

TITLE 5 POST-SECONDARY EDUCATION
CHAPTER 7 TUITION AND FINANCIAL AID
PART 8 NEW MEXICO STUDENT INCENTIVE GRANT (NMSIG) PROGRAM

5.7.8.1 ISSUING AGENCY: State of New Mexico Higher Education Department
[7/15/98; 5.7.8.1 NMAC - Rn & A, 5 NMAC 7.8.1, 8/30/2007]

5.7.8.2 SCOPE: Provisions for 5.7.8 NMAC apply to the higher education department and any public or private non-profit post-secondary institution in New Mexico.
[7/15/98; 5.7.8.2 NMAC - Rn & A, 5 NMAC 7.8.2, 8/30/2007]

5.7.8.3 STATUTORY AUTHORITY: Title IV, Part 692, Subparts A and B, HEA of 1965 as amended.
[7/15/98; 5.7.8.3 NMAC - Rn & A, 5 NMAC 7.8.3, 8/30/2007]

5.7.8.4 DURATION: Permanent.
[7/15/98; 5.7.8.4 NMAC - Rn, 5 NMAC 7.8.4, 8/30/2007]

5.7.8.5 EFFECTIVE DATE: July 15, 1998.
[7/15/98; 5.7.8.5 NMAC - Rn, 5 NMAC 7.8.5, 8/30/2007]

5.7.8.6 OBJECTIVE: The objective and purpose of 5.7.8 NMAC is to provide aid for undergraduate students with substantial financial need who are attending public and selected private non-profit post-secondary institutions in New Mexico.

A. Title IV, Part 692, Subparts A and B, of the Higher Education Act of 1965, as amended, established the leveraging educational assistance partnership (LEAP) program to make federal funds available to the states for the establishment or expansion of grant programs for undergraduate students who are able to demonstrate substantial financial need.

B. Utilizing these funds, New Mexico can provide grants to qualified students of up to \$2,500 per academic year, including summer session enrollment. Recipients of such grants must be residents of New Mexico who exhibit substantial financial need. They must also be undergraduates enrolled at least half-time at accredited public and private non-profit post-secondary institutions within the state.

C. To obtain the LEAP funds, New Mexico has designated the higher education department as the "single state agency" to administer the program under Title IV, Part 692, Subparts A and B, of the Higher Education Act of 1965, as amended.

[7/15/98; A, 6/30/99; 5.7.8.6 NMAC - Rn & A, 5 NMAC 7.8.6, 8/30/2007]

5.7.8.7 DEFINITIONS:

A. **"Academic year"** means any consecutive period of two semesters, three quarters or other comparable units commencing with the fall term each year.

B. **"Act"** means the Higher Education Act of 1965, as amended.

C. **"Department"** means the higher education department.

D. **"Cost of education"** means the cost of attending an institution as defined by the institution and approved by the state agency.

E. **"Expected family contribution"** is defined and calculated according to a formula established by federal law.

F. **"Full-time student"** means a student carrying a full-time academic workload, other than by correspondence, as measured by both of the following:

(1) coursework or other required activities, as determined by the institution that the student attends or by the state;

(2) the tuition and fees normally charged for full-time study by that institution.

G. **"Half-time student"** means an enrolled student who is carrying a half-time academic work load as determined by the institution according to its own standards and practices. However, the institution's half-time standards must equal or exceed the equivalent of the following minimum requirements:

(1) 6 semester hours or 6 quarter hours per academic term in an institution using standard semester, trimester or quarter system;

(2) 12 semester hours of 18 quarter hours per academic year for an institution using standard credit hours to measure progress, but not using a standard semester, trimester or quarter system, or the prorated equivalent for a program of less than 1 year;

(3) 12 clock hours per week for an institution using clock hours.

H. **“National of the United States”** means a citizen of the United States, or a person who is an eligible non-citizen.

I. **“State”** means New Mexico.

J. **“Substantial financial need”** is defined as the relative need, as measured by cost of attendance minus available resources.

K. **“Undergraduate student”** means a student who:

(1) is in attendance at an institution of higher education; and

(2) has not earned his or her first baccalaureate degree.

[7/15/98; 5.7.8.7 NMAC - Rn & A, 5 NMAC 7.8.7, 8/30/2007]

5.7.8.8 ADMINISTRATION OF THE PROGRAM:

A. The program shall be called the New Mexico student incentive grant program (NMSIG).

B. The department provides that such grants will not be in excess of \$2,500 per academic year for attendance on a full-time basis at approved post-secondary institutions as designated by the state;

C. The program shall be administered by the department staff under regulations adopted by the department.

D. The primary responsibility of the department is to provide for the equitable distribution of available funds.

E. The department shall request annually the total amount of funds available to the state from the federal program.

F. The department shall maintain files and review participating institutions' records to assure that federal and state laws and regulations are followed.

G. The department shall request the total federal funds available to New Mexico for each fiscal year be reserved to be matched by an equal amount of state funds.

H. The department as the designated state agency will provide decentralized administration of the New Mexico student incentive grant program by allocating general funds and federal matching contributions to eligible institutions based on a need formula approved by the department.

I. The department shall submit to the U.S. department of education periodic fiscal and performance reports, based on data provided by the participating institutions.

J. Reallocation of unused New Mexico student incentive grant program funds: Any New Mexico student incentive grant program funds which have been allocated to an eligible participating institution and which cannot be used by that institution will be reallocated by the department. These unused funds will be reallocated in an equitable manner.

K. It is the responsibility of each institution to comply with all requirements of federal laws, rules and regulations of the LEAP program, in addition to the operating procedures contained herein.

L. If a student withdraws or drops below half-time student status and is entitled to a refund for any tuition, fee or other charges as determined by each institution's refund policy, the institution shall pay back to the NMSIG fund in the same ratio as the NMSIG has to the total aid awarded

M. The institutional financial aid officers will:

(1) determine whether or not the student meets the eligibility requirements for a New Mexico student incentive grant award;

(2) determine the financial need of the student;

(3) recommend the amount of the NMSIG awards;

(4) disburse the NMSIG award to the student in accordance with the established procedures of the department and the institution;

(5) maintain adequate fiscal control and accounting records in accordance with approved state and federal procedures; and

(6) provide to the department such financial and other information as may be required to meet federal reporting and auditing requirements.

[7/15/98; 5.7.8.8 NMAC - Rn & A, 5 NMAC 7.8.8 & 13, 8/30/2007]

5.7.8.9 [RESERVED]

[7/15/98; 5.7.8.9 NMAC - Rn, 5 NMAC 7.8.9, Repealed, 8/30/2007]

5.7.8.10 INSTITUTION ELIGIBILITY REQUIREMENTS: To participate in the New Mexico student incentive grant program, a New Mexico post-secondary educational institution must be a public or other nonprofit institution which:

A. admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, or persons who are beyond the age of compulsory school attendance and who have the ability to benefit from the training offered;

B. is legally authorized by the state of New Mexico to provide a program of education beyond secondary education;

C. provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit towards such a degree or provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation;

D. is accredited by a nationally recognized accrediting agency or association; and

E. is included in the current bureau of higher and continuing education accreditation list of institutions eligible for federal grants.

[7/15/98; 5.7.8.10 NMAC - Rn, 5 NMAC 7.8.10, 8/30/2007]

5.7.8.11 STUDENT ELIGIBILITY: To be eligible for a grant from the New Mexico student incentive grant program, a student must:

A. be a United States citizen or eligible non-citizen;

B. be a resident of the state of New Mexico as defined in 5.7.18.11 NMAC;

C. be enrolled or accepted for enrollment at least as a half-time undergraduate level student at a New Mexico post-secondary educational institution which has met the institutional eligibility requirements in 5.7.8.10 NMAC;

D. complete the free application for federal student aid (FAFSA) or other financial aid applications that may be required at an eligible institution;

E. have a substantial financial need;

F. maintain satisfactory progress;

G. not owe a refund on a grant overpayment under the Pell grant or supplemental educational opportunity grant programs; if a student owes a refund on a LEAP overpayment, the student is still eligible to receive additional federal student aid (FSA) funds as long as he or she meets all other eligibility requirements and as long as the school can eliminate the overpayment by adjusting financial aid payments (other than federal Pell grants) in the same award period in which the overpayment occurred;

H. not be in default on a loan made by the institution under the national defense/direct student loan programs unless the student has made arrangements satisfactory to the institution to repay the loan;

I. not be in default on a loan insured under the guaranteed student loan or the parent loans for undergraduate students (PLUS) program unless the secretary or a guarantee agency determines that the student has made satisfactory arrangements to repay the loan.

[7/15/98; 5.7.8.11 NMAC - Rn & A, 5 NMAC 7.8.11, 8/30/2007]

5.7.8.12 [RESERVED]

[7/15/98; 5.7.8.12 NMAC - Rn, 5 NMAC 7.8.12, Repealed, 8/30/2007]

5.7.8.13 [RESERVED]

[7/15/98; 5.7.8.13 NMAC - Rn, 5 NMAC 7.8.13, Repealed, 8/30/2007]

HISTORY OF 5.7.8 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the State Records Center and Archives under:

BEF Rule 840, State Student Incentive Grant (SSIG) Program, Administrative Regulations, 2/27/85.

BEF Rule 840, State Student Incentive Grant (SSIG) Program, Administrative Regulations, 7/3/85.

History of Repealed Material: [RESERVED]