement of scholarship funds.

C. Institutional Verification

The institution shall provide certification of full-time enrollment 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. The Verification Roster is an alphabetical listing by institution of all persons receiving the award for a given academic term. The certifying official is responsible for completing the verification rosters each semester or trimester. The Arkansas Department of Higher Education shall provide electronic Verification Rosters to the Financial Aid Administrator for each semester or trimester as needed. The electronic Verification Rosters shall be returned to the Arkansas Department of Higher Education by November 1 for the fall term and by March 15 for the spring term. Students who are enrolled less than full-time in the current term shall not receive scholarship benefits in that term. The Arkansas Department of Higher Education shall also provide electronic continuing eligibility rosters to the Financial Aid Administrator before the end of the spring term. The continuing eligibility rosters shall be returned to the Arkansas Department of Higher Education no later than June 1 to ensure that adequate time is provided to notify students of their status in the program.

D. Deadlines for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after receipt of funds. Any outstanding funds not disbursed by these dates must be returned to the Arkansas Department of Higher Education. For those students whose applications are received by ADHE too late to allow disbursement by these dates, disbursement will be made within 10 working days of receipt of the verification roster and electronic transfer of funds.

E. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on any Arkansas Academic Challenge Scholarship recipient or former recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Arkansas Academic Challenge Scholarship Program. The Arkansas Department of Higher Education 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.

## RULE 6 – SCHOLARSHIP RECIPIENT’S RESPONSIBILITIES

### I. Arkansas Academic Challenge Scholarship Award Recipient's Responsibilities

It is the recipient's responsibility to notify the Arkansas Department of Higher Education of any change in status within 21 days. This will include:

- Change in name
- Change in address
- Change in institution
- Change in full-time status (twelve college credit hours for those students who are in their first fall semester following high school graduation, fifteen college credit hours for those students who are beyond the first fall semester following high school graduation)

Failure to notify the Arkansas Department of Higher Education of a change of status may affect future eligibility.

## RULE 7 – PROGRAM DEFINITIONS

The following definitions are used in the Arkansas Academic Challenge Program:

<i>ACADEMIC YEAR</i>	fall semester, spring semester, and first and second summer terms in that order.
<i>APPROVED INSTITUTION</i>	an institution of higher education approved by the Department of Higher Education that is: <ul style="list-style-type: none"><li>h. A state-supported two-year or four-year college or university;</li><li>i. A private, nonprofit two-year or four-year college or university with its primary headquarters located in Arkansas that is eligible to receive Title IV federal student aid funds; or</li><li>j. An approved school of nursing.</li></ul>
<i>APPROVED SCHOOL OF NURSING</i>	a school of nursing with its primary headquarters located in Arkansas that: <ul style="list-style-type: none"><li>g. prepares students as registered nurses;</li><li>h. grants nursing diplomas;</li><li>i. is eligible to participate in Title IV federal student aid programs;</li><li>j. has been approved by the Arkansas State</li></ul>

- Board of Nursing;
- k. has been approved by the Department of Higher Education as eligible to participate; and
- l. is not a two-year or four-year college or university.

*ARKANSAS RESIDENT*

to be considered an Arkansas resident by ADHE, a recipient and/or a recipient's parents or guardians must be an Arkansas resident for twelve (12) months prior to enrollment at an approved institution of higher education. Further, the recipient and/or recipient's parents or guardians claiming Arkansas residency may be asked to provide evidence of a permanent connection with the State of Arkansas. ADHE will look to one or more of the following to determine residency in those cases:

- (A) Information from FAFSA;
- (B) Valid Arkansas Driver's License;
- (C) Proof of payment for Arkansas personal and/or real taxes for previous year;
- (D) Proof of Arkansas vehicle registration;
- (E) Proof of Arkansas voter registration; and
- (F) Other forms of proof of Arkansas residency.

*CITIZEN*

a person who is a U.S. citizen or a lawful permanent resident. If the recipient is not a U.S. citizen, but a lawful permanent resident, the recipient must submit a copy of the lawful permanent resident form I-151, I-551, I-94, or G-641 to the application.

*CONTINUOUSLY ENROLLED*

Before receiving an Academic Challenge Scholarship – Part II as a “Current Achiever”, a recipient must have completed at least twelve (12) semester hours of courses in consecutive semesters, ~~not including a summer term~~. As a recipient of the Academic Challenge Scholarship – Part II as a “Current Achiever”, a student must complete at least fifteen (15) semester hours of courses in consecutive semesters, not including a summer term.

*COST OF ATTENDANCE*

An estimate of a student's educational expenses that is designed to provide an accurate projection of the reasonable costs for the period of enrollment. Allowable cost include tuition and fees, room and board, books, supplies, transportation, disability expenses, loan fees, dependent care, study abroad expenses and miscellaneous expenses. Standard cost of attendance will vary for different categories of students. Institutions must maintain written documentation supporting the determined cost of attendance.

<i>CURRENT ACHIEVER STUDENT</i>	student who is not awarded as traditional student or nontraditional student.
<i>ELIGIBLE APPLICANT</i>	any applicant who meets the eligibility criteria established in Rule 2.
<i>FIRST-TIME FRESHMAN</i>	any student who enrolled as a first-year college student, who has never previously been enrolled as a first-year college student. High school students who complete their senior year of high school while enrolled in a two/four-year college will be considered first-time freshmen in the first year of college work following high school graduation.
<i>FULL-TIME STUDENT</i>	fifteen (15) college credit hours or its equivalent per fall and spring semester. Those students who are set to graduate with a bachelor's degree at the end of a semester shall be exempt from the fifteen (15) credit hour requirement.
<i>INCARCERATION</i>	serving or being sentenced to serve time in confinement in a jail or prison; imprisonment. Incarceration will result in ineligibility for the Academic Challenge Scholarship.
<i>LAWFUL PERMANENT RESIDENT</i>	a non-United States citizen who resides in the United States under a legally recognized and lawfully recorded permanent residence.
<i>POSTSECONDARY GPA</i>	the cumulative numbered grade average for college credit courses as calculated using a 4.0 scale.
<i>PROFESSIONAL JUDGMENT</i>	authority of ADHE professional staff that allows for the special consideration of applications or renewal requests when situations exist that prohibit the student from meeting the exact guidelines as stated, when specific documentation provided by the student, high school, or approved institution shows that the student meets the objectives or purpose of the program.
<i>QUALIFIED CERTIFICATE PROGRAM</i>	a program that is: (A) Offered by an approved institution of higher education; (B) For which credit hours are awarded that are creditable toward an associate degree; and (C) Recognized by the U.S. Department of Education for financial aid purposes.
<i>RECIPIENT</i>	an applicant awarded a scholarship funded through the program.

*Successfully Completed* that a student completed a course at an institution of higher education and received the equivalent of a minimum letter grade of “D”

## ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM

### PART 2 (NONTRADITIONAL STUDENT)

#### RULE 1 – ORGANIZATION AND STRUCTURE

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- I. The Arkansas Department of Higher Education (ADHE) shall administer the Arkansas Academic Challenge Scholarship Program within the policies set by the Arkansas Higher Education Coordinating Board. All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or his/her designee.
- II. The Director of the Arkansas Department of Higher Education has the final responsibility for selecting scholarship recipients pursuant to the provisions of Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664 and 1836 of 2001, Acts 1014, 2197, 2011 and 2214 of 2005, Acts 274 and 840 of 2007, Acts 606 and 1405 of 2009, Acts 265 and 294 of 2010, Act 207 of 2011, Act 825 of 2011 and subsequent legislation, and program rules and regulations.
- III. The Arkansas Department of Higher Education shall follow the provisions of the Administrative Procedures Act when functioning under Acts 352, 362 and 733 of 1991, Act 47 of 1992, Acts 720, 1170 and 1244 of 1993, Acts 188 and 228 of 1995, Act 858 of 1999, Acts 1612, 1664, and 1836 of 2001, Act 1798 of 2003, Acts 1014, 2197, 2011 and 2214 of 2005, Acts 274 and 840 of 2007, Acts 606 and 1405 of 2009, Acts 265 and 294 of 2010, Act 207 of 2011, Act 825 of 2011 and subsequent legislation.

#### RULE 2 – SCHOLARSHIP ELIGIBILITY CRITERIA

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##### I. Eligibility Criteria

An applicant must meet the following requirements to be eligible to receive the Arkansas Academic Challenge Scholarship:

- A. The applicant must be a citizen of the United States or a lawful permanent resident.

- B. The applicant shall have been an Arkansas resident for at least the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education or if the applicant is less than twenty-one (21) years of age, either the applicant or a parent or guardian of the applicant shall have maintained Arkansas residency for the same period of time.
- C. The applicant must be accepted for admission and enrolled as a full-time or part-time student at an approved institution.
- D. The applicant must be enrolled in a program of study, which leads to or is creditable towards a baccalaureate degree. These programs include baccalaureate degree programs, associate degree programs, qualified certificate programs and nursing school diplomas.
- E. The applicant shall not have already earned a baccalaureate degree.
- F. The applicant shall not owe a refund on a federal or state student financial aid grant for higher education, not be in default on a state or federal student financial aid loan for higher education, and not have borrowed, as determined by the approved institution of higher education to be attended, in excess of the annual loan limits under the Federal Family Educational Loan Program Systems, William D. Ford Federal Direct Loan Program, Income Contingent Loan Demonstration Program, Federal Stafford Loan Program, Parent Loan for Undergraduate Students Program, or Supplemental Loan for Students Program in the same academic year for which the student has applied for this scholarship under this subchapter.
- G. The applicant shall not be incarcerated at the time of the application for or during the time the applicant receives a scholarship.
- H. Applicants must certify that they are drug-free and must pledge to refrain from the use or abuse of illegal substances. This includes alcohol for applicants less than twenty-one years of age.
- I. Any male applicant under twenty-six years of age must file a Statement of Selective Service Status with the postsecondary education institution at which he is enrolled certifying that he has complied with the terms of the Military Selective Service Act before funds can be disbursed.
- J. Applicant must complete and submit to the U.S. Department of Education the Free Application for Federal Student Aid (FAFSA) or a subsequent application required by the U.S. Department of Education for federal financial aid.
- K. Applicant must meet one of the following criteria:

- a. Graduated from an Arkansas public high school and achieved a 2.5 high school grade point average or had a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent and has not successfully completed twelve (12) or more semester hours of credit; or
- b. If the student has successfully completed at least twelve (12) semester hours of courses granting three (3) or more hours of credit at an approved institution of higher education (A course granting less than three (3) hours of credit may be counted toward the twelve (12) semester credit hours if it is related to a credit course required or a degree.) must have:
  - 1. Earned a postsecondary grade point average of at least 2.5; or
  - 2. Graduated from a private high school, out-of-state high school, a home school high school or obtained a General Educational Development certificate and achieve a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent.

L. A recipient of a Governor’s Distinguished Scholarship is prohibited from receiving an Academic Challenge Scholarship.

M. Applicant cannot have:

- 1. Earned a baccalaureate degree;
- 2. Completed one hundred thirty (130) semester hours of credit at an institution of higher education;
- 3. For award at a two-year college, cannot have earned an associate degree; or
- 4. For award at a two-year college, cannot have completed sixty-six (66) semester hours of credit at an institution of higher education.

#### IV. Continued Eligibility

Recipients must meet the following criteria in order to have their scholarship renewed:

- a. Maintain a 2.5 cumulative postsecondary GPA;
- b. Successfully complete at least fifteen (15) semester hours of courses in consecutive semesters for a full-time student. Successfully complete at least six (6) semester hours of courses in consecutive semesters for a part-time student;
- c. Shall be continuously enrolled unless the Arkansas Department of Higher Education has approved a leave of absence.
- d. Meet the satisfactory academic progress standards required to receive other financial aid at the approved institution where enrolled;

- e. Successfully complete all remedial courses required within the first thirty (30) semester hours attempted after receiving the scholarship
- f. Enroll in courses that lead toward a baccalaureate degree program after attempting the lesser of:
  - i. Sixty-six (66) semester hours; or
  - ii. Completion of an associate degree program, unless the number of hours required to complete the associate's degree program exceeds sixty-six (66) semester hours, in which case, the higher number of hours for completion shall be used.

If the recipient becomes ineligible for the scholarship because the recipient's postsecondary grade point average or number of completed semester hours no longer meets the minimum criteria for the scholarship, the recipient may regain eligibility one (1) time in an academic year if the recipient completes the required number of hours and/or achieves a 2.5 cumulative grade point average during the summer term(s), at the recipient's own expense.

A recipient who meets the continuing eligibility requirements shall receive the scholarship for one (1) academic year renewable annually until the recipient first:

- 1. Earns a baccalaureate degree; or
- 2. (A) Attempts a total of one hundred thirty (130) semester hours in eight (8) semesters at any approved institution as an undergraduate full-time student.  
(B) If the recipient's undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the approved institution where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship; or
- 3. (A) Attempts a total of one hundred thirty (130) semester hours in sixteen (16) semesters at any approved institution as an undergraduate part-time student.  
(B) If the recipient's undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the approved institution where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship.

#### V. Literacy Tutoring

As an additional component to the Arkansas Academic Challenge Scholarship:

1. Each applicant for the scholarship shall agree that for each year the scholarship is awarded he or she may volunteer to serve as a literacy tutor for a minimum of twenty (20) clock hours each semester in a public school or a faith based educational institution serving students in prekindergarten through grade six (preK-6);
2. A recipient who agrees to volunteer as a literacy tutor:
  - A. Shall complete the prerequisite training in literacy and college readiness skills provided under this section before he or she begins tutoring; and
  - B. May receive college credit for the tutoring as determined by the institution of higher education where the recipient is enrolled; and
3. An enrolled college student who participates in the tutorial program and fails to meet the academic eligibility requirement under this subchapter for the fall or spring semester shall be given the probationary opportunity during the subsequent spring or summer term to continue his or her education and improve academic performance before losing scholarship funding in the subsequent semester.

A recipient who agrees to volunteer as a literacy tutor under this section shall receive the prerequisite training in literacy and college readiness from an approved institution of higher education based on training modules developed by the Department of Education.

### RULE 3 – APPLICATION PROCESS

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#### I. Application

Students must submit an on-line application, available at the ADHE website.

#### II. Submission of Application and Application Deadline

The application deadline shall be June 1. At its discretion, the ADHE may extend the deadline, provided sufficient notice is provided to the public. The applicant is responsible for submitting the application and all supporting documentation in a timely manner.

#### III. Amount of Scholarship

The scholarship award for a full-time student enrolled in one (1) of the following institutions of higher education is one-half (1/2) of the scholarship award amount for a full-time undergraduate student enrolled in a four-year approved institution of higher education:

1. A two-year approved institution of higher education;
2. A branch campus of a four-year approved institution of higher education; or
3. An approved nursing school.

The scholarship award amount for a part-time student shall be one-half (1/2) of the award amount for a full-time student, if the recipient is enrolled in at least six (6) semester hours but less than nine (9) semester hours. The scholarship award amount for a part-time student shall be three-quarters (3/4) of the award amount for a full-time student, if the recipient is enrolled in at least nine (9) semester hours but less than the number of hours required for a full-time student.

#### IV. Award Notification and Prioritization of Awards

The approved allocation for the nontraditional student category under the Academic Challenge Scholarship Program Part 2 shall be divided equally between the approved 2-year and 4-year institutions of higher education. The funds allocated for the approved 2-year and 4-year institutions of higher education will then be divided equally among two (2) categories of students:

1. Delayed Student – An eligible applicant who did not enroll in college within one year of high school graduation AND has no prior college credit, other than concurrent credit that was earned in high school or credit earned via prior learning assessment or corporate or military credit.
2. Earn-In Student – An eligible applicant who has attended or is currently enrolled in a postsecondary institution AND does not currently receive the Academic Challenge Scholarship Program Part 1 and who is not awarded as a traditional or current achiever student under Academic Challenge Scholarship Part 2.

Scholarship priority will first go to those students whose parent, by birth or legal adoption, was a resident of the State of Arkansas at the time that person entered the service of the United States armed forces or whose official residence was in Arkansas when that parent as member of the United States Armed Forces who was killed while performing military duty. After the first priority is given, scholarships for applicants attending a 2-year college will be prioritized within each of the two (2) categories in the following manner:

##### Delayed Students:

Prioritization of awards is based on ACT or ACT equivalent score, first awarding those who do not need any remediation based on the state's designated minimum scores on the ACT or ACT equivalent in Math, English Composition and Reading. After all students who do not require any remediation are awarded, if funds are still available, then students who need remediation will be awarded.

##### Earn-In Students:

The department's selection criteria will consist of value points assigned to achievement measures and other criteria including: level of progress

towards completion of a qualified certificate, nursing diploma or associate degree; enrollment in or intent to enroll (by declaring a major) in a program of study in an area of critical workforce need as determined by the department or is in a science, technology, engineering, or mathematics field; and postsecondary grade point average. Value points assigned to each selection criterion are weighted as follows:

Highest level of progress toward completion of a qualified certificate, nursing diploma, or associate degree -----70%

Postsecondary grade point average (based on a 4.0 grading scale)-----  
-----  
20%

Enrollment in or intent to enroll (by declaring a major) in a program of study in an area of critical workforce need as determined by the department or is in a science, technology, engineering, or mathematics field. -----  
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10%

Scholarship priority will first go to those students whose parent, by birth or legal adoption, was a resident of the State of Arkansas at the time that person entered the service of the United States armed forces or whose official residence was in Arkansas when that parent as member of the United States Armed Forces who was killed while performing military duty. After the first priority is given, scholarships for applicants attending a 4-year university will be prioritized within each of the two (2) categories in the following manner:

Prioritization of awards is based on ACT or ACT equivalent score, first awarding those who do not need any remediation based on the state’s designated minimum scores on the ACT or ACT equivalent in Math, English Composition and Reading. After all students who do not require any remediation are awarded, if funds are still available, then students who need remediation will be awarded.

**Earn-In Students:**

The department’s selection criteria will consist of value points assigned to achievement measures and other criteria including: level of progress towards completion of a qualified certificate, nursing diploma, associate degree or a baccalaureate degree; enrollment in or intent to enroll (by declaring a major) in a program of study in an area of critical workforce need as determined by the department or is in a science, technology, engineering, or mathematics field; and postsecondary grade point average. Value points assigned to each selection criterion are weighted as follows:

Highest level of progress toward completion of a qualified certificate, nursing diploma, or associate degree -----70%

Postsecondary grade point average (based on a 4.0 grading scale)-----  
-----  
20%

Enrollment in or intent to enroll (by declaring a major) in a program of study in an area of critical workforce need as determined by the department or is in a science, technology, engineering, or mathematics field. -----  
10%

In the event that funds are not fully expended in any of the two (2) categories of nontraditional students, the Arkansas Department of Higher Education reserves the authority to redirect funds to another category at its discretion.

The Arkansas Department of Higher Education shall notify each eligible applicant of his/her award. The award notice includes the student's name, address, social security number, the actual amount the student is eligible to receive, and the student's first institutional choice as indicated on the application form. The award notice also explains the Arkansas Department of Higher Education's disbursement procedures and conditions of the Academic Challenge Scholarship.

The recipient, or the recipient's parent or guardian(s) if the recipient is less than 18 years of age, receiving state-supported student financial assistance shall complete and sign a consent form opting-in or opting-out of authorizing the release of the student's individual information to the Bureau of Legislative Research. Opting-out of the release of information to the Bureau of Legislative Research will not affect a student's eligibility for financial aid.

The information consented to be released by the student shall include:

1. A unique identifier;
2. Status for the Federal Pell Grant;
3. Postsecondary grade point average;
4. Number of semester hours attempted;
5. Number of semester hours completed;
6. Gender, race, ethnicity, and age;
7. High school graduated from or General Educational Development test score;
8. High school grade point average;
9. ACT score or ACT equivalent score, if available.

The consent does not authorize the release of the student's or the student's parents' name, address, or income.

This information will be used to guide the Arkansas General Assembly's evaluation of the need for adjustments to scholarship programs and funding levels.

V. Ineligible Notification

The Arkansas Department of Higher Education shall notify applicants who are determined to be ineligible and provide the reason for ineligibility. They will also be given instructions on how to correct any information on the application they believe to be incorrect.

VI. Incomplete Notification

Applicants who fail to submit complete applications, or who fail to supply the required documentation to process the application, will be classified as Incomplete. The Arkansas Department of Higher Education shall notify these students of their status. The Incomplete notice provides a list of the incomplete items and the actions necessary for completion.

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## RULE 4 – SCHOLARSHIP PAYMENT POLICIES

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I. Limits of Payment

A. Payment of Scholarships

The Arkansas Department of Higher Education shall disburse scholarship to the approved institution of the student's choice. The Arkansas Department of Higher Education shall send funds to the institution via electronic funds transfer or state warrant. After verification of full-time enrollment, the institution will disburse the scholarship to the student according to the institution's disbursement procedures. The scholarship payment will correspond to academic terms, semesters, quarters, or equivalent time periods at the eligible institution. In no instance may the entire amount of the scholarship disbursement for an educational year be paid to or on behalf of such student in advance.

B. Transfer of Scholarships to Another Approved Institution

A recipient who has received an Academic Challenge Scholarship may transfer the scholarship to another approved Arkansas institution of higher education, provided that:

1. The student notifies the Arkansas Department of Higher Education of the change of status by October 1 for the fall term and by February 1 for the winter and/or spring terms;

If transferring institutions between Fall and Spring terms, the student shall submit an official transcript to ADHE.

### C. Withdrawal Policy

A recipient shall be continuously enrolled unless the Arkansas Department of Higher Education has approved a leave of absence. The department shall allow a student to withdraw from the Arkansas Academic Challenge Scholarship Program for no more than one (1) year due to:

1. A medical condition of the recipient or a member of the recipient's immediate family that, on the basis of a physician's good-faith judgment, necessitates the student or the student's immediate family member to be hospitalized or receive outpatient or home-based medical care or recuperation until released by the attending physician;
2. A personal or family emergency that requires the student to:
  - a. Attend the funeral of an immediate family member; or
  - b. Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;
3. Military service (also see Section F);
4. A commitment for twelve (12) to twenty-four (24) months of:
  - a. Service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose;
  - b. The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project;
  - c. The department shall release a scholarship hold if the department determines that the student did not complete the commitment under the written agreement; or
5. Any other reason approved by the Arkansas Department of Higher Education

The recipient must submit a written petition for withdrawal. The petition shall give the reason for withdrawal and be supported by documentation. In the absence of extraordinary circumstances, the award will be revoked if the recipient fails to enroll full-time in an eligible institution in Arkansas, and the Arkansas Department of Higher Education receives neither notification of transfer of the scholarship to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the fall term and February 1 for the winter and/or spring terms. At the discretion of the Department of Higher Education, the award will not be revoked if it is determined by ADHE that extraordinary circumstances prevented the student from notifying ADHE by the required dates.

D. Renewal of Scholarship

A recipient who meets the continuing eligibility requirements shall receive the scholarship for one (1) academic year renewable annually until the recipient first:

1. Earns a baccalaureate degree;
2. (A) Attempts a transcript total of one hundred thirty (130) semester hours in eight (8) semesters at any approved institution as an undergraduate full-time student or attempts a transcript total of one hundred thirty (130) semester hours in not more than sixteen (16) semesters as an undergraduate part-time student.  
(B) If the recipient's undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the approved institution where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship.

Those recipients who are set to graduate with their bachelor's degree at the end of their current semester of funding shall be exempt from the fifteen (15) credit hour requirement for full-time students or six (6) credit hour requirement for part-time students.

A student may not use these funds for educational purposes beyond the baccalaureate degree.

E. Cancellation of the Scholarship

1. The award will be terminated for any of the following reasons:
  - a) Failure to maintain continued eligibility requirements; or
  - b) Completion of a first baccalaureate degree; or
  - c) Attempts a total of one hundred thirty semester (130) hours in eight (8) semesters at any approved institution unless degree requires additional hours for a full-time student; or
  - d) Attempts a total of one hundred thirty semester (130) hours in sixteen (16) semesters at any approved institution unless degree requires additional hours for a part-time student.
  - e) Incarceration and/or violation of the drug-free pledge.
2. The recipient is responsible for notifying the Arkansas Department of Higher Education of any change in status (i.e.

transfer to another eligible institution in Arkansas, change in name, etc.) before appropriate deadline dates. Failure to provide notification may result in the cancellation of the scholarship for that term.

F. Military Service

Recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other than regular unit training and are unable to complete the current term will be allowed to repeat the missed term without loss of scholarship credit. In addition, they will be placed in deferred status until six months after release from active duty, at which time they must be re-enrolled in an approved institution.

G. Repayment of Scholarships

If the recipient of a scholarship withdraws, drops out, or is expelled on or after the first day of class of a payment period, the institution will determine whether the student received an overpayment of financial aid funds for noninstitutional expenses. Overpayment is the difference between the amount received as cash disbursements and the amount incurred for non-institutional costs during the portion of the payment period that the student was actually enrolled. It is the institution's responsibility to contact students and recover overpayments.

H. Refunds

The Arkansas Academic Challenge Scholarship Program is entitled to a refund of the scholarship or loan amount, for that semester, if the recipient of a scholarship or loan withdraws, drops out, or is expelled on or after his or her first day of class of the payment period and the situation falls under the refund policy of the institution. The institution shall pay the refund to the Arkansas Department of Higher Education.

I. Overpayment

If the award of an Arkansas Academic Challenge Scholarship results in an overpayment to the student according to the state law (Arkansas Code § 6-80-105) governing the stacking of scholarships, the institution shall follow the ADHE Stacking policy in reducing the student's financial package to prevent the student from receiving funds above the federally recognized cost of attendance.

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## RULE 5 – INSTITUTIONAL RESPONSIBILITIES

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I. College/University Responsibilities

A. Administrative Agreement

The chief executive officer of the eligible institution is responsible for appointing one representative from the financial aid office to act as administrator of the Arkansas Academic Challenge Scholarship Program and to receive all communications, forms, etc. This representative is responsible for verification, data and compliance with all program rules and regulations. The institution must comply with all rules and regulations in order to maintain continued eligibility status.

B. Disbursement Records

The institution shall maintain information on the student indicating disbursement of scholarship funds.

C. Institutional Verification

The institution shall provide certification of full-time and part-time 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. The Verification Roster is an alphabetical listing by institution of all persons receiving the award for a given academic term. The certifying official is responsible for completing the verification rosters each semester or trimester. The Arkansas Department of Higher Education shall provide electronic Verification Rosters to the Financial Aid Administrator for each semester or trimester as needed. The electronic Verification Rosters shall be returned to the Arkansas Department of Higher Education by November 1 for the fall term and by March 15 for the spring term. Students who are enrolled less than full-time in the current term shall not receive scholarship benefits in that term. The Arkansas Department of Higher Education shall also provide electronic continuing eligibility rosters to the Financial Aid Administrator before the end of the spring term. The continuing eligibility rosters shall be returned to the Arkansas Department of Higher Education no later than June 1 to ensure that adequate time is provided to notify students of their status in the program.

D. Deadlines for Disbursement of Funds

The deadline for disbursement of funds is no later than 10 days after receipt of funds. Any outstanding funds not disbursed by these dates must be returned to the Arkansas Department of Higher Education. For those students whose applications are received by ADHE too late to allow disbursement by these dates, disbursement will be made within 10 working days of receipt of the verification roster and electronic transfer of funds.

E. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on any Arkansas Academic Challenge Scholarship recipient or former recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Arkansas Academic Challenge Scholarship Program. The Arkansas Department of Higher Education 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.

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## RULE 6 – SCHOLARSHIP RECIPIENT’S RESPONSIBILITIES

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### I. Arkansas Academic Challenge Scholarship Award Recipient's Responsibilities

It is the recipient's responsibility to notify the Arkansas Department of Higher Education of any change in status within 21 days. This will include:

- Change in name
- Change in address
- Change in institution
- Change in full-time or part-time status

Failure to notify the Arkansas Department of Higher Education of a change of status may affect future eligibility.

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## RULE 7 – PROGRAM DEFINITIONS

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The following definitions are used in the Arkansas Academic Challenge Program:

<i>ACADEMIC YEAR</i>	fall semester, spring semester, and first and second summer terms in that order.
<i>ACT</i>	the ACT Assessment administered by ACT, Inc.
<i>ACT EQUIVALENT</i>	the Scholastic Aptitude Test (SAT), COMPASS, ASSET Accuplacer, or other nationally normed test that is correlated with the ACT and approved by the Department of Higher Education for use by institutions of higher education to assess a person’s college readiness
<i>APPROVED INSTITUTION</i>	an institution of higher education approved by the Department of Higher Education that is: <ol style="list-style-type: none"><li>a. A state-supported two-year or four-year college or university;</li><li>b. A private, nonprofit two-year or four-year college or university with its primary</li></ol>

- headquarters located in Arkansas that is eligible to receive Title IV federal student aid funds; or
- c. An approved school of nursing.

*APPROVED SCHOOL OF NURSING* a school of nursing with its primary headquarters located in Arkansas that:

- m. prepares students as registered nurses;
- n. grants nursing diplomas;
- o. is eligible to participate in Title IV federal student aid programs;
- p. has been approved by the Arkansas State Board of Nursing;
- q. has been approved by the Department of Higher Education as eligible to participate; and
- r. is not a two-year or four-year college or university.

*ARKANSAS RESIDENT* to be considered an Arkansas resident by ADHE, a recipient and/or a recipient's parents or guardians must be an Arkansas resident for twelve (12) months prior to enrollment to an approved institution of higher education . Further, the recipient and/or recipient's parents or guardians claiming Arkansas residency may be asked to provide evidence of a permanent connection with the State of Arkansas. ADHE will look to one or more of the following to determine residency in those cases:

- (A) Information from FAFSA;
- (B) Valid Arkansas Driver's License;
- (C) Proof of payment for Arkansas personal and/or real taxes for previous year;
- (D) Proof of Arkansas vehicle registration;
- (E) Proof of Arkansas voter registration; and
- (F) Other forms of proof of Arkansas residency.

*CITIZEN* a person who is a U.S. citizen or a lawful permanent resident. If the recipient is not a U.S. citizen, but a lawful permanent resident, the recipient must submit a copy of the lawful permanent resident form I-151, I-551, I-94, or G-641 to the application.

*CONTINUOUSLY ENROLLED* a full-time nontraditional student that completes at least fifteen (15) semester hours of courses in consecutive semesters, not including a summer term, at approved institution of higher education. A part-time nontraditional student that completes at least six (6) semester hours of courses in consecutive semesters, not including a summer term, at approved institution of higher education.

<i>COST OF ATTENDANCE</i>	An estimate of a student's educational expenses that is designed to provide an accurate projection of the reasonable costs for the period of enrollment. Allowable cost include tuition and fees, room and board, books, supplies, transportation, disability expenses, loan fees, dependent care, study abroad expenses and miscellaneous expenses. Standard cost of attendance will vary for different categories of students. Institutions must maintain written documentation supporting the determined cost of attendance.
<i>DELAYED STUDENT</i>	An eligible applicant who did not enroll in college within one year of high school graduation AND has no prior college credit --other than concurrent credit that was earned in high school or credit earned via prior leaning assessment or corporate or military credit
<i>EARN-IN STUDENT</i>	An eligible applicant who has attended or is currently enrolled in a postsecondary institution and does not currently receive the Academic Challenge Scholarship and who is not awarded as a traditional or current achiever student.
<i>ELIGIBLE APPLICANT</i>	any applicant who meets the eligibility criteria established in Rule 2.
<i>FULL-TIME STUDENT</i>	fifteen (15) college credit hours or its equivalent per fall and spring semester.
<i>GENERAL EDUCATIONAL DEVELOPMENT TEST</i>	means a test measuring the knowledge and skills usually learned in high school that is administered by a state-approved institution or organization.
<i>HIGH SCHOOL GPA</i>	the numbered grade averaged on a student's high school transcript calculated using the last eight (8) semesters the student completed prior to graduating high school.
<i>INCARCERATION</i>	serving or being sentenced to serve time in confinement in a jail or prison; imprisonment. Incarceration will result in ineligibility for the Academic Challenge Scholarship.
<i>LAWFUL PERMANENT RESIDENT</i>	a non-United States citizen who resides in the United States under a legally recognized and lawfully recorded permanent residence.

<i>NONTRADITIONAL STUDENT</i>	a student who is not awarded as a traditional or a current achiever student.
<i>PART-TIME STUDENT</i>	at least six (6) semester hours or its equivalent per semester.
<i>POSTSECONDARY GPA</i>	the cumulative numbered grade average for college credit courses as calculated using a 4.0 scale.
<i>PROFESSIONAL JUDGMENT</i>	authority of ADHE professional staff that allows for the special consideration of applications or renewal requests when situations exist that prohibit the student from meeting the exact guidelines as stated, when specific documentation provided by the student, high school, or approved institution shows that the student meets the objectives or purpose of the program.
<i>QUALIFIED CERTIFICATE PROGRAM</i>	a program that is: <ul style="list-style-type: none"> <li>(A) Offered by an approved institution of higher education;</li> <li>(B) For which credit hours are awarded that are creditable toward an associate degree; and</li> <li>(C) Recognized by the U.S. Department of Education for financial aid purposes.</li> </ul>
<i>RECIPIENT</i>	an applicant awarded a scholarship funded through the program.
<i>Successfully Completed</i>	that a student completed a course at an institution of higher education and received the equivalent of a minimum letter grade of "D"