

Readopt with amendment Csp 300, effective 5-17-16 (Document# 11097), to read as follows:

CHAPTER Csp 300 ESTABLISHMENT, OPERATION AND ADMINISTRATION OF THE PLAN

PART Csp 301 ESTABLISHMENT OF THE PLAN

Csp 301.01 Plan Description and Purpose. The trust was established on January 15, 1998, pursuant to RSA 195-H. The purpose of the trust is to provide a program of savings for future college costs to help make higher education affordable and accessible to all citizens of New Hampshire and citizens of other states who participate in the program. The administrative rules set forth in Csp 300 provide for the establishment, operation and administration of the trust and the plan.

Csp 301.02 Applicability. The rules of this chapter shall apply to the operation of the trust, unless they conflict with federal requirements, in which case, the federal requirements shall apply.

Csp 301.03 Form of Organization. The trust shall be the legal form to establish the plan and shall be an instrumentality of the state.

Csp 301.04 Trustee. The trustee of the trust shall be the treasurer.

Csp 301.05 Declaration of Trust. The treasurer shall execute a declaration of trust that shall set forth the rights, privileges and obligations of the trust and the participants and beneficiaries of the trust.

Csp 301.06 Participation Agreement. The declaration of trust shall provide for a form of participation agreement that requires a participant to agree to the terms of the trust.

Csp 301.07 Construction of Trust Documents and Rules. The trust shall qualify as a qualified state tuition plan. The terms of the trust documents and these rules shall be construed by the commission, the treasurer, and the participants consistent with this objective.

PART Csp 302 REQUIRED PROVISIONS OF THE TRUST DOCUMENTS

Csp 302.01 Separate Account Requirement. The trust documents shall require the establishment and maintenance of a separate account for a participant's holdings on behalf of a designated beneficiary. Upon acceptance of a completed and executed participation agreement, the trustee shall establish, or shall cause to be established, an account that will be controlled by the participant for the benefit of the designated beneficiary and credit such account with the contributions made by the participant.

Csp 302.02 Form of Contributions. The trust documents shall require that all contributions to the trust and distributions from the trust shall be in cash only.

Csp 302.03 Contributions Barred in Certain Circumstances. The trust documents shall provide for a limitation on contributions based on the aggregate value of all accounts in existence for the benefit of a particular designated beneficiary. This limitation, which shall be reviewed and determined annually by the commission, shall not exceed an amount that is reasonably necessary to provide for the higher education

expenses of the designated beneficiary. The contribution limitation shall satisfy the prohibition on excessive contributions as set forth in the Code. The trustee or the trustee's representative shall not accept any portion of a contribution to any account in existence for the benefit of a designated beneficiary to the extent that such contribution exceeds the difference between the contribution limit for such calendar year and the annual adjusted account base as of December 31 of the year preceding the year in which the proposed contribution is received by the trustee or the trustee's representative. The provisions of this rule shall meet the requirements of, and shall be construed consistent with, section 529(b)(6) of the Code by the trustee, the commission, each participant and each beneficiary.

Csp 302.04 No Investment Direction. The trust documents shall prohibit each of the participant and the designated beneficiary from directing the investment of any amounts held in an account.

Csp 302.05 No Pledge or Assignment. The trust documents shall prohibit the transfer or assignment of any interest in a trust account as security for a loan or for any other purpose.

Csp 302.06 Substitution of Designated Beneficiaries. Subject to the provisions of Csp 302.03, the trust documents shall permit a participant to substitute a new designated beneficiary from time to time and shall include such restrictions as shall be necessary to ensure that such substitution does not result in adverse federal income tax consequences.

Csp 302.07 Amendments. The trust documents shall provide that the trustee shall amend the trust documents at any time if the trustee determines that such an amendment is required to maintain qualification of the plan as a qualified state tuition program. The trust documents shall further provide that the trustee shall amend the trust documents upon the direction of the commission, subject to approval by the governor and executive council, by giving notice of such amendment to the participants, subject to such restrictions as shall be expressly set forth in the trust documents. The commission shall give such direction, if necessary to encourage additional college savings and to keep the New Hampshire plan competitive with those sponsored by other states.

PART Csp 303 OPERATION OF THE PLAN

Csp 303.01 Trust Documents. The trustee shall operate the plan at all times in accordance with the terms of the trust documents.

Csp 303.02 Participation Agreement and Account Application Required. The trustee shall accept contributions to an account by a person only if such person has completed and executed a participation agreement and account application form requesting such information as necessary and appropriate for the purposes of the plan. Contributions to an account made by a third party shall be accepted but shall be treated for purposes of the plan as though they had been made by the person who has executed a participation agreement with respect to the account.

Csp 303.03 Disclosure Document. The trustee shall take necessary action to ensure that all persons who receive a participation agreement and account applications receive a disclosure document setting forth all material aspects of participation in the plan, including:

- (a) The operating procedures of the trust;
- (b) The investment strategy of the various investment portfolios of the trust;

- (c) The identity and qualifications of any private vendor that provides services to the trust; and
- (d) The assessments and expenses associated with an account with the trust.

Csp 303.04 Statements. The trustee shall provide each participant with regular statements of amounts held in an account.

Csp 303.05 Annual Assessments. The trustee shall assess and collect assessments with respect to the accounts and allocate such assessments among accounts so each account bears its fair and proportionate share of the assessments subject to the following provisions:

(a) The daily charge imposed under the trust documents shall not exceed an amount equal to an annual rate of 0.30 percent of the value of the units held in the account;

(b) The trust documents shall provide for reduction or waiver of annual assessments if the value of an account exceeds a certain amount as set forth in the participation agreement, if a participant elects to make automatic contributions to an account, or in such other circumstances that the commission determines would further the purposes of the trust, as specified in Csp 301.01; and

(c) All proceeds from assessments shall be used by the trustee to reimburse the state for such costs and expenses incurred by the treasurer in serving as trustee, including:

- (1) Costs and expenses incurred in connection with the establishment and commencement of the trust;
- (2) To compensate any private vendor or vendors selected to provide services to the trust;
- (3) To defray any other costs and expenses incurred by the trust, including costs and expenses incurred in connection with the establishment and commencement of the trust; or
- (4) For such other purposes as the commission shall from time to time determine to further the purposes of the trust, as specified in Csp 301.01 and the scholarship programs described in *Csp 400*, Csp 600 and Csp 700.

Csp 303.06 Distributions from Accounts.

(a) Contributions to accounts by any participant shall be voluntary. The participant may terminate an account at any time in accordance with the provisions of the trust documents, and subject to the rules in this chapter.

(b) Participant shall submit a notice of distribution before the trustee makes a distribution from any account. Such notice of distribution shall indicate the name and address of the designated beneficiary, the amount of the proposed distribution, and the nature of the purpose for the distribution. A notice of distribution may propose a distribution of some or all of the funds held in the account.

Csp 303.07 Termination of an Account. Notwithstanding any other provision of these rules, the trustee shall terminate an account if he or she determines that the participant or the designated beneficiary has provided materially false or misleading information to the trust, a vendor to the trust charged with administrative duties for the plans, or an eligible educational institution. Upon such a finding and a termination, the trustee shall assess a penalty equal to 10 percent of the account balance at the time of termination. Any penalty assessed against an account pursuant to this paragraph shall be charged against

the account and paid to the trustee. The trustee shall pay the balance of funds remaining after such penalty assessment to the participant.

PART Csp 304 ADMINISTRATION OF THE PLAN

Csp 304.01 Trustee. The trustee shall be responsible for the administration of the plan in accordance with the terms of the trust documents. Except for the determinations expressly set forth in Csp 304.02, all determinations required with respect to the administration of the trust shall be made by the trustee in his or her sole discretion.

Csp 304.02 Determinations Reserved for Commission Action. All determinations set forth below shall be made by the trustee only upon approval of the commission in accordance with Csp 102:

- (a) Establishing or amending the trust documents;
- (b) Designing the marketing and promotional program for the plan;
- (c) Designing all trademarks, service marks, trade names and other promotional indications for the plan;
- (d) Selection of the investment vehicles for the plan;
- (e) Selection of any private vendor to provide services to the plan;
- (f) Establishing or amending any agreement between the trust and any private vendor;
- (g) Designing any program to expend general funds held by the trust that are not held for the benefit of a designated beneficiary;
- (h) Resolving any dispute concerning an interpretation of the terms of the trust documents that arise between the trustee and a participant or a designated beneficiary;
- (i) Authorizing the payment of assessment proceeds to the treasurer to reimburse the treasurer for costs and expenses incurred as trustee; and
- (j) Using any funds that the trustee determines are not required for the administration and operation of the trust.

Csp 304.03 Private Vendors. The trust shall enter into one or more agreements with a private vendor or vendors with respect to the establishment, operation and administration of the trust. The private vendor or vendors shall provide such services as shall be specified in the agreements. In negotiating such agreements, the trust shall negotiate specific, case by case, contract terms with each private vendor in order to advance the best interest of the trust, as specified in Csp 301.01. After these negotiations are complete, the terms shall be approved by the commission then sent to the governor and executive council for their approval. For purposes of these administrative rules, actions indicated as taken or to be taken by the "trustee" shall include actions taken by such a private vendor or vendors in accordance the terms of such agreements.

Csp 304.04 Reports to Commission. The trustee shall make quarterly reports regarding the status of the trust to the commission.

Csp 304.05 Reports to State Library. The commission shall make annual reports regarding the status of the trust to the state library.

Csp 304.06 Confidentiality of Records. All records of the trust identifying participants or designated beneficiaries, or amounts deposited, held or withdrawn with respect to individual accounts shall be confidential financial information.

Csp 304.07 Abandoned Accounts. Abandoned accounts shall be subject to RSA 471-C.

Csp 304.08 Standard of Conduct. No commission member shall:

(a) Use confidential information regarding the investments of the plan in a manner not exclusively in the interest of the plan, its participants and beneficiaries;

(b) Buy or sell a security or other investment if the commission member knows that the plan is, or anticipates, buying, selling, or trading such security or other investment;

(c) Accept offers to buy, sell or trade in any security or other investment that the plan holds or intends to purchase on terms more favorable than those offered to similarly situated investors unrelated to the plan; and

(d) Accept an extension of credit from an outside service provider, except and unless:

(1) Such outside service provider extends credit to the general public in the ordinary course of its business; and

(2) The terms of the extension of credit are no better than the terms normally offered to similarly situated borrowers unrelated to the plan.

Readopt with amendment Csp 400, effective 12-9-20 (Document #13144), to read as follows:

CHAPTER Csp 400 GOVERNOR'S SCHOLARSHIP PROGRAM

PART Csp 401 PURPOSE AND SCOPE OF THE PROGRAM

Csp 401.01 Purpose. The governor's scholarship program is designed to provide financial assistance to eligible high school graduates or recent high school graduates who meet the definition of eligible student set forth in Csp 402.05 to attend an eligible postsecondary educational or training program of their choice within the state of New Hampshire. The program provides scholarships which a recipient applies to the direct costs of an education at a participating postsecondary institution.

PART Csp 402 DEFINITIONS

Csp 402.01 "Commission" means the college tuition savings plan advisory commission established in RSA 195-H:2.

Csp 402.02 “Direct costs” means the participating postsecondary institution’s determined cost of attendance based on federal regulations associated with the Pell Grant program.

Csp 402.03 “Eligible institution” means “eligible institution” as defined in RSA ~~195-H:11,I 4-C:31,II~~, namely “a postsecondary educational institution or training program within the university system of New Hampshire as defined in RSA 187-A, a postsecondary educational institution within the community college system of New Hampshire as defined in RSA 188-F, or a private postsecondary institution approved to operate in this state that:

(a) Is approved by the higher education commission pursuant to RSA 21-N:8-a and accredited by the New England Commission of Higher Education; and

(b) Is a not-for-profit organization eligible to receive federal Title IV funds”.

Csp 402.04 “Eligible program” means any eligible associate degree program, any eligible bachelor’s degree program, or any eligible certificate program offered by participating institutions.

Csp 402.05 “Eligible student” means “eligible student” as defined in RSA ~~195-H:11,II 4-C:31,III~~, namely “a first-year, full-time, Pell Grant-eligible student who meets the eligibility and residency requirements of RSA ~~195-H:13 4-C:33~~. “First-year” means a student who has never enrolled in an eligible institution”.

Csp 402.06 “Expected family contribution” means the amount, determined by a formula established in Part F of Title IV of the Higher Education Act of 1965, as amended, that a student and his or her spouse and family are expected to contribute toward the student’s cost of attendance.

Csp 402.07 “Full time student” means “full time student” as defined in RSA ~~195-H:11,III 4-C:31,IV~~, namely “an enrolled student who is carrying an academic course load that is determined to be full time by the eligible institution based on a standard applicable to all students enrolled in a particular educational program. The student's course load may include any combination of courses, work, research, or special studies that the eligible institution considers sufficient to classify the student as fulltime”.

Csp 402.08 “Governor’s scholarship fund” means the governor’s scholarship fund established in RSA 4-C:32.

Csp 402.09 “Participating postsecondary institution” means an eligible postsecondary institution which has executed a participation agreement with the commission.

Csp 402.10 “Participation agreement” means an agreement between a participating postsecondary institution and the commission entered into pursuant to the provisions of Csp 408.

Csp 402.11 “Public academy” means an independent school which contracts with one or more school districts to provide education services to such districts in compliance with RSA 194:23.

Csp 402.12 “Scholarship” means a governor’s scholarship awarded pursuant to Csp 400 and RSA ~~195-H;11-14 4-C:31-34~~.

Csp 402.13 “Scholarship program” means the governor’s scholarship program.

PART Csp 403 ELIGIBILITY

Csp 403.01 Scholarship Recipient Eligibility.

(a) Any person who is eligible to receive a Pell Grant and is pursuing or will pursue, as a first-time, full time student with continuous enrollment beginning in the fall of 2018 or later, an eligible program degree at a participating postsecondary institution, and who meets the requirements in Csp 403.01 (b)-(e), shall be eligible for a scholarship.

(b) A person shall meet the residency requirements listed in RSA ~~195-H:13~~ ~~4-C:33~~, I (a)-(d), which shall be verified annually by the applicable participating postsecondary institution using either:

- (1) A valid New Hampshire driver’s license for the parent, guardian, or eligible student;
- (2) A New Hampshire vehicle registration for the parent, guardian, or eligible student;
- (3) A New Hampshire non-driver photo identification for the parent, guardian, or eligible student;
- (4) An armed services identification, or other photo identification issued by the United States government for the parent, guardian, or eligible student;
- (5) The eligible student’s “Free Application for Federal Student Aid” form; or
- (6) Any other documentation or actions by a person who is domiciled in New Hampshire and who if temporarily absent, demonstrates an intent to maintain New Hampshire residency indefinitely and to return to New Hampshire, coupled with an act or acts consistent with that intent.

(c) A person shall not have been adjudicated delinquent or convicted or pled guilty or nolo contendere to any felonies or any second or subsequent alcohol or drug-related offenses under the laws of this or any other state, or under the laws of the United States, except that an otherwise eligible person who has been adjudicated delinquent or has been convicted or pled guilty or nolo contendere to a second or subsequent alcohol or drug-related misdemeanor offense shall be eligible or continue to be eligible for a scholarship after the expiration of one academic year from the date of adjudication, conviction, or plea. The participating postsecondary institution shall verify this component of eligibility by using the eligible’ person “Free Application for Federal Student Aid” form. Verification by the participating postsecondary institution shall be completed by June 1st.

(d) A person shall have either graduated from high school, or equivalent home school program accepted by the New Hampshire board of education or obtained a New Hampshire high school equivalency certificate based on the HiSet test or other high school equivalency test accepted by the New Hampshire board of education no more than 3 years prior to his or her application for a scholarship.

(e) A person shall meet the qualifications for academic performance as set forth in Csp 406.

Csp 403.02 Institution Eligibility.

An eligible institution wishing to participate in the scholarship program shall:

(a) Enter into a participation agreement with the commission, as described in Csp 408, and provide a certificate of authority stating who is authorized to sign on behalf of the institution;

(b) Make available to the commission annually, by November 1st, the number of full-time undergraduate New Hampshire residents who are enrolled in the institution; and

(c) Provide documentation confirming that as a private postsecondary institution:

- (1) It has been approved to operate in the state by the higher education commission pursuant to RSA 21-N:8-a;
- (2) It is eligible to receive federal Title IV funds;
- (3) It has been accredited by the New England Commission of Higher Education; and
- (4) It is exempt under section 501(c) of the U.S. Internal Revenue Code.

Csp 403.03 Compliance. In order for a participating postsecondary institution to continue its eligibility in the governor's scholarship program, the participating postsecondary institution shall submit annually by June 1, a letter to the commission certifying that the institution remains in compliance with the requirements outlined in Csp 400 and shall attest to the validity of all information gathered by the participating postsecondary institution for the determination of student eligibility having signed the participation agreement set forth in Csp 408.

PART Csp 404 FUNDING ALLOCATIONS FOR ELIGIBLE PROGRAMS

Csp 404.01 Eligible Programs. The commission shall determine annual funding allocations for each eligible institution. Eligible bachelor's degree program shall be limited to 4 years. Eligible associate degree programs shall be limited to 2 years. Eligible certificate programs shall be limited to one year.

Csp 404.02 Funding Allocations.

(a) The commission shall determine annually the total amount available for awards in the upcoming academic year and shall create allocations based on a formula to be recalculated each November for the subsequent academic year.

(b) The formula, as calculated by the commission, shall be based on the total full time undergraduate enrollment of New Hampshire residents, as reported by eligible institutions on or before November 1st.

(c) The participating institution's allocation percentage shall be determined by dividing the institution's total full time undergraduate New Hampshire enrollment by the sum of the full time undergraduate New Hampshire enrollment of all participating institutions.

(d) Each participating institution's allocation shall be equal to the institution's percentage multiplied by the total funds available for distribution.

(e) Notwithstanding the forgoing, scholarship funds shall be distributed to a participating institution based on the number of eligible students awarded a scholarship and upon receipt of a request for reimbursement for such scholarship funds accompanied by appropriate documentation as described in Csp 407.04.

PART Csp 405 SCHOLARSHIP AWARDS

Csp 405.01 New Hampshire Scholar Designation. Eligible students who are determined by their awarding postsecondary institution to be on track to receive a New Hampshire scholar designation in the second semester of their senior year of high school shall be considered to have earned the New Hampshire scholar designation for purposes of a scholarship award. If an eligible student who is awarded a scholarship of \$2,000.00 per year fails to earn the New Hampshire scholar designation, that student's scholarship shall be reduced to \$1,000.00 per year.

Csp 405.02 Eligible Students. Any eligible student who earns the New Hampshire scholar designation and meets the academic standards set forth in Csp 406.01 shall be eligible for a scholarship award of \$2,000.00 per year for the length of their program which shall not exceed 4 years. All other eligible students who meet the academic standards set forth in Csp 406.02 shall be eligible for a scholarship award of \$1,000.00 per year for the length of their program which shall not exceed 4 years.

Csp 405.03 Direct Costs. Scholarship awards may only be used to cover direct costs associated with an eligible program. Eligible students shall not receive the cash equivalent of a governor's scholarship.

Csp 405.04 Award Transfer. An eligible student shall not transfer his or her governor's scholarship award to another postsecondary institution, unless the eligible student initially attends a community college and then transfers directly to a participating eligible institution without a break in attendance. Such student shall remain an eligible student for a maximum of 4 years of total eligibility.

Csp 405.05 Scholarship Award. Scholarships shall be awarded in a lump sum to the eligible student for the entire length of the eligible program consistent with Csp 407, to be held by the commission to be disbursed by the awarding participating postsecondary institution on an annual, semester, trimester, or quarterly basis on a date set by the awarding institution. An eligible student shall receive a governor's scholarship award after the student has earned 100% of Title IV aid in order to earn 100% of governor's scholarship program funds for each term. Eligible students shall be awarded only a single scholarship by the governor's scholarship program, except that a student who transfers from a New Hampshire community college to an eligible institution without a break in attendance shall have his or her 2-year scholarship extended to 4 years to allow for completion of the 4-year institution as provided in Csp 405.04.

PART Csp 406 ACADEMIC STANDARDS

Csp 406.01 New Hampshire Scholar GPA Requirement. Scholarship recipients who have earned the New Hampshire scholar designation and received a scholarship award of \$2,000.00 per year shall maintain at least a 2.5 cumulative GPA, verified by the participating postsecondary institution on an annual basis in order to retain their scholarship.

Csp 406.02 Non New Hampshire Scholar GPA Requirement. Scholarship recipients who have a received a scholarship award of \$1,000.00 per year shall maintain at least a 2.0 cumulative GPA, verified by the institution on an annual basis in order to retain their scholarship.

Csp 406.03 Verification. Participating postsecondary institutions shall be responsible for verifying, on an annual basis, that each of their scholarship recipients are meeting the academic standards required in Csp 406.01 and Csp 406.02 using the participating postsecondary institution's academic reports. If at the time of annual verification a scholarship recipient fails to meet the academic standards set forth in Csp 406.01, the recipient's scholarship amount shall be adjusted by the participating postsecondary institution

to the amount with the same requirements listed in Csp 406.02. If at the time of annual verification a scholarship recipient fails to meet the academic standards set forth in Csp 406.02, then any remaining portion of that recipient's scholarship award shall be forfeited and if any funds for the benefit of that recipient were distributed to the participating postsecondary institution, funds shall be returned to the governor's scholarship fund. Verification of academic standards shall be completed by the participating postsecondary institution by June 1st.

PART Csp 407 DISTRIBUTION PROCEDURES

Csp 407.01 Responsibilities of Participating Postsecondary Institutions. Scholarships shall be awarded and distributed by the participating postsecondary institution.

Csp 407.02 Financial Aid Package. Participating postsecondary institutions shall include a scholarship in a student's annual financial aid package and shall meet the requirements established in Csp 407.04 if subsequent reimbursement is sought from the commission.

Csp 407.03 Establishment of Procedures by the Participating Institution. Each participating postsecondary institution may establish its own procedures for awarding and distributing scholarships consistent with Csp 400, RSA ~~195-H:11-14~~ ~~4-C:31-34~~, and the provisions of the institution's participation agreement.

Csp 407.04 Reimbursement.

(a) Each participating postsecondary institution shall submit a reimbursement request for the number of eligible students enrolled in the current semester or term who are receiving a scholarship and a list of scholarship recipients to the commission on or before November 30th and April 30th of each academic year.

(b) The list of scholarship recipients shall include:

- (1) Student name;
- (2) State of residency;
- (3) Expected family contribution;
- (4) Whether the student earned the New Hampshire scholar designation in high school;
- (5) Whether the student transferred from a community college and remained eligible for a scholarship;
- (6) Cumulative grade point average achieved in the prior academic year and used to verify the student eligibility;
- (7) Award year or year when the student was first awarded the scholarship;
- (8) Whether the reimbursement is a fall or spring reimbursement;
- (9) Amount awarded; and
- (10) Amount requested for reimbursement.

(c) Within 30 days of each submittal date, the commission shall reimburse each participating postsecondary institution for half of the scholarship amount awarded to each student in the applicable academic year.

(d) In the event the state does not reimburse the participating eligible institution for scholarship amounts paid to an eligible student receiving a scholarship, the eligible institution shall agree not to seek additional payments from the eligible student and to absorb the loss of funds without any consequences to the eligible student.

Csp 407.05 Reimbursement Procedures for Accelerated Programs. Participating postsecondary institutions that offer an eligible program that takes less than a semester or an academic year shall seek full reimbursement consistent with Csp 407.04.

PART Csp 408 PARTICIPATION AGREEMENTS

Csp 408.01 Participation Agreements. Each participating postsecondary institution shall, as a condition of participating in the program, enter into a participation agreement with the commission which provides, that:

(a) Scholarship awards shall not be used to replace any merit or need-based scholarships or grants that would otherwise have been provided to a student. Formal institutional aid programs may, but shall not be required to, use scholarship awards to meet or exceed the full cost of tuition;

(b) The participating postsecondary institution shall meet all the requirements described in Csp 406.04 for scholarship funds reimbursement. The participating postsecondary institution shall not seek reimbursement from any student if the commission fails to reimburse the institution for any scholarship award funds;

(c) The participation agreement may be terminated by either party upon 90 days' notice to the other party;

(d) The participating postsecondary institution shall be responsible for verifying that a scholarship recipient meets all requirements set forth in Csp 400 and RSA ~~195-H:11-14 4-C:31-34~~;

(e) The participating postsecondary institution shall market the program to all of the institution's prospective students. The participant shall ensure that such marketing shall be both reasonable and effective. Such marketing shall indicate that students might be eligible for the program and that awards are not guaranteed; and

(f) The participating institution shall not discriminate in the awarding of scholarships on the basis of race, religion, creed, color, national origin, dependents, gender, marital status, sexual orientation, age, genetic history, honorably discharged veteran or military status, disability, or use of a trained dog guide or service animal.

Readopt with amendment Csp 700, effective 5-17-16 (Document# 11099), to read as follows:

CHAPTER Csp 700 NEW HAMPSHIRE COLLEGE TUITION PLAN UNIQUE ENDOWMENT ALLOCATION PROGRAM

PART Csp 701 PROGRAM ADMINISTRATION

Csp 701.01 Purpose and Scope of Program. The New Hampshire college tuition savings plan UNIQUE endowment allocation program (UEAP), has been designed as one method to fulfill the statutory obligation in RSA 6:38, to provide eligible New Hampshire institutions of higher education with endowment allocations, the earnings from which shall be used to provide awards to New Hampshire residents who are attending the participating institution.

Csp 701.02 Definitions.

(a) “Academically qualified student” means an undergraduate or graduate student who meets satisfactory academic progress as determined by the institution.

(b) “Allocation” means the annual endowment allocation that is received by the participating institution under the New Hampshire UEAP.

(c) “Allocation agreement” means an agreement signed by an eligible institution’s authorizing official which has met the criteria set by and has been accepted by the commission.

(d) “Authorized official” means the officer of the eligible institution designated by the institution’s board of trustees who is authorized to enter into an allocation agreement with the commission within the state of New Hampshire.

(e) “Award” means scholarships granted to eligible students as specified in Csp 702.

(f) “Commission” means the New Hampshire college tuition savings plan advisory commission.

(g) “Cost of attendance” means the cost of education as determined by the institution under the provisions of the Higher Education Act of 1965, as amended.

(h) “Distribution formula” means the formula that is used by the commission to determine the amount of the institutional endowment allocation under this program as specified in Csp 702.01.

(i) “Eligible institution” means an institution which meets the specifications in Csp 701.04.

(j) “Eligible student” means a student qualified for an award under the New Hampshire UEAP program as specified in Csp 702.02(b).

(k) “Expected family contribution (EFC)” means the amount, determined by a formula established in 34 CFR 668.52, that a student and his or her spouse and family are expected to contribute toward the student’s cost of attendance.

(l) “Financial need” means the difference between a student’s cost of attendance and his or her EFC.

(m) “Fiscal year” means the state of New Hampshire’s fiscal year, July 1 through June 30.

(n) “Full time student” means an enrolled student as defined in 34 CFR 668.

(o) “Graduate student” means a student enrolled in a graduate course of study at an eligible institution.

(p) “Merit” means that in the judgment of the participating institution a student exhibits a high level of achievement in at least one of the following areas:

(1) Scholarship;

(2) Leadership; or

(3) Community service.

(q) “New Hampshire resident” means a resident of the state as defined by RSA 21:6.

(r) “Participating institution” means an eligible institution which has executed an endowment allocation agreement with the commission.

(s) “Part-time student” means a student enrolled in an eligible institution and carrying an academic workload that amounts to at least one-half the workload of a full-time student as determined by the institution.

(t) “Satisfactory academic progress” means the written standards of an eligible institution that a student is required to meet in order to be eligible to receive federal student aid.

(u) “Undergraduate student” means a student enrolled in an undergraduate course of study at a participating institution who:

(1) Is in an undergraduate course of study which usually does not exceed 4 academic years, or is enrolled in a 4 to 5 academic year program designed to lead to a first degree; or

(2) Is a student enrolled in a program of any other length is considered an undergraduate student for only the first 4 academic years of that program.

Csp 701.03 Institutional Application.

(a) Each institutional applicant seeking to participate in the UEAP shall complete and execute an endowment allocation agreement;

(b) The institutional applicant shall supply the following information on the allocation agreement:

(1) The name and address of the institution; and

(2) The name and title of the institution’s authorized official.

(c) The institution’s authorized official shall sign and date the endowment allocation agreement;

(d) The institution shall also submit:

(1) A current certificate of good standing issued by the New Hampshire secretary of state;

(2) A certificate of authority stating who is authorized to sign on behalf of the institution;

(3) A letter of exemption under section 501(c) of the U.S. Internal Revenue Code; and

(4) A letter confirming accreditation by the New England Association of Schools and Colleges (NEASC).

Csp 701.04 Institutional Eligibility. An eligible institution under this program shall:

(a) Be approved, chartered or licensed by the state to provide an education degree program at a minimum at the undergraduate level;

(b) Have its main campus within the boundaries of the state of New Hampshire;

(c) Be a public or private not-for-profit institution;

- (d) Be accredited by NEASC;
- (e) Meet all the rules of eligibility as regards an institution of higher education under federal regulations under 34 CFR 600;
- (f) Submit annually by June 1, a letter to the commission certifying that the institution remains in compliance with the eligibility requirements of Csp 701.04(a)-(e) and current documentation included in Csp 701.03(d)(1)-(4);
- (g) Make available to the commission annually, by November 1st, the number of full-time and part-time New Hampshire residents who are enrolled in the institution; and
- (h) Report on the status of the UEAP as provided in Csp 701.05(e).

Csp 701.05 Conditions of Allocations to Institutions.

- (a) Allocations to institutions under the UEAP shall be made only to eligible institutions within the state which shall have executed an endowment allocation agreement with the commission and provided a certificate of good standing and certificate of authority.
- (b) The commission shall make funds available to the participating institutions based upon the endowment distribution formula as described in Csp 702.01.
- (c) The participating institution shall invest the allocated funds in a restricted endowment, the earnings from which shall be used exclusively to provide awards to eligible students, and such funds shall not be used to defray any costs incurred in connection with the administration of the UEAP or any other program;
- (d) The grantee shall distribute such awards to eligible students at an amount at least equal to 4% of the restricted endowment account balance annually, subject to RSA 292-B, Uniform Prudent Management of Institutional Funds Act (UPMIFA) or other regulatory restrictions.
- (e) Participating institutions shall provide annually, by October 15 following the end of the fiscal year for which an allocation has been distributed, a report on the status of the UEAP.
- (f) The report shall include the following:

- (1) The name and address of the institution;
- (2) The name of the authorized official;
- (3) The dollar value of the restricted endowment as of June 30 of the prior year;
- (4) The dollar value of the restricted endowment as of June 30 of the current year;
- (5) The number, range and mean of the awards for the previous fiscal year;
- (6) The total dollars awarded for the previous fiscal year; and
- (7) Name *and state of residency* of recipients and their EFC.

PART Csp 702 ALLOCATION PROCEDURES

Csp 702.01 Allocations to Participating Institutions.

(a) The commission shall allocate funds to participating institutions based on the endowment distribution formula, which shall be recalculated each November and used to determine the institutional endowment allocations for the subsequent fiscal year. The initial allocations shall be made on the basis of November 2004 information, as defined in Csp 702.01(e) and shall apply to the fiscal year beginning July 1, 2005 for all institutions who have executed the endowment agreement by April 1, 2006;

(b) The *commission shall determine annually the* total amount available for endowment allocations to participating institutions *which shall be a percentage* ~~80%~~ of gross proceeds from assessments collected pursuant to Csp 303.05.

(c) The commission shall set a percentage to maximize the number of scholarships for New Hampshire students by applying the following factors;

(1) Annual assessments collected;

(2) Projected cost of operating the UNIQUE Annual Allocation Program and Governor's Scholarship Program as set forth in Csp 600 and Csp 400, respectively; and

(3) The cumulative balance of the restricted endowments of institutions participating in the UEAP.

~~(d)~~ (d) Institutional allocations shall be made on a monthly basis with the funds available from the previous month to be allocated no later than 15 days into the subsequent month;

~~(e)~~ (e) The endowment distribution formula shall be based upon the total full-time equivalent (FTE) undergraduate enrollment of New Hampshire residents and a cost factor based upon the full-time undergraduate tuition and mandatory fees charged to New Hampshire residents; and

~~(f)~~ (f) The endowment distribution formula shall be determined and applied in the following manner:

(1) Enrollment numbers provided by each participating institution annually on or before November 1st, as required by Csp 701.04 (g), and the tuition and fees submitted by the institution, as required by the U.S. Department of Education, on the Integrated Postsecondary Education Data System (IPEDS) institutional characteristics survey, 20 U.S.C. 1094, section 487 (a) (17), shall be used in the distribution formula;

(2) Total FTE undergraduate New Hampshire resident enrollment shall be calculated by adding the full-time undergraduate New Hampshire resident enrollment to the part-time FTE undergraduate New Hampshire resident enrollment. The part-time enrollment figure shall be multiplied by a factor used by the U.S. Department of Education's National Center for Educational Statistics (NCES), as defined by the glossary for the IPEDS surveys to compute the FTE for the part-time enrollment figure;

(3) This cost factor shall be computed by adding the value of the institution's tuition for full-time undergraduate New Hampshire residents to the value of the mandatory fees charged to full-time undergraduate New Hampshire residents;

(4) The cost ratio for each institution shall then be calculated by assigning a cost ratio value of 1.0 to the institution having the lowest cost factor and then dividing the cost factor at all other participating institutions by the cost factor of this institution to yield a value above 1.0

for all other institutions. Regardless of the computed cost ratio for a given institution, the cost ratio used in the distribution formula shall be capped at 3.0;

(5) The participating institution's annual endowment distribution percentage shall be determined by dividing the product of the institution's total FTE undergraduate New Hampshire enrollment and its cost ratio by the sum of the products of all the participating institutions; and

(6) Each participating institution's endowment allocation shall be equal to its annual endowment distribution percentage multiplied times the proceeds available for distribution.

Csp 702.02 Awards to Individual Students.

(a) Awards to students made under this program shall be designated as UNIQUE endowment scholarships.

(b) Participating institutions shall select individual New Hampshire residents for the UNIQUE endowment scholarship who are enrolled either full-time or part-time in undergraduate or graduate programs; and

(c) The following criteria shall be applied by the participating institutions in making awards:

(1) Individual awards shall be a minimum of \$1,000;

(2) Individual awards by participating institutions shall only be made to an undergraduate and graduate student who has an EFC equivalent to that which would make the student eligible to receive a federal Pell grant;

(3) Recipients of individual awards shall be making satisfactory academic progress;

(4) Recipients of individual awards shall be an academically qualified student in good academic standing;

(5) Recipients shall be residents of New Hampshire as specified under Csp 703; and

(6) The maximum individual award shall not exceed the cost of education.

PART Csp 703 RESIDENCY REQUIREMENTS

Csp 703.01 Definitions.

(a) "New Hampshire resident" means a student who is a resident as defined in Csp 701.02 (q).

(b) "Parent" means a person's:

(1) Father or mother;

(2) If one parent has custody of an unemancipated person, the parent having custody; or

(3) A guardian or legal custodian provided that there are no circumstances indicating that such guardianship or custodianship was created primarily for the purpose of conferring the status of an in-state student on such unemancipated person.

(c) "Residence" means a place of abode or domicile as defined in RSA 21:6-a.

Csp 703.02 Eligibility.

(a) A student shall be eligible classified for purposes of the New Hampshire UEAP if he or she has been a resident of the state for 12 consecutive months immediately preceding the term for which in-state status is awarded.

(b) No person shall be eligible for in-state status unless his or her residence in New Hampshire is for some purpose other than the temporary or primary one of obtaining an education.

(c) In all cases of application for in-state status for UEAP purposes, the burden of proof shall be on the applicant.

(d) No unemancipated person shall be eligible for in-state status unless his or her parents have established a domicile in this state.

Csp 703.03 Domicile Determination.

(a) All evidence relevant to determining domicile shall be considered.

(b) The following shall be indicia of domicile in New Hampshire or outside of New Hampshire, but shall not be exclusive, and the applicant may submit other evidence:

- (1) Payment or non-payment of any tax levied by the state or any political subdivision on persons resident or domiciled therein;
- (2) Residence reported on any federal or state tax return;
- (3) Registration of one's automobile;
- (4) State issuing one's driver's license;
- (5) Receipt of support in whole or in part from parents who are domiciled outside the state of New Hampshire;
- (6) Voting residence;
- (7) Claim by any non-resident parent that the applicant is a dependent for tax or any other financial purposes;
- (8) The filing of any claim for benefits under any policy of insurance or any federal, state, or local benefit legislation based on domicile outside the state of New Hampshire; and
- (9) Status in some other state which would qualify a person for in-state tuition in that state.

Csp 703.04 Emancipation Determination.

(a) The following shall be indicia of emancipation, but shall not be exclusive, and an applicant may submit other evidence:

- (1) Lack of financial support of the student by the parent;
- (2) Lack of contribution to the parent of any earnings or other income received by the student;

- (3) Failure of the parent to claim the student as a dependent on the parent's income or other tax returns;
- (4) Establishment by the student of a domicile separate and apart from that of the parent; and
- (5) Failure of the student to return to the home of the parent during vacations.

Csp 703.05 Appeal of Residency Determination. Any appeal of the determination of residency shall be made to the institution and shall be adjudicated by the institution's published appeal process.

APPENDIX

RULE	STATE OR FEDERAL STATUTE IMPLEMENTED
Csp 301	RSA 195-H:4, IV
Csp 302.01	RSA 195-H:4, I (b) and 26 U.S.C. §529(b)(3)
Csp 302.02	RSA 195-H:4, III and 26 U.S.C. §529(b)(2)
Csp 302.03	26 U.S.C. §529(b)(6)
Csp 302.04	26 U.S.C. §529(b)(4)
Csp 302.05	26 U.S.C. §529(b)(5)
Csp 302.06	26 U.S.C. §529(c)(3)(C)
Csp 302.07	RSA 195-H:2, I (a)
Csp 303.01	RSA 195-H:4, IV
Csp 303.02	26 U.S.C. §529(c)(3)(D)(i)
Csp 303.03	RSA 195-H:4, I (b)
Csp 303.04	RSA 195-H:4, I (b) (1) and 26 U.S.C. §529(b)(3)
Csp 303.05	RSA 6:38, I
Csp 303.06	26 U.S.C. §529(c)(3)
Csp 303.07	26 U.S.C. §529(b)(1)
Csp 304.01	RSA 195-H:4, IV
Csp 304.02	RSA 195-H:3, I
Csp 304.03	RSA 195-H:4, I (a) and (b)
Csp 304.04	RSA 195-H:2, VI (a)
Csp 304.05	RSA 195-H:2, VI, (b) (2)
Csp 304.06	RSA 91-A:5 IV
Csp 304.07	RSA 471-C
Csp 304.08	RSA 195-H:2, IV
Csp 400	RSA 195-H:11-14
Csp 701.01	RSA 6:37 through RSA 6:43
Csp 701.02	RSA 6:37 through RSA 6:43
Csp 701.03	RSA 6:39, IV and RSA 6:40, II, IV, V
Csp 701.04	RSA 6:39, IV and RSA 6:40, II, IV, V
Csp 701.05	RSA 6:39, IV and RSA 6:40, II, IV, V
Csp 702.01	RSA 6:39, IV and RSA 6:40, II, IV, V
Csp 702.02	RSA 6:40, II, III and RSA 6:41
Csp 703.01	RSA 6:40, I and RSA 6:41, I
Csp 703.02	RSA 6:40, I and RSA 6:41, I

Csp 703.03	RSA 6:40, I and RSA 6:41, I
Csp 703.04	RSA 6:40, I and RSA 6:41, I
Csp 703.05	RSA 6:40, I and RSA 6:41, I