

DEPARTMENT OF TREASURY

HIGHER EDUCATION ASSISTANCE AUTHORITY

MICHIGAN EDUCATIONAL OPPORTUNITY GRANT PROGRAM

(By authority conferred on the Michigan higher education assistance authority by section 9 of Act No. 273 of the Public Acts of 1986, being S390.1409 of the Michigan Compiled Laws)

R 390.1721 Definitions.

Rule 1. (1) As used in these rules:

- (a) "Act" means Act No. 273 of the Public Acts of 1986, being S390.1401 et seq. of the Michigan Compiled Laws.
- (b) "Application" means the period of time covered by the MEOG award at the school of attendance.
- (c) "Authority" means the Michigan higher education assistance authority created by Act No. 77 of the Public Acts of 1960, as amended, being S390.951 et seq. of the Michigan Compiled Laws.
- (d) "Campus-based aid" means the federal financial aid programs administered by the financial aid officer at a participating postsecondary school. These programs shall include supplemental educational opportunity grants, college work-study, and Perkins loans.
- (e) "Default" means failure to comply with the terms of a loan guaranteed by the authority so that the authority finds it necessary to reimburse the lending institution for the balance of the loan.
- (f) "Educational expenses" means student costs related to attendance as specified by the participating postsecondary school. These expenses may include tuition and fees charged to the student and a reasonable allowance for room and board, transportation, books and equipment, and incidental expenses.
- (g) "Financial need" means the positive difference found by the participating postsecondary school between the applicant's educational expenses and any reasonable family unit contribution identified consistent with current need analysis review procedures approved for use with campus-based title IV federal student aid programs as provided for under the federal higher education act. Other sources of student aid to be received by the applicant for the award period in question shall be included by the school in the computation of financial need.
- (h) "Full-time study" means enrollment for 12 or more semester credit hours or its equivalent in trimester or quarter hours or the equivalent of 24 semester hours or 36 quarter hours per academic year for institutions using credit hours to measure progress, but not using semester, trimester, or quarter hours. Full-time study during the summer session following the regular academic year means enrollment for the number of credit hours defined as full-time by the postsecondary school. Enrollment status shall be determined as of a uniform date established each enrollment period by the postsecondary school for all MEOG recipients.
- (i) "Half-time study" means enrollment for not less than 6, but not more than 11, semester credit hours or term/quarter equivalent per enrollment period or for not less than half of the credit hours defined as full-time in subdivision (h) of this subrule. Enrollment status shall be determined as of a uniform date established each enrollment period by the school for all MEOG recipients.
- (j) "Higher education act" means title IV of the federal higher education act of 1965, as amended, 20 U.S.C. S1070 et seq.
- (k) "Incarcerated" means currently interned in a corrections facility on either a full-time or a part-time basis.
- (l) "Independent or self-supporting status" means current federal requirements, as defined in 34 C.F.R. S668.1a, as amended, have been met concerning conditions under which parental resources can be disregarded in the computation of a student's eligibility for financial aid.
- (m) "MEOG" means the Michigan educational opportunity grant program as established by the act.
- (n) "Parental unit" means the natural parents, adoptive parents, legal guardians, stepparents, or other individuals required by the postsecondary school to complete the financial application for title IV campus-based federal student aid for a dependent student.
- (o) "Pell grants" means the federal pell grant program established under the federal higher education act.
- (p) "Perkins loans" means the Perkins loan program established under the federal higher education act.

(q) "Permanent resident" means an applicant who is classified as a permanent resident by the United States immigration and naturalization service for the MEOG program award period in question.

(r) "Resident" means either of the following:

(i) For a dependent student who does not meet current federal guidelines for independent or self-supporting status as provided for under the federal higher education act, it means that the student's home address formally recognized by the school as the basis for residency documentation has been in Michigan for a minimum of 12 months immediately preceding the postsecondary school's MEOG award period and that the school does not consider the student a resident of any other state.

(ii) For an independent student who does meet current federal guidelines for independent or self-supporting status as provided for under the federal higher education act, it means that the student involved has resided in Michigan continuously for a minimum of 12 months immediately preceding the postsecondary school's MEOG award period and that the student involved is not considered a resident of any other state.

(s) "Satisfactory academic progress" means compliance with the standards established by the participating postsecondary school of enrollment pursuant to the federal higher education act regarding minimal criteria of academic progress needed to maintain eligibility for the federal campus-based student aid programs.

(t) "Student aid" means scholarship, grant, loan, or employment aid that the applicant might receive from any source other than the MEOG program.

(u) "Undergraduate program of study" means courses that are applicable or transferrable to a baccalaureate or lower degree or certificate. A program shall be not less than 9 months in length.

(v) "Year" means the full academic year, which is comprised of the academic year that is consistent with the fiscal year for which funds were appropriated plus the immediately following summer session.

(2) Terms defined in the act have the same meanings when used in these rules.

History: 1988 AACCS.

#### R 390.1722 Program administration; activities.

Rule 2. The authority shall administer the MEOG program in conjunction with public degree-granting Michigan colleges. Participating schools shall be responsible for all of the following activities:

(a) Selecting eligible student recipients.

(b) Awarding MEOG funds to eligible student recipients.

(c) Reporting MEOG expenditures and related data to the authority on a timely basis.

(d) Refunding unused MEOG funds promptly at the end of each fiscal year.

History: 1988 AACCS.

#### R 390.1723 Eligible schools.

Rule 3. (1) Degree-granting public postsecondary institutions approved by the Michigan state board of education and eligible for listing in the Michigan department of education's publication entitled "Directory of Michigan Institutions of Higher Education" shall be eligible to participate in the MEOG program.

(2) Eligible postsecondary schools shall notify the authority not later than February 1 preceding the fiscal year of funding if they choose not to participate in the MEOG program.

History: 1988 AACCS.

#### R 390.1724 Eligible students.

Rule 4. Participating postsecondary schools may make MEOG awards to students who meet all of the following criteria:

(a) Are Michigan residents and not considered residents of any other state.

(b) Are not currently incarcerated in a correctional facility.

- (c) Are enrolled or accepted for enrollment in an undergraduate program of study on at least a half-time basis.
- (d) Are determined by the postsecondary school to have financial need for the awards.
- (e) Are United States citizens or permanent residents.
- (f) Are not in default on a loan guaranteed by the authority. Exceptions may be made if a defaulted borrower has made satisfactory repayment arrangements on the defaulted amount of the loan as determined by the authority.
- (g) Are making satisfactory academic progress as defined by the postsecondary school of enrollment.

History: 1988 AACCS.

#### R 390.1725 MEOG award computation.

Rule 5. (1) Postsecondary schools participating in the MEOG program shall make awards to eligible students consistent with all of the following provisions:

(a) The MEOG funds awarded in combination with other student aid received shall not exceed the amount of financial need as determined by the school. The MEOG award itself shall not exceed \$1,000.00 per year.

(b) MEOG award priority shall be given to eligible students with the greatest financial need as determined by the school.

(c) MEOG funds shall not be paid to any eligible student for more than a total of 10 semesters or 15 terms of full-time study at any particular school. To monitor the amount of cumulative MEOG assistance provided, participating schools shall charge recipients with a semester or term count for each enrollment period in which MEOG funds are paid according to the following schedule:

(i) Full-time enrollment at a semester school equals a 1.5 count per enrollment period.

(ii) Full-time enrollment at a term school equals a 1.0 count per enrollment period.

(iii) Half-time enrollment or more than half-time enrollment but less than full-time enrollment at a semester or term school equals a 0.5 count per enrollment period. A cumulative semester or term payment count of 15 or higher at any particular institution shall eliminate the student from the MEOG program at that institution. Each postsecondary school participating in the MEOG program shall maintain and monitor cumulative institutional records regarding individual student participation according to the schedule outlined in this subdivision.

(d) Refund arrangements to the campus program account shall follow the institution's official refund policy. Refunds to the campus MEOG program account shall be made in cases where the student terminates eligibility between terms or semesters of the award period. Final eligibility for payment within an enrollment period shall be a function of the student's status on the enrollment count date established by the school.

(e) Continued MEOG program eligibility shall be a function of the financial need demonstrated and the MEOG funds available at each participating postsecondary school if a recipient transfers from one institution to another.

(f) All MEOG funds provided by the authority shall be used for student awards within the state fiscal year for which the funds were appropriated. This language shall not prevent schools from making MEOG awards consistent with an academic year cycle which would begin on or after August 1.

(g) A grant awarded to a student shall carry the MEOG program title on communications made to the student recipients by the postsecondary school involved.

(2) Nothing in these rules shall preclude the campus financial aid administrator from exercising professional judgment and disregarding all or a portion of assets when deemed appropriate by the financial aid administrator in determining eligibility.

History: 1988 AACCS.

#### R 390.1726 MEOG campus allocations.

Rule 6. (1) The authority shall distribute MEOG funds to participating postsecondary schools according to the provisions of the act.

(2) Postsecondary schools participating in the MEOG program shall provide to the authority, by the stated deadline, the data necessary to implement the campus allocation formula.

(3) Postsecondary schools participating in the MEOG program shall maintain a separate restricted account for funds and transactions pertaining to the program.

(4) A minimal MEOG annual payment of \$1,000.00 shall be made to all eligible postsecondary schools participating in the MEOG program.

History: 1988 AACCS.

R 390.1727 Annual report.

Rule 7. Each participating postsecondary school shall provide an annual report in the format specified by the authority. It shall include all of the following information:

- (a) The number of students served.
- (b) The total payments made.
- (c) Year-end refund of unutilized funds.
- (d) Other related data needed by the authority for accounting or audit purposes.

History: 1988 AACCS.

R 390.1728 Records; retention.

Rule 8. (1) Participating postsecondary schools shall make all MEOG program records part of their permanent student financial aid office files.

(2) Records which provide any of the following information shall be maintained:

- (a) Student eligibility.
- (b) Any award adjustments and refund calculations made.
- (c) Cumulative grants made to each participant at the school.
- (3) All MEOG program records shall be made available for audit purposes upon request.

(4) All MEOG program records shall be maintained for a minimum of 5 years by each participating institution.

History: 1988 AACCS.