

Revised 10/09

Procedures Manual



Helping Students Pay for College

Tuition Incentive Program

Office of Scholarships and Grants
Student Financial Services Bureau
Michigan Department of Treasury

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A. PROGRAM SUMMARY

TIP

Program Title	Tuition Incentive Program (TIP)
Enabling Legislation	Annual Higher Education Appropriations Act
Administrative Rules	In lieu of Administrative Rules, refer to this Administrative Procedures Manual.
Purpose	The Tuition Incentive Program (TIP) is an incentive program that encourages eligible students to complete high school by providing tuition assistance for the first two years of college and beyond. Students must be enrolled in courses leading to an associate degree or certificate. Certificate courses are defined as “at least a one-year training program that leads to a certificate (or other recognized educational credential), which prepares students for gainful employment in a recognized occupation.” Certificate must be issued by a degree-granting institution and must be credit hour based or clock hours converted to credit hours.
Funding Source	Michigan Merit Award Trust Fund Payments are based on funding level availability
Administrative Office	Office of Scholarships and Grants Student Financial Services Bureau Michigan Department of Treasury P.O. Box 30462 Lansing, Michigan 48909-7962 Toll-free number: 888-447-2687 Fax numbers: 517-241-5835 e-mail address: welchk1@michigan.gov Web site address: www.michigan.gov/osg

B. PROGRAM ADMINISTRATION

TIP

Institutional Eligibility

Institution must be a Michigan college that participates in either Phase I or Phase II, which includes:

- Community colleges
- Public universities
- Independent, degree-granting colleges or universities
- Federal tribally controlled community colleges
- Focus: HOPE

Michigan Department of Treasury (Treasury) Responsibilities

Develop forms and procedures for applicants and colleges.

Publicize and promote program.

Identify financially eligible students from Department of Human Services (DHS) records and send out applications to identified students every six months.

Process student applications.

Notify eligible students of their financial eligibility and provide information on eligibility criteria.

Reimburse higher education institutions for eligible students' tuition and mandatory fees.

Collect refunds of grant funds if required.

Provide technical assistance to colleges.

Monitor program expenditures.

Report year-end data.

Institutional Responsibilities

Verify that the student is a high school graduate or has GED. A student has until August 31 of the academic year in which his/her class graduates.

Verify student eligibility for Phase I (enrolled in an associate degree program or certificate course) and for Phase II (enrolled in a bachelor's degree program). All programs must be credit-based.

A non-credit course at an approved institution can be paid **only** if the course is defined in the institution's course catalog as a requirement for completion of the program.

B. PROGRAM ADMINISTRATION (Continued)

TIP

Institutional Responsibilities (Continued)

Determine award amount based on credit hours and tuition rate. Calculate billing amount by multiplying the number of billable credit hours by the actual tuition rate per credit hour.

Example: 12 credit hours x \$80 per credit hour = \$960

Submit payment reimbursement forms to Office of Scholarships and Grants.

Apply funds to students' accounts.

Notify Office of Scholarships and Grants of any changes in students' academic eligibility.

Identify the program on communications to the student.

Reconcile year-end data with Office of Scholarships and Grants. If refund owed, return funds to Treasury, OSG, by the end of the fiscal year (September 30). See page 11 for mailing instructions.

Supply other related data as requested for accounting or statistical reports.

Institutional Records Retention

All program records must be held in the financial aid office files and made available for audit purposes upon request.

Program records are to be retained in accordance with federal Title IV student aid requirements: a minimum of three (3) years from the date the college reconciled year-end funds with Department of Treasury/Office of Scholarships and Grants.

C. CAMPUS PAYMENTS

TIP

Billing Process

Institutions may submit one reimbursement request per quarter (of the State's fiscal year) according to the following schedule:

<u>Quarter</u>	<u>Deadline</u>	<u>No Payments After</u>
First	November 1	November 15
Second	February 15	February 28
Third	May 1	May 15
Fourth	August 1	August 15

Institutions must complete the TIP reimbursement request forms available at www.michigan.gov/osg by the deadline date.

Institutions may submit reimbursement requests only AFTER each semester or term refund period.

Late submissions are subject to available and approved funding.

Payment Process

Payments are disbursed quarterly.

Payments are authorized by and issued from Treasury/Office of Scholarships and Grants.

D. STUDENT ELIGIBILITY

TIP

Individual

Citizenship

The student must be a U.S. citizen, a U.S. national, or a U.S. permanent resident who has an I-551 or I-551C. Or, the student must hold an Arrival-Departure Record (I-94) from the U.S. Department of Homeland Security (DHS) showing one of the following designations: “Refugee,” “Asylum Granted,” “Parolee,” “Victim of human trafficking,” T-Visa holder (T-1, T-2, T-3, etc.), or “Cuban-Haitian Entrant.”

Residency

The student must be a Michigan resident as determined by institutional criteria.

High School Diploma

The student must have received a high school diploma or GED certificate. A home-schooled student may be eligible if the college accepts the home-school documents.

Age Requirement

The student must have been less than 20 years of age at the time of high school graduation or GED completion.

Completion is defined as the date the student completed all course work or passed the GED test rather than the date the student received the diploma or the date the Michigan Department of Education (MDE) issued the certificate.

TIP eligibility ends ten (10) years from the date of high school graduation or GED completion.

Loan Default

An award is prohibited to any student who has defaulted on a loan guaranteed by the Authority, or any federal Title IV or Title V loan unless he/she has made satisfactory arrangements to repay the loan.

For program eligibility, satisfactory loan repayment requirements are the same as those set forth under federal student financial aid program policies. Current or retroactive reinstatement of an award depends on the availability of funds at the college.

Selective Service

Registration with Selective Service is not a requirement for this program.

Incarceration/Felony Conviction

Incarcerated students are eligible to receive consideration in the program. Students must be enrolled at least half time (minimum 6 hours).

Illegal Drug Offenses

Student eligibility for this program is not affected by the conviction for illegal drugs.

Financial Eligibility

There are no financial need requirements for students who have been identified by Treasury/Office of Scholarships and Grants.

Academic Eligibility

Test Requirements

There are no test requirements for the Tuition Incentive Program.

Enrollment

The student must initiate enrollment within four (4) years of high school graduation or GED completion. This can be no later than the fall semester of that fourth academic year. All benefits must be used within ten (10) years of high school graduation or GED completion.

Example:

Student graduates in June 2007 and has until academic year 2010-2011 before he/she reaches the four-year mark. This student has until fall of the next academic year to initiate enrollment. So the student can enroll no later than the fall of academic year 2011-2012 to initiate benefits. A student who initiates enrollment in winter of the academic year is too late and is no longer eligible. If the student enrolls on time, TIP eligibility will end in academic year 2016-2017.

The student must be enrolled at least half time at the 50% drop/add time (as determined by institutional policy).

D. STUDENT ELIGIBILITY (Continued)

TIP

Academic Eligibility (continued)

Enrollment (continued)

PHASE I:

Students must be enrolled in an associate degree or certificate program. If a student receives an associate degree and has fewer than 80 credits, the student can enroll in a second associate degree program until the maximum of 80 credits has been used, **as long as Phase II has not been initiated.**

Students are limited to using no more than 24 semester or 36 term credits in one academic year.

PHASE II:

Students must be enrolled in a bachelor's degree program. They must have either one of the following:

- 56 transferable semester or 84 transferable term credits. Any credit that would apply toward pursuit of a bachelor's degree at your institution. This includes credits earned at another institution to be transferred in and/or credits earned at your own institution.
- An associate degree or certificate.

Phase II coursework must be completed within 30 months of completion of Phase I requirements. A student does not have to receive Phase I payments in order to qualify for Phase II.

A student can study abroad and use TIP funds if the Michigan institution is being paid the tuition. The course work does not have to be required.

A student can be considered a guest student at another institution as long as the student is enrolled at least half time. The guest school will be reimbursed at the first institution's tuition rate.

If one institution has a consortium agreement with another institution, the reimbursement rate for credits at the second institution will be at the first institution's rate.

M-Tech Centers are not considered eligible institutions unless the institution offers certificate or degree programs at the M-Tech Center and the student is enrolled in one of those programs. The student must also be eligible for Title IV federal aid programs.

A non-credit course at an approved institution can be paid **only** if the course is defined in the institution's course catalog as a requirement for completion of the program.

D. STUDENT ELIGIBILITY (Continued)

TIP

Academic Eligibility (continued)

Grade Point Average (GPA)

This program does not include a GPA requirement.

Satisfactory Academic Progress (SAP)

The student must be in compliance with the college's SAP standard.

If a student is enrolled during drop/add period but never attends class(es), the institution is entitled to keep funds for costs incurred. Student would not be eligible next semester/term because of SAP.

Application/Certification

Only students who have (or have had) Medicaid coverage for 24 months within 36 consecutive months are eligible to apply. The Department of Human Services (DHS) identifies students as early as the sixth grade. Determinations of eligible applicants are made every six months. Treasury sends an application to the student who has been identified as eligible by DHS.

To confirm eligibility, the student must return the application to OSG no later than August 31 of the academic year in which his/her class graduates.

Upon receipt of the application, OSG will send a letter of eligibility to the student, who must submit the letter to the college financial aid office.

Institutions should accept this eligibility letter as verification of financial eligibility for the program.

Renewal

The college continues to bill OSG for all eligible students. The OSG payment rosters include a column that indicates the number of credit hours each student has left in the active phase of the program.

Appeal Process

The college should direct students wanting to appeal an eligibility determination to address their inquiries to the Office of Scholarships and Grants.

Students wishing to appeal their academic standing (SAP) should follow the procedures of their institution.

Award Limits

Phase I Award Amounts

Community College:

Current in-district tuition and mandatory fees (does not include college admission, on-line, or course-specific fees). For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized. School determines in-district/out-of-district students.

A map of community college districts appears on page 12.

Public University:

Lower level public university resident tuition and mandatory fees (does not include college admission, on-line, or course-specific fees) for the current year.

Independent, degree-granting colleges or universities or Michigan federal tribally controlled community college or

Focus: HOPE:

A per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported on August 1 for the previous academic year.

Treasury will calculate the average rate each year and notify all applicable institutions of the amount.

Phase II Award Amounts

Tuition and fees not to exceed \$500 per semester or \$400 per term up to a maximum of \$2,000 for credits earned in a four-year program at a Michigan degree-granting college or university.

Coursework must be completed within 30 months of completion of Phase I requirements.

E. AWARD COMPUTATION (continued)

TIP

Award Limits (continued) Mandatory Fees

Fees cannot exceed \$250 per semester or term and are defined as “only those fees that are charged to all students across-the-board as a requirement for enrollment at the institution.” Some examples would be a student activity fee or a registration fee. **No course-specific, contact hours, lab, on-line, or college admissions fees will be covered.**

Beginning Winter 2009 semester/term, ONLY registration fees, student activity fees, and technology fees will be allow.

Example:

Student is taking 12 credits and has eligible mandatory fees associated with those credits but due to the 24/36 credits per academic year rule, has only 6 billable credits left for the year. The program will pay for the mandatory fees associated with the total credits taken, up to \$250 per semester/term.

Institutions cannot bill as a fee the tuition costs for students who have received payment for the maximum 24/36 credits for the academic year.

Institutions must complete the Request for Reimbursement Tuition Incentive Program form and submit to the Office of Scholarships and Grants to receive payment. Request for Reimbursement is attached on page 14.

Credit Hour Limit

TIP benefits cannot exceed 80 semester or 120 term credits (24 semester or 36 term credits per academic year). No contact hours will be covered.

Example:

Classes	Credit Hrs.	Contact Hrs.	Lab Fees	Total
Math 101	3	3	0	\$285
Chemistry 101	4	6	\$30	\$600
		9		
		contact hours		
		x \$95 each (includes		
		technology fee)		
		= \$855	\$30	\$885
			Registration Fee	\$25
			Total	\$910

The OSG payment rosters include a column that indicates the number of credit hours each student has left in the active phase of the program.

E. AWARD COMPUTATION (continued)

TIP

Converting Clock Hours Certificate programs based on clock hours **must be converted** to credit hours when billing TIP.

Number of clock hours in the program

30

= equivalent semester or term credits

Packaging Each institution shall ensure that all known available restricted grants for tuition and fees (**including Michigan Competitive Scholarship**) are used **prior** to billing the Tuition Incentive Program for any portion of a student's tuition and fees.

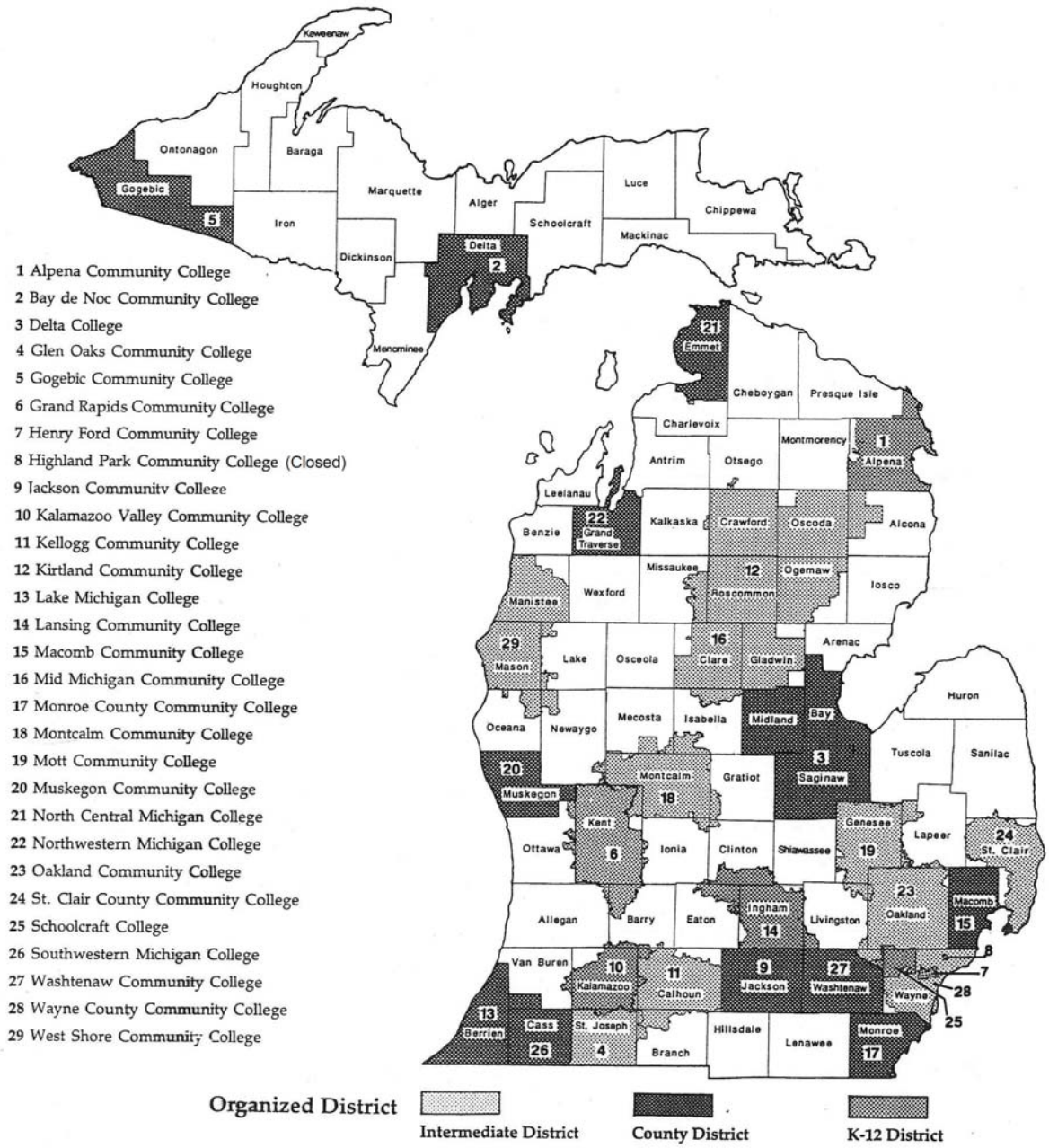
Disbursement Procedures Payment should be credited to the student's account unless the student has already satisfied financial obligations to the college; in such cases, all or part of the award may be paid directly to the student.

Within the parameters of the student's enrollment status and other tuition-specific aid, division of the total award amount for the academic year may be divided among terms/semesters at the discretion of the financial aid officer.

Refunds Final eligibility for payment within an enrollment period depends on the student's status at the end of the refund period.

Refund payments must include the name of the program, the name of the student(s), and a check payable to the "State of Michigan." **Please note: Payments are sent to a special box number of P.O. Box 30782.** Payments must be mailed to the Michigan Department of Treasury, Office of Scholarship and Grants, P.O. Box 30782, Lansing, MI 48909.

MICHIGAN COMMUNITY COLLEGES



- 1 Alpena Community College
- 2 Bay de Noc Community College
- 3 Delta College
- 4 Glen Oaks Community College
- 5 Gogebic Community College
- 6 Grand Rapids Community College
- 7 Henry Ford Community College
- 8 Highland Park Community College (Closed)
- 9 Jackson Community College
- 10 Kalamazoo Valley Community College
- 11 Kellogg Community College
- 12 Kirtland Community College
- 13 Lake Michigan College
- 14 Lansing Community College
- 15 Macomb Community College
- 16 Mid Michigan Community College
- 17 Monroe Community College
- 18 Montcalm Community College
- 19 Mott Community College
- 20 Muskegon Community College
- 21 North Central Michigan College
- 22 Northwestern Michigan College
- 23 Oakland Community College
- 24 St. Clair County Community College
- 25 Schoolcraft College
- 26 Southwestern Michigan College
- 27 Washtenaw Community College
- 28 Wayne County Community College
- 29 West Shore Community College

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Michigan Community College Districts

1. **Alpena Community College:** Alpena Public School District
2. **Bay de Noc Community College:** Delta County
3. **Delta College:** Bay, Midland and Saginaw Counties
4. **Glen Oaks Community College:** St. Joseph County
5. **Gogebic Community College:** Gogebic County
6. **Grand Rapids Community College:** Kent Intermediate School District
7. **Henry Ford Community College:** Dearborn School District
8. **Highland Park Community College:** *CLOSED*
9. **Jackson Community College:** Jackson County, Albion, Chelsea, Grass Lake, Homer, Leslie, Manchester & Stockbridge School Districts
10. **Kalamazoo Valley Community College:** Climax & Scotts, Comstock, Galesburg-Augusta, Gull Lake, Kalamazoo, Mattawan, Parchment, Portage, and Schoolcraft/Vicksburg School Districts
11. **Kellogg Community College:** Calhoun, Barry, Branch, Hillsdale, Kalamazoo and St. Joseph School Districts
12. **Kirtland Community College:** Crawford Ausable, Fairview Area, Gerris-Higgins, Houghton Lake, Mio-Ausable & West Branch-Rose City School Districts
13. **Lake Michigan College:** Berrien County, Covert Township in VanBuren County and South Haven School District
14. **Lansing Community College:** Bath, Dansville, Dewitt, East Lansing, Grand Ledge, Haslett, Holt, Lansing, Mason, Okemos, Stockbridge, Waverly, Webberville and Williamston School Districts
15. **Macomb Community College:** Macomb County
16. **Mid Michigan Community College:** Gladwin and Clare County
17. **Monroe County Community College:** Monroe County
18. **Montcalm Community College:** Carson City-Crystal, Central Montcalm, Greenville, Lakeview, Montabella, Tri-County, Vestaburg School Districts
19. **Mott Community College:** Genesee County
20. **Muskegon Community College:** Muskegon County
21. **North Central Michigan College:** Petoskey
22. **Northwestern Michigan College:** Grand Traverse County
23. **Oakland Community College:** Oakland County
24. **St. Clair County Community College:** St. Clair except Crosswell-Lexington and Richmond School Districts
25. **Schoolcraft College:** Clarenceville, Garden City, Livonia, Northville, Plymouth-Canton, and part of Novi School Districts
26. **Southwestern Michigan College:** Cass County and Keeler and Hamilton Townships in VanBuren County
27. **Washtenaw Community College:** Washtenaw County
28. **Wayne County Community College:** Wayne County
29. **West Shore Community College:** Manistee, Mason, Lake, Oceana and Newaygo Counties