

TITLE 20

UNIVERSITY OF HAWAII

CHAPTER 41

HAWAII STUDENT INCENTIVE GRANT PROGRAM

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Historical Note: This chapter is based substantially upon "Rules and Regulations Governing the Hawaii Student Incentive Grant Program Under the Jurisdiction of the State Postsecondary Education Commission--State of Hawaii" promulgated by the State postsecondary education commission. [Eff. 8/25/77; am 5/25/79; R JUN 22 1981]

SUBCHAPTER 1

GENERAL PROVISIONS

§20-41-1 Purpose of grant program. The Hawaii student incentive grant program is established for the purpose of providing tuition grants to assist those residents of the State who are substantially needy in meeting the cost of education. Hawaii student incentive grants are also provided for the purpose of fostering access to and choice of an eligible institution of higher education which offers academic programs most suited to those students' needs and interests, or educational environments preferred by those students, or both. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-2 Purpose. The purpose of these rules is to establish guidelines for awarding grants to eligible students under this grant program, and to establish guidelines for the administration of this grant program as it affects the public. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-3 Definition of terms. As used in this chapter:

"Academic year" means a period of time, usually eight or nine months, during which a full-time student would normally be expected to complete two semesters of instruction or its equivalent.

"Administrative officer" means the administrative officer of the State postsecondary education commission and shall include authorized designees.

"Commission" means the State postsecondary education commission established under chapter 305H, HRS.

"Cost of education" means the dollar total of the expenses which are normally included in a student's academic year budget as developed by each eligible institution. Such budgets include allowances for direct educational costs such as tuition, mandatory fees, books, supplies, and reasonable allowances for indirect educational expenses such as room, board, personal expenses, and local transportation.

"Director of financial aids" means that individual who is designated by the eligible institution to be responsible for the administration of the financial aid programs at that eligible institution or a designee.

"Eligible institution" means the public supported campuses of the State system of higher education known collectively as the University of

Hawaii, and the accredited, degree-granting nonprofit institutions of higher education in the State which are owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which may lawfully inure to the benefit of any private shareholder or individual whose principal office is located in the State.

"Financial aids application deadline" means that date, established by each eligible institution, by which an applicant must file an application for financial aid, if the applicant is to be given priority for consideration for financial aid by that eligible institution.

"Grant" means that amount given to an individual student according to these rules and shall include both the federal government's share and the nonfederal matching on a one-to-one ratio.

"Full-time" means registered at the eligible institution on the first day of class for a minimum of twelve credit hours or the equivalent, per semester, or the equivalent.

"Resident" means a resident of the State as determined in accordance with title 20, chapter 4, Administrative Rules, as adopted by the board of regents of the university.

"Satisfactory progress" means the standard of academic achievement considered by the eligible institution as adequate or reasonable progress toward receipt of the particular certificate, associate degree, or baccalaureate degree being sought by the student.

"Schedule of awards" means that table of grants which the administrative officer shall utilize in determining the amount of an individual student's grant.

"State student incentive grant program" means that federal student assistance program authorized under title IV, part A, subpart 3 of the Higher Education Act of 1965, as amended by P.L. 92-318, 20 U.S.C. 1001 et seq. (1972), and P.L. 94-482, 20 U.S.C. 1001 et seq. (1976), and rules adopted thereunder.

"Student eligibility index" means that number reflecting the amount which is expected to be available to meet the cost of education and is equivalent to the amount computed to be the total expected family contribution under the federal rules governing the basic educational opportunity grant program.

"Substantial financial need" means that the student demonstrates need for financial assistance as evidenced by having a student eligibility index which does not exceed that number specified for the receipt of a basic educational opportunity grant, and is also eligible for other types of student assistance as evidenced by the needs analysis system subscribed to by

the institution.

"Undergraduate" means a student enrolled or accepted for enrollment in a program of study leading to a certificate, associate degree, or baccalaureate degree, who has not yet obtained such a degree.

"University" means the publicly supported campuses of the State system of higher education known collectively as the University of Hawaii."

The use of the masculine shall include the feminine and the singular shall include the plural wherever appropriate.

[Eff. JUN 22 1980] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-4 Delegation of authority. The commission delegates the authority to administer the Hawaii student incentive grant program to the administrative officer of the commission and an authorized designee in accordance with these rules. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-5 Severability clause. If any provision of these rules is held to be unconstitutional, the remaining rules, wherever possible, shall be severable from them. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

SUBCHAPTER 2

DETERMINATION OF ELIGIBILITY AND THE AWARDING OF GRANTS

§20-41-6 Eligibility. A student who is a resident shall be eligible to be considered for a Hawaii student incentive grant unless that student:

- (1) Is not eligible for a Pell grant under title IV, part A, section 411, of the Higher Education Act of 1965, as amended by P.L. 92-318, 20 U.S.C. 1001 et seq. (1972), and P.L. 94-482, 20 U.S.C. 1001 et seq. (1976), and the rules adopted thereunder; or
- (2) Has received a full tuition scholarship or a full tuition waiver for any four academic years preceding consideration for a grant; or
- (3) Is to receive a scholarship or tuition waiver pursuant to chapter 304, HRS, or is to receive a full tuition scholarship or full tuition waiver from some other source; or
- (4) Is enrolled in or intends to use the grant to enroll in a program of study involving religious or theological training which leads

- (5) to the degree of bachelor of divinity; or Is enrolled in or intends to use the grant to enroll in a non-eligible institution or an otherwise eligible institution which has been determined by the appropriate legal jurisdiction not to be in compliance with a federal or a State statute and the rules adopted thereunder concerning non-discrimination and affirmative action; or
 - (6) At the time of consideration for a grant is not able to demonstrate substantial financial need; or
 - (7) Is not using or at the time of consideration does not intend to use the grant to enroll as a full-time undergraduate; or
 - (8) Owes a refund, which is due and payable, on a grant previously received at the eligible institution under the federal basic educational opportunity grant program, the supplemental educational opportunity grant program, the state student incentive grant program, or any other grant program funded by the State and administered by the university or the commission; or
 - (9) Is in default on any state or federal student loan; or
 - (10) Is not making satisfactory progress.
- [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-7 Evidence of need. The directors of financial aids shall require each Hawaii student incentive grant applicant to submit evidence of substantial financial need by providing all of the following:

- (1) The student eligibility report which is resultant of the federal basic educational opportunity grant application form and any supplemental forms which may be required by the basic educational opportunity grant program;
- (2) The appropriate need analysis form being used by the eligible institutions; and
- (3) Other documents as required by the eligible institution to verify the financial need of the applicant.

[Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-8 Matching funds. The administrative officer shall conform to all federal and State

constitutions, statutes, and rules and regulations when providing for the required matching funds. No funds appropriated by the legislature of the State shall be used to match a grant made to an eligible student attending an institution not owned or exclusively controlled by the State or a department of the State. The administrative officer shall be assured by each eligible institution not owned or exclusively controlled by the State or a department of the State that sufficient funds are provided by such eligible institution to meet federal requirements for the use of funds to match a grant made to an eligible student enrolled at such an eligible institution.

[Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-9 Allocation formula. (a) Distribution to participating eligible institutions of the original allocation of federal state student incentive grant program funds for each academic year shall be made in accordance with the following formula:

- (1) For each participating eligible institution, obtain ten percent of the full-time undergraduate enrollment for each undergraduate level (freshmen through seniors) as of October 15 of the previous fall semester or its equivalent.
- (2) Multiply the number obtained for each undergraduate level by the appropriate full-time tuition charge for each level then sum the results. This total shall be called the institutional total.
- (3) Sum the institutional totals for all participating eligible institutions. This amount shall be called the aggregate state total.
- (4) Determine what percentage each institutional total is of the aggregate state total.
- (5) Apply the percentage of each participating eligible institution to the federal state student incentive grant funds available to the State, and this dollar amount shall be the amount available to each participating eligible institution.

(b) Additional federal funds, original federal allocations not used by participating eligible institutions, or funds received from other sources shall be reallocated to participating eligible institutions able to meet the requirements for additional matching and having an eligible applicant not yet a recipient of a full-time grant. The reallocation shall be affected by the same formulas

used in making the original allocation, except that the percentage shall be adjusted to exclude eligible institutions no longer able or choosing not to participate. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-10 Amount of award. The amount of Hawaii student incentive grant for each academic year shall not exceed the maximum allowed under the rules governing the federal state student grant program, or \$750, or the annual cost of full tuition at the eligible institution at which a student is enrolled or plans to enroll, or the difference between a partial tuition scholarship or tuition waiver or other financial assistance or educational loan received to be used for the payment of tuition by the student from some other source and full tuition at the eligible institution, whichever is less. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-11 Procedure for ranking eligible applicants. The director of financial aids of the eligible institution shall rank eligible applicants on the basis of the student eligibility index, and assign grants in ascending order of that index, taking into consideration other financial assistance made available to that student as described in section 20-41-9. Offers to applicants shall be made to the extent that funds are allocated to that eligible institution. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-12 Schedule of awards. (a) The directors of financial aids shall utilize the student eligibility index as stated on an applicant's basic educational opportunity grant student eligibility report to determine the amount an applicant is to receive at the eligible institution in which the applicant will enroll. When the student eligibility index is one-half or less the maximum set for the basic educational opportunity grant program, the student shall receive a grant of \$750 per academic year, or that amount allowed under section 20-41-9, whichever is the less. When the student eligibility index exceeds one-half of the maximum set for the basic educational opportunity grant program, the student shall receive a grant of \$375 per academic year, or that amount allowed under section 20-41-9, whichever is the less. When the student eligibility index is more than the maximum set for the basic educational opportunity grant program, the

student is ineligible for the Hawaii student incentive grant.

(b) The directors of financial aids shall offer grants first to those applicants with a student eligibility index which is one-half or less of the maximum set for the basic educational opportunity grant program, and second to those applicants with a student eligibility index which exceeds one-half, but is less than that maximum, who also apply to the eligible institution for financial aid on or before the financial aids application deadline, and third to those applicants who are otherwise eligible, but file their applications for financial aid after the financial aids application deadline.

(c) An application for financial aid which is received by an eligible institution after the financial aids application deadline, shall be considered only if funds are available and in the order in which such applications are received. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-13 Notification of recipients. The directors of financial aids shall notify in writing the eligible recipient of the offer of a grant and shall require the recipient to accept or decline the offer in writing within a stated time. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-14 Deadline for reporting. Beginning with the fall 1977 semester or its equivalent, the directors of financial aids shall submit to the administrative officer a list of all recipients of a grant under this program and the amount of the grant. Such a list shall be submitted one month before the end of each semester or its equivalent. Amended lists shall be submitted when appropriate. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-15 Term of award. The term of a Hawaii student incentive grant is for a period of one academic year or semester or the equivalent; provided that, for any grant for greater than a semester or its equivalent, the recipient continues to be eligible for such a grant. A grant may be renewed to a total of eight semesters or their equivalent, provided that the recipient continues to be eligible, and funds are made available to the commission for the purposes of the Hawaii student incentive grant program. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-16 Disbursement of the award. The administrative officer and the directors of financial aids shall conform to federal and State statutes and rules regarding the disbursement of a grant. Payment of a grant shall be made on behalf of the recipient of a grant to the eligible institution at which the recipient is enrolled. Prior to making any such disbursement the directors of financial aids shall certify to the administrative officer the eligibility of a recipient for a grant. [Eff. JUN 22 1981 (Auth: HRS §305H-2) (Imp: HRS §305H-2)]

§20-41-17 Refunds. If a recipient withdraws from an eligible institution or otherwise becomes ineligible for enrollment, no refund of tuition paid in behalf of the recipient shall be made to the recipient. The refund, if any, shall be made to the sources from which original payment was made. Refunds will be calculated in accordance with the refund schedule as published in the catalogue of the eligible institution. [Eff. JUN 22 1981 (Auth: HRS §305H-2) (Imp: HRS §305H-2)]

§20-41-18 Leaves of absence. A recipient of a Hawaii student incentive grant, who for emergency or extraordinary reasons (as determined by the directors of financial aids, not including academic reasons) must leave the eligible institution during the academic year, will be considered for renewal of the grant for the semester in which the recipient re-enrolls as long as the recipient otherwise continues to be eligible and funds are available. [Eff. JUN 22 1981 (Auth: HRS §305H-2) (Imp: HRS §305H-2)]

§20-41-19 Role of the directors of financial aids. The administrative officer may request the directors of financial aids to participate in appropriate and necessary administrative activity associated with but not limited to the determination of recipients of grants, notification of eligible students of grants offered, payment of grants in behalf of recipients to eligible institutions, and the maintenance of fiscal and program records required by the federal government and the government of the State. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-20 Maintenance of fiscal records. The administrative officer and the director of financial

aids of the eligible institution shall maintain proper fiscal records for the Hawaii student incentive grant program. Such records shall conform to the State and federal requirements for such records in order that the commission may continue to qualify as the eligible State agency for the purposes of the Hawaii student incentive grant program. The records of each eligible institution regarding this program shall be subject to audit by the administrative officer and as provided for by the federal rules and regulations governing the State student incentive grant program. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

SUBCHAPTER 3

MISREPRESENTATION

§20-41-21 Sanctions. An applicant for a Hawaii student incentive grant program award, who intentionally or wilfully misrepresents any fact upon any form or document intended for use in determination of the eligibility of such an applicant for receipt of such an award, who intentionally or wilfully misrepresents any fact at an appellate hearing hereunder, and who is a recipient of a grant on the basis of such misrepresentation, or who uses any grant funds received for purposes other than those authorized under this program, shall be subject to the following sanctions:

- (1) Denial of eligibility for consideration for a Hawaii student incentive grant for one year.
- (2) Refund to the eligible institution of any Hawaii student incentive grant received as a result of such misrepresentation.
- (3) Other penalties which are deemed appropriate by the eligible institution at which the student is enrolled.
- (4) Other penalties provided for by law.

[Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-22 Procedures. Should the administrative officer have reasons to believe a recipient of a grant has misrepresented any information for the purpose of receiving a grant or violated any other provision of these rules, the administrative officer shall take or allow for the actions provided in sections 20-41-22 through 20-41-25. [Eff. JUN 22 1981] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-23 Notice of determination of misrepresentation. (a) The administrative officer shall dispatch by registered mail or hand delivery a letter to the last known local address of the recipient, in which is stated the following:

- (1) The facts which have become known to the administrative officer which have led to the conclusion that the recipient has misrepresented information for the purpose of receiving a grant or violated any other provision of these rules.
- (2) The two sanctions the administrative officer is empowered to and will impose, if the recipient does not file an appeal with the administrative officer within ten calendar days of receipt of the letter.
- (3) The procedures to be followed by the recipient should he choose to appeal the determination of the administrative officer.

(b) The recipient's local address as maintained in the student record system at the eligible institution at which the student is or was in attendance, is considered to be adequate for the purpose of notification by registered mail.
 [Eff. JUN 22 198] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-24 Appeal procedure. The administrative officer upon receipt of the formal written appeal from a recipient of a grant shall do the following:

- (1) Within ten calendar days, appoint a hearing officer from among the directors of financial aids, excluding the director of financial aids of the institution at which the recipient is enrolled.
- (2) The hearing officer shall give the recipient reasonable notice of the date, time, and place of the hearing. Such notice shall be in writing and shall be given to the recipient either by registered mail or hand delivery. A statement of the rule alleged to have been violated and facts and issues involved will accompany the notification of the hearing particulars. Further, the recipient shall be notified of the processes and hearing procedures and the right to counsel and be provided the name of the hearing officer, the names of known witnesses, a statement of the rights of the recipient, and a statement of the maximum sanction which may be imposed.

[Eff. JUN 22 198] (Auth: HRS §305H-2) (Imp: HRS

§20-41-25 Hearing processes. (a) The hearing shall be of an informal nature and need not adhere strictly to technical rules followed by the courts of law.

(b) Open hearings will be held or, upon request of the recipient, restricted open hearings or closed hearings will be held. Public attendance at a restricted open hearing may be limited to representatives of the press.

(c) The recipient may request a closed hearing. Such a request shall be received in writing by the hearing officer at least two calendar days in advance of the date set for the hearing. In this event only the following individuals will be admitted to the hearing room: the hearing officer; the recipient alleged to have violated a rule and the recipient's counsel, if any; a recorder; the person bringing the allegation and counsel, if any; witnesses; and the attorney general or other attorney to advise the hearing officer on questions of law and procedure. Witnesses shall only be present during the hearing for the purpose of giving testimony and responding to questions addressed to them.

- (d) The recipient shall be afforded due process.
- (1) The recipient may be assisted by an advisor or attorney. If the recipient does intend to have an advisor or attorney present, the hearing officer must be advised in writing of this intention as well as provided with the person's name at least two calendar days prior to the hearing.
 - (2) Each party has a right to present evidence and witnesses, to hear and to question witnesses, to question those accusing him, and to present rebuttal evidence. If the recipient testifies in his own defense, he must submit to questioning.
 - (3) The hearing officer shall operate on the principle that the person is innocent until proven guilty with the burden of proof resting upon the person bringing the allegation.
 - (4) The guilt or innocence of the recipient shall be determined solely upon matters that have been introduced into evidence at the hearing proceedings.
 - (5) No sanction may be imposed unless the allegation has been proven by a preponderance of the evidence upon consideration of the whole record or such portions thereof as may

be cited by any party and as supported by and in accordance with the reliable, probative, and substantial evidence.

(6) During the hearing and while review and any appeal are pending, the recipient shall enjoy the same status held prior to the allegation.

(e) While strict rules of legal evidence need not be adhered to, the hearing officer may exclude or terminate irrelevant or unduly repetitious evidence or testimony, or do both. The hearing officer shall give effect to the rules of privilege recognized by law. The hearing officer may seek the advice of the attorney general or other attorney in making any ruling and may recess the hearing for this purpose. Documentary evidence may be received in the form of copies or excerpts if the original is not readily available; provided that, upon request the recipient shall have the opportunity to compare the copy with the original. The hearing officer may take notice of judicially recognizable facts. In addition, the hearing officer may take notice of generally recognized technical or scientific facts within his specialized knowledge; but the recipient and the administrative officer shall be notified either before or during the hearing, or by reference in preliminary reports or otherwise, of the material so noticed, and they shall be afforded an opportunity to contest the facts so noticed.

(f) Tape recordings of all testimony, other evidence, and the abstract of the hearing shall be maintained by the hearing officer.

(g) The recipient shall be provided, on request, an abstract of the proceedings of the hearing and shall have access to a verbatim tape recording of the hearing, or a transcript of the recording if requested for purposes of rehearing or court review.

[Eff. JUN 22 198] (Auth: HRS §305H-2) (Imp: HRS §305H-2)

§20-41-26 Findings and decision. (a) Within a reasonable period of time after the completion of the hearing, the hearing officer shall issue findings of fact, conclusions of law, and a decision.

(b) The hearing officer within a reasonable time by certified mail or hand delivery shall in writing notify the recipient and the administrative officer of the findings, conclusions, and decision.

(c) The findings, conclusions, and decision of the hearing officer shall be final within the commission. [Eff. JUN 22 198] (Auth: HRS §305H-2) (Imp: HRS §305H-2)



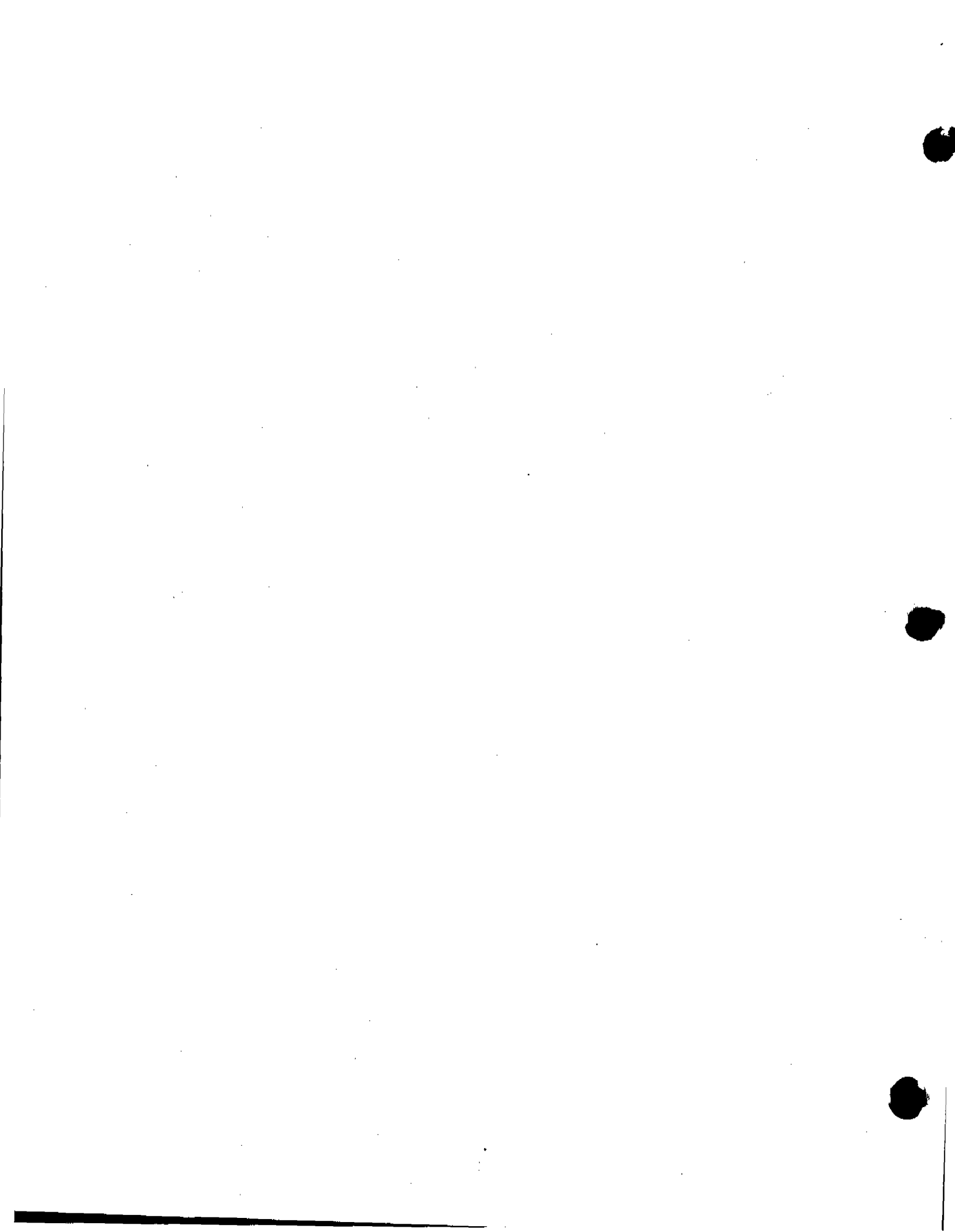
DEFINITION OF "FULL-TIME" AND "PART-TIME"
AS APPLIED TO STUDENTS (6/17/81)

Undergraduate Students

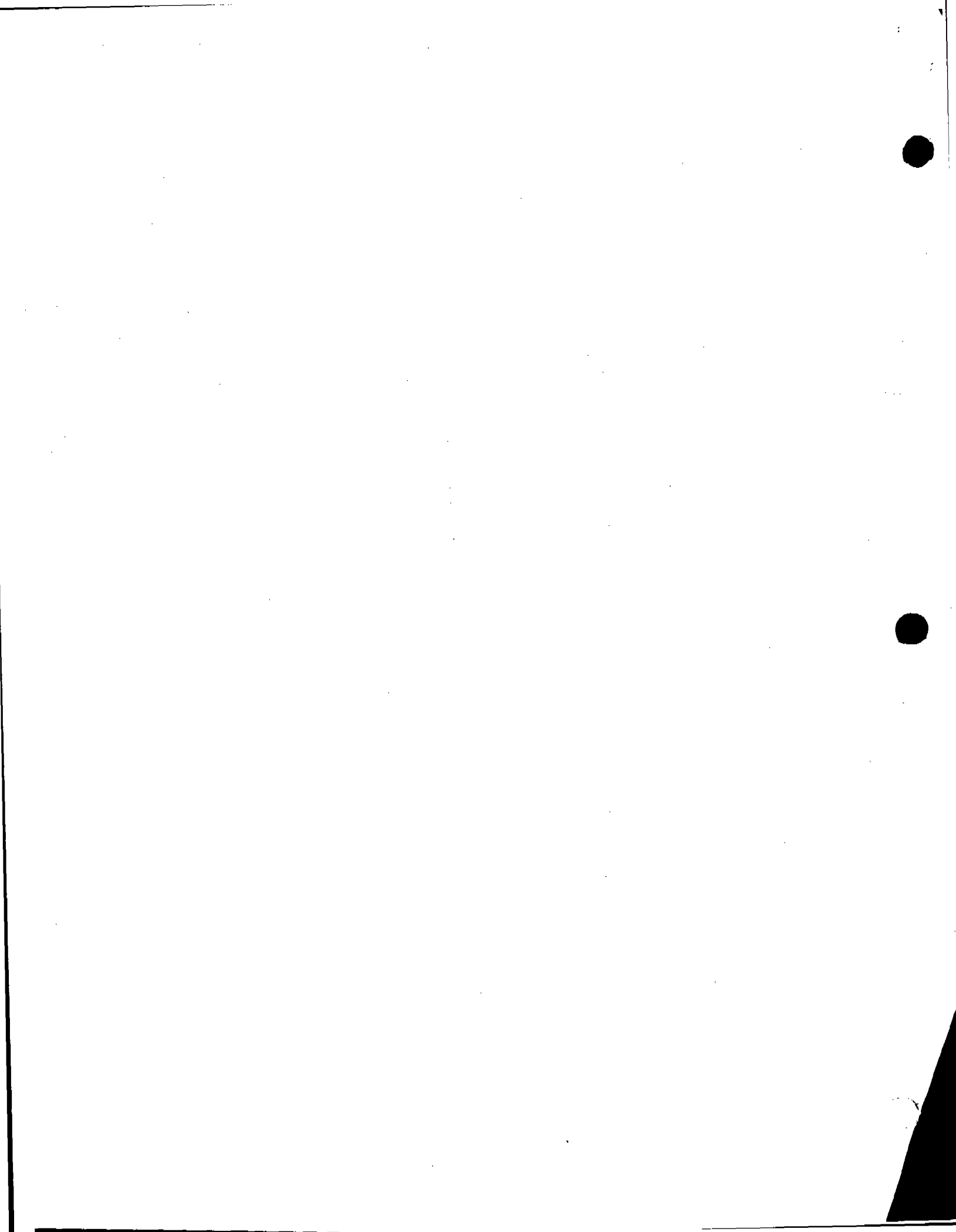
<u>Enrollment status</u>	<u>Credit load per semester</u>
Full time	12 or more credits
3/4 time	9-11 credits
1/2 time	6-8 credits
1/4 time	Ineligible
Less than 1/4 time	Ineligible

Graduate Students

<u>No. of 600-800 level courses</u>	<u>No. of credits by enrollment status</u>				
	<u>F/T</u>	<u>3/4</u>	<u>1/2</u>	<u>1/4</u>	<u>Less than 1/4 time</u>
2 or more	8	6-7	4-5	3	Ineligible
1 plus undergraduate courses	9	7-8	5-6	3-4	Ineligible
0 (100-599 level courses)	12	9-11	6-8	3-5	Ineligible



TITLE 20
UNIVERSITY OF HAWAII
SUBTITLE 3
STATE POST-SECONDARY EDUCATION COMMISSION
CHAPTER 41
HAWAII STUDENT INCENTIVE GRANT PROGRAM



§20-41-3 Definition of terms. As used in this chapter:

"Commission" means the State post-secondary education commission established under chapter 305H, HRS.

*** [Eff 6/22/81; am 7/30/81; am 4/4/88;
am JUL 24 1995] (Auth: HRS §305H-2) (Imp:
HRS §305H-2)

