

**DEPARTMENT OF EDUCATION
OFFICE OF THE SECRETARY**

Statutory Authority: 14 Delaware Code, Sections 183 and 3402(c) (14 **Del.C.** §§183 and 3402(c))
14 **DE Admin. Code** 1203

PROPOSED

PUBLIC NOTICE

Educational Impact Analysis Pursuant to 14 Del.C. §122(d)

1203 Scholarship Incentive Program (ScIP)

A. TYPE OF REGULATORY ACTION REQUIRED

Amendment to Existing Regulation

B. SYNOPSIS OF SUBJECT MATTER OF THE REGULATION

Pursuant to 14 **Del.C.** §§ 183 and 3402(c), the Delaware Department of Education ("Department"), acting in cooperation with the Delaware Higher Education Office ("DHEO"), seeks the consent of the State Board of Education to amend 14 **DE Admin. Code** 1203 Scholarship Incentive Program. In accordance with 14 **Del.C.** §§181(15) and 3402(a), the DHEO administers the Scholarship Incentive Program set forth in subchapter II of 14 **Del.C.** Ch. 34. 14 **DE Admin. Code** 1203 outlines the eligibility criteria and application process for the Scholarship Incentive Program. The proposed amendments include an updated definition of academic merit to align with federal standards for receiving financial aid at a college or university and an update to the application process to reflect a new online application.

Persons wishing to present their views regarding this matter may do so in writing by the close of business on or before March 3, 2021 to the Department of Education, Office of the Secretary, Attn: Regulation Review, 401 Federal Street, Suite 2, Dover, Delaware 19901 or email to DOEregulations.comment@doe.k12.de.us. A copy of this regulation may be viewed online at the Registrar of Regulation's website, http://regulations.delaware.gov/services/current_issue.shtml or obtained at the Department of Education's Office of the Secretary, located at the address above.

C. IMPACT CRITERIA

1. Will the amended regulation help improve student achievement as measured against state achievement standards? The amended regulation concerns a scholarship program for post-secondary education that was created by the General Assembly. By statute (14 **Del.C.** §3411), the program's purpose is to provide financial aid to Delaware residents with demonstrated financial need so that within the limits of the fiscal capabilities of the State they shall not be denied an opportunity for a college education because of financial need; provide a financial incentive for higher academic achievement for students who qualify to receive such scholarships; and encourage qualified Delaware students to pursue courses of graduate and professional education when such courses are unavailable in state-supported institutions and when such pursuit is deemed to be in the best interest of the State. The amended regulation is not designed to help improve student achievement as measured against state achievement standards.

2. Will the amended regulation help ensure that all students receive an equitable education? The amended regulation concerns a scholarship program for post-secondary education that was created by the General Assembly. By statute (14 **Del.C.** §3411), the program's purpose is to provide financial aid to Delaware residents with demonstrated financial need so that within the limits of the fiscal capabilities of the State they shall not be denied an opportunity for a college education because of financial need; provide a financial incentive for higher academic achievement for students who qualify to receive such scholarships; and encourage qualified Delaware students to pursue courses of graduate and professional education when such courses are unavailable in state-supported institutions and when such pursuit is deemed to be in the best interest of the State. The amended regulation is not designed to help improve student achievement as measured against state achievement standards. The amended regulation is not designed to help ensure that all students receive an equitable education.

3. Will the amended regulation help to ensure that all students' health and safety are adequately protected? The amended regulation concerns a scholarship program for post-secondary education that was created by the General Assembly. By statute (14 **Del.C.** §3411), the program's purpose is to provide financial aid to Delaware residents with demonstrated financial need so that within the limits of the fiscal capabilities of the State they shall not be denied an opportunity for a college education because of financial need; provide a financial incentive for higher academic

achievement for students who qualify to receive such scholarships; and encourage qualified Delaware students to pursue courses of graduate and professional education when such courses are unavailable in state-supported institutions and when such pursuit is deemed to be in the best interest of the State. The amended regulation is not designed to help improve student achievement as measured against state achievement standards. The amended regulation is not designed to help ensure that all students' health and safety are adequately protected.

4. Will the amended regulation help to ensure that all students' legal rights are respected? The amended regulation concerns a scholarship program for post-secondary education that was created by the General Assembly. By statute (14 Del.C. §3411), the program's purpose is to provide financial aid to Delaware residents with demonstrated financial need so that within the limits of the fiscal capabilities of the State they shall not be denied an opportunity for a college education because of financial need; provide a financial incentive for higher academic achievement for students who qualify to receive such scholarships; and encourage qualified Delaware students to pursue courses of graduate and professional education when such courses are unavailable in state-supported institutions and when such pursuit is deemed to be in the best interest of the State. The amended regulation is not designed to help ensure that all students' legal rights are respected.

5. Will the amended regulation preserve the necessary authority and flexibility of decision making at the local board and school level? The amended regulation concerns a scholarship program for post-secondary education that was created by the General Assembly. The amended regulation is not designed to preserve the necessary authority and flexibility of decision making at the local board and elementary and secondary school levels.

6. Will the amended regulation place unnecessary reporting or administrative requirements or mandates upon decision makers at the local board and school levels? The amended regulation concerns a scholarship program for post-secondary education that was created by the General Assembly. The amended regulation is not designed to place unnecessary reporting or administrative requirements or mandates upon decision makers at the local board and elementary and secondary school levels.

7. Will the decision making authority and accountability for addressing the subject to be regulated be placed in the same entity? Pursuant to 14 Del.C. §§181(15) and 3402(a), the DHEO administers the Scholarship Incentive Program set forth in subchapter II of 14 Del.C. Ch. 34.

8. Will the amended regulation be consistent with and not an impediment to the implementation of other state educational policies, in particular to state educational policies addressing achievement in the core academic subjects of mathematics, science, language arts and social studies? The amended regulation concerns a scholarship program for post-secondary education that was created by the General Assembly. The amended regulation is not designed to be consistent with and not an impediment to the implementation of state educational policies addressing achievement in core academic subjects at the elementary and secondary levels.

9. Is there a less burdensome method for addressing the purpose of the regulation? There is not a less burdensome method for addressing the purpose of the amended regulation.

10. What is the cost to the State and to the local school boards of compliance with the regulation? By statute (14 Del.C. §3402(b)), DHEO is authorized to award student financial aid from Title 14, Chapter 34 programs, including the Scholarship Incentive Program, subject to the limits of its appropriations for this purpose. The proposed amendments are consistent with the FY21 Appropriations Act (Senate Bill No. 240) that went into effect on June 30, 2020.

1203 Scholarship Incentive Program (ScIP)

1.0 Purpose

The purpose of this regulation is to provide eligibility criteria and to delineate the application process for the Scholarship Incentive Program (ScIP), pursuant to 14 Del.C. §3411.

2.0 Definitions

The following words and terms, when used in this regulation, shall have the following meaning ~~unless the context in which they are used clearly indicates otherwise:~~

"Academic Record" means the applicant's unofficial transcript from high school, college, or graduate school for the most recent academic year.

~~"Critical Need Area" means classifications where there is a shortage of persons for employment in a particular field. These classifications are posted annually on the Delaware Higher Education Office (DHEO) website and are based on federal and state reporting.~~

~~"Delaware Higher Education Office (DHEO)" is~~ **"Delaware Higher Education Office"** or **"DHEO"** means the Department of Education's office which administers specific programs related to higher education, including, but not limited to, scholarship and loan programs.

"Direct Educational Expenses" means tuition, mandatory fees, room, board, books, and supplies.

~~"Expected Family Contribution (EFC)"~~ **"Expected Family Contribution"** or **"EFC"** means a number that is calculated using the financial information an applicant provides on his or her the applicant's Free Application for Federal Student Aid (FAFSA) to determine an applicant's eligibility for federal student aid.

~~"Free Application for Federal Student Aid (FAFSA)"~~ **"Free Application for Federal Student Aid"** or **"FAFSA"** means the data supplied in connection with the federal government's application for federal financial aid which DHEO uses to determine an applicant's eligibility for a ScIP scholarship.

"Full-Time Student" means a student enrolled in a minimum of college credit hours as required by the student's college or university for full-time status. Generally, for an undergraduate program, this is a minimum of 12 credit hours per term and for a graduate program, a minimum of 9 credit hours.

~~"Grade Point Average (GPA)" means the number representing the average value of the accumulated final grades earned in courses over time.~~

"Graduate Student" means a full-time student enrolled in a post-baccalaureate program.

~~"Regionally Accredited Institution" means an institution of higher education accredited by one of the following regional accreditation organizations: Accrediting Commission for Community and Junior Colleges (ACCJC), Higher Learning Commission (HLC), Middle States Commission on Higher Education (MSCHE), New England Association of Schools and Colleges (NEASC-CIHE), Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), or WASC Senior College and University Commission (WSCUC).~~

"Resident of the State" means an applicant who meets the definition of residency as defined in 14 Del.C. §3402(f).

"Satisfactory Academic Progress" means that a student is successfully completing coursework according to the standards of the college or university in which the student is enrolled and the student is eligible to continue to receive financial aid.

"Semester" means a half-year term in a school or college, typically lasting 15 to 18 weeks.

"Student Account Access Site" means the webpage on the DHEO's website where students can access scholarship opportunities.

"Undergraduate Student" means a full-time student at a regionally accredited college or university who has not yet earned a bachelor's or equivalent degree.

3.0 Application Acceptance and Submission Period

- 3.1 The application acceptance and submission period for the ScIP scholarship shall be posted on the DHEO's website by December 1 each calendar year.
 - 3.1.1 Applications shall not be accepted outside of the posted application acceptance period under any circumstances.
 - 3.1.2 Incomplete applications shall not be accepted or processed.
- 3.2 In order for an application to be considered complete, an applicant must:
 - 3.2.1 Complete the FAFSA for the school year in which the scholarship is sought by the state deadline for Delaware that is posted online at [FAFSA.ed.gov](https://fafsa.ed.gov).
 - 3.2.2 ~~Submit the applicant's Academic Record to DHEO by mail, fax, or email by the last date of the application acceptance period~~ Complete an online application through the Student Account Access Site by the last date of the application acceptance period.
 - 3.2.2.1 ~~Notwithstanding subsection 3.2.2 of this regulation, and unless notified otherwise by DHEO, an applicant who is currently enrolled as a senior in a Delaware public or charter school is not required to submit his or her Academic Record to DHEO by mail, fax, or email.~~
 - 3.2.3 Submit the applicant's major and the name of the regionally accredited college or university higher education institution with regional accreditation from an accrediting agency recognized by the U.S. Secretary of Education in which the applicant will be enrolled for the school year in which the scholarship is sought through the Student Account Access Site by the last date of the application acceptance period.

- 3.2.3.1 Applicants may update their enrollment information on the Student Account Access Site through the last date of the application acceptance period.
- 3.2.3.2 A first time applicant must establish an account and provide ~~his or her~~ the applicant's valid email address and permanent mailing address before being permitted to submit the information required in subsection 3.2.3 of this regulation.

4.0 Eligibility

- 4.1 Applicants must meet the following requirements to be eligible for the SciP:
 - 4.1.1 Be a Resident of the State; and
 - 4.1.2 Be a Full-Time Student enrolled in:
 - 4.1.2.1 ~~an An~~ An undergraduate degree program at a ~~regionally accredited college or university~~ higher education institution with regional accreditation from an accrediting agency recognized by the U.S. Secretary of Education in Delaware; or
 - 4.1.2.2 ~~an An~~ An undergraduate degree program at a ~~regionally accredited college or university~~ higher education institution with regional accreditation from an accrediting agency recognized by the U.S. Secretary of Education outside of Delaware that is not offered by a publicly assisted college or university in Delaware; or
 - 4.1.2.3 ~~a A~~ A graduate or professional education degree program at a ~~regionally accredited college or university~~ higher education institution with regional accreditation from an accrediting agency recognized by the U.S. Secretary of Education outside of Delaware that is not offered by a publicly assisted college or university in Delaware and in pursuit of a degree that is deemed in the best interest of the State.
 - 4.1.2.3.1 ~~For the purpose of subsection 4.1.2.3 of this regulation, an applicant who is in pursuit of a degree in either a Critical Need Area or for an occupation or industry in which there is a labor shortage as determined by DHEO based on current Delaware Department of Labor projections is in pursuit of a degree that is deemed in the best interest of the State.~~
 - 4.1.3 Be making Satisfactory Academic Progress.

5.0 Awards

- 5.1 DHEO determines the number and amount of scholarships to be awarded annually. The number and amount of awards each year will vary and is based on and subject to DHEO receiving funds appropriated for the SciP.
 - 5.1.1 If DHEO receives funds appropriated for the SciP, DHEO may allocate up to 80% of the total amount of funds received for awards for eligible Undergraduate Students and up to 20% of the total amount of funds received for awards for eligible Graduate Students provided that DHEO receives applications from both Undergraduate and Graduate Students in a given year.
- 5.2 ~~DHEO shall award scholarships on the basis of financial need and academic merit.~~
 - 5.2.1 ~~To determine an applicant's financial need, DHEO will consider:~~
 - 5.2.1.1 ~~the applicant's EFC;~~
 - 5.2.1.2 ~~the expense of attending the college or university in which the applicant is enrolled; and~~
 - 5.2.1.3 ~~the applicant's eligibility for Pell grants and other federal, state, or private grant assistance.~~

To determine an applicant's financial need for the purpose of SciP, DHEO will consider the applicant's EFC; the expense of attending the college or university in which the applicant is enrolled; and the applicant's eligibility for Pell grants and other federal, state, or private grant assistance.
 - 5.2.2 ~~To determine an applicant's academic merit, DHEO will consider the applicant's GPA.~~
 - 5.2.2.1 ~~For an applicant who is currently enrolled in high school, the applicant must have an unweighted, cumulative GPA of 2.5 or higher.~~
 - 5.2.2.2 ~~For an applicant who is currently enrolled as an Undergraduate Student or Graduate Student, the applicant must have a cumulative GPA of 2.5 or higher.~~
 - 5.2.2.3 ~~Notwithstanding subsection 5.2.2 of this regulation, for an applicant who is currently enrolled as a Graduate Student in a degree program in which pass or fail grading is the only option and a GPA is not calculated, the applicant must have passing grades in his or her courses from the previous school year.~~
- 5.3 An award shall be used for, and not in excess of, Direct Educational Expenses.
- 5.4 An award shall not be renewable. Students must submit a new application each school year.
- 5.5 No student may receive more than ~~5~~ five annual scholarships for either undergraduate or graduate study.

6.0 Award Payment

- 6.1 DHEO shall contact a recipient's college or university to verify the recipient's ~~academic, financial, and financial~~ and enrollment status and to verify that the student is making Satisfactory Academic Progress each Semester prior to the scholarship funds being disbursed.
- 6.2 All payments shall be disbursed directly to the eligible recipient's college or university only.
- 6.3 If a recipient withdraws from school or otherwise does not qualify for full payment at the end of the add/drop period for a semester, DHEO will apply the refund policy set forth in 14 **Del.C.** §3402(k).

20 DE Reg. 894 (05/01/17)

24 DE Reg. 753 (02/01/21) (Prop.)