

**CHAPTER 5 RULES
ADMINISTRATIVE FUNCTIONS**

Section 1. Authority.

Wyoming Statute 21-18-202(c), (d) and (h), 21-18-203(a), 21-18-205(b), (c) and (e), and 21-18-225.

Section 2. Purpose.

This chapter governs the Commission's administrative functions.

Section 3. Creating and Maintaining a Funding Allocation Model.

(a) Wyoming Statute 21-18-205 created a statewide community college system operations funding mechanism based upon a statewide community college system strategic planning process attaching funding to state interests.

(i) The basis for fiscal-year 2017 and fiscal-year 2018 funding shall be the sum of:

(A) The 2015-2016 biennial budget appropriation for state aid to community colleges, adjusted by:

(I) Subtraction of the portion of the budget appropriation restricted to reimbursement of community college increased retirement contributions (unless appropriated separately by the legislature); and

(II) Recapture and redistribution of state aid as calculated in July 2015.

(B) Any adjustments to base made by the Budget Division of the Department of Administration and Information.

(C) Community college district revenue, which is defined to include:

(I) Actual 4-mill revenue for fiscal-year 2015, and 99 percent of 4-mill revenue calculated against the 2015 certified assessment;

(II) Two times the amount of actual motor vehicle registration revenue for fiscal-year 2015; and

(III) Two times the amount of actual other revenue for fiscal-year 2015.

(ii) For each community college, the sum of the adjusted 2015-2016 biennial budget appropriation for state aid, net Budget Division adjustments to base, and the community college district revenue shall be divided by two to establish annual college-specific base funding amounts.

(iii) The annual college-specific base funding amounts shall be separated into fixed cost and variable cost portions that must be recalculated at least once every four years, based upon the following definitions of these costs, and the following procedures for determining the college-specific costs:

(A) Definitions of fixed and variable costs:

(I) Fixed costs include mandatory transfers and those operating costs that do not vary with enrollment. Such costs include the majority of administrative costs as well as operating costs related to facilities (e.g., utilities, maintenance and small repairs). Fixed costs include all or a substantial portion of costs classified as plant operation and maintenance, institutional support, academic support and student services. Also included in fixed costs is a relatively smaller portion of instructional costs representing costs for academic administrators, faculty (i.e., those with tenure or on continuing contracts) and related operating costs.

(II) Variable costs are those operating costs that vary proportionally with enrollment or represent step-variable costs. Step-variable costs increase or decrease based on enrollment fluctuation but not necessarily proportionally. Instead, step-variable costs remain static for a range of enrollments and increase once the range is exceeded (or decrease when enrollment drops below the range). The step-variable costs remain static above the range until the next level of enrollment is reached (or vice versa in the case of enrollment declines). Variable costs include all or a substantial portion of operating costs classified as instruction, service and student financial aid. Additionally, variable costs include all operating costs for extension (remote) operations that lack permanent full-time administrative staff.

(B) Procedures for determining college-specific fixed and variable costs:

(I) The relevant costs for the calculation of college-specific fixed and variable costs are the Fund 10 costs, after excluding capital costs and non-mandatory transfers. The first step is to sort these costs, by location, into standard functional categories as follows: instruction; service; academic support; student services; institutional support; plant operations and maintenance; student financial aid; mandatory transfers; and extension operations. The definitions for these standard functional categories are provided in section 604.26 of the *Financial Accounting and Reporting Manual for Higher Education* published by the NACUBO, and they are the same definitions relied on by the U.S. Department of Education National Center for Education Statistics for use in the IPEDS.

(II) Once the costs are sorted by location, it is necessary to determine which locations will be treated as campus locations and which will be treated as extension (remote) locations. A campus location is one that incurs the full range of operating costs for academic and related purposes. An extension location is one that utilizes a more streamlined operation consisting almost exclusively of classroom instruction. The distinguishing characteristic of extension locations is the absence of permanent full-time administrative staff. The operating costs for extension locations are deemed to be fully variable while the operating costs for campuses vary by functional category.

(III) Campus location costs are sorted by function and summed to generate a total, by function, of each community college's campuses. The following standard

percentages are applied to the functional cost category totals to determine the portion of each function that is fixed or variable:

Instruction – 35 percent fixed and 65 percent variable;

Service – 0 percent fixed and 100 percent variable;

Academic support – 80 percent fixed and 20 percent variable;

Student services – 70 percent fixed and 30 percent variable;

Institutional support – 90 percent fixed and 10 percent variable;

Plant operations and maintenance – 95 percent fixed and 5 percent variable;

Student financial aid – 0 percent fixed and 100 percent variable;

Mandatory transfers – 100 percent fixed and 0 percent variable; and

Extension operations – 0 percent fixed and 100 percent variable.

(IV) The fixed amounts for each functional cost category are summed, producing the total fixed costs for the community college. The variable amounts for each functional cost category are summed and added to the total costs for all extension locations. This results in two totals - one for fixed costs and one for variable costs. These costs are summed to produce the total relevant costs for the community college.

(V) The final step is the calculation of the fixed and variable cost percentages. The total for the fixed costs is divided by the total costs for the community college to produce the fixed cost percentage. The total for the variable costs is divided by the total costs for the community college to produce the variable cost percentage.

(iv) The base period total weighted credit hours shall be the sum of the following:

(A) Academic years 2004 and 2005 Level One credit hours multiplied by a factor of 1.0;

(B) Academic years 2004 and 2005 Level Two credit hours multiplied by a factor of 1.5; and

(C) Academic years 2004 and 2005 Level Three credit hours multiplied by a factor of 2.0.

(v) The base period total weighted credit hours shall be divided by two to establish the base period system-wide average weighted credit hours.

(vi) The variable costs portion of the annual system-wide base funding amount shall be divided by the base period system-wide average weighted credit hours to establish the base period system-wide credit-hour revenue.

(A) The base period system-wide credit-hour revenue shall be multiplied by the percentage of the system-wide adjusted 2015-2016 biennial budget appropriation for state aid to the sum of this adjusted appropriation for state aid and the system-wide community college district local revenue. The product of this shall be the state-funded system-wide credit-hour revenue.

(vii) For each community college, the current biennial weighted credit hours shall be the sum of the following:

(A) Academic years 2014 and 2015 Level One credit hours multiplied by a factor of 1.0;

(B) Academic years 2014 and 2015 Level Two credit hours multiplied by a factor of 1.5; and

(C) Academic years 2014 and 2015 Level Three credit hours multiplied by a factor of 2.0.

(viii) For each community college, the current biennial weighted credit hours shall be divided by two to establish the current annual college-specific weighted credit hours.

(ix) For each community college, a successfully completed, weighted credit hour volume shall be calculated for each academic-year, beginning with academic-year 2015.

(A) Each year upon verification of the most recent successfully completed, weighted credit hour volumes, the percentage of the system-wide successfully completed, weighted credit hour volume shall be calculated.

(x) College-specific variable cost state funding shall be calculated as the sum of the following calculations:

(A) multiplying the base period college-specific average weighted credit hours by the base period system-wide credit-hour revenue, and then multiplying this product by the percentage of the community college's adjusted 2015-2016 biennial budget appropriation for state aid to the sum of this adjusted appropriation for state aid and its community college district revenue (to be distributed four times per year).

(I) For fiscal-year 2017, 25 percent of this variable cost state funding shall not be subject to recapture/redistribution, and shall be allocated among the colleges as follows:

(1.) Each community college's proportionate share of system-wide successfully completed, weighted credit hours for academic year 2015 shall establish the college's share, of 25 percent of variable cost funding.

(B) multiplying the difference between the current annual college-specific weighted credit hours and the base period college-specific average weighted credit hours (which represents enrollment growth to-date, and is recognized as variable cost state funding) by the state-funded system-wide credit hour revenue (to be distributed in full in July of even-numbered years).

(xi) For both fiscal-year 2017 and fiscal-year 2018, college-specific fixed cost state funding shall be calculated by multiplying the fixed cost portion of the annual college-specific base funding amounts by the percentage of the college's adjusted 2015-2016 biennial budget appropriation for state aid to the sum of this adjusted appropriation for state aid and its community college district revenue.

(xii) If the sum of system-wide variable cost state funding and system-wide fixed cost state funding exceeds the system-wide adjusted 2015-2016 biennial budget appropriation for state

aid, the difference shall be attributed to enrollment growth, and such difference can only be funded by means of an approved exception budget request.

(xiii) Amounts of the system-wide adjusted 2017-2018 biennial budget appropriation not distributed under the funding allocation model shall be distributed proportionately based on variable cost state funding for base period enrollment.

(xiv) For fiscal-year 2017 and/or fiscal-year 2018, external cost adjustments can be applied to variable cost state funding and/or fixed cost state funding. The external cost adjustment for variable cost state funding shall be based upon the most recent Employment Cost Index for post-secondary institutions available at the time of biennial and/or supplemental budget submission, published by the US Department of Labor – Bureau of Labor Statistics. The external cost adjustment for fixed cost state funding shall be based upon the most recent Consumer Price Index available at the time of biennial and/or supplemental budget submission, also published by the US Department of Labor – Bureau of Labor Statistics. The application of any external cost adjustment will necessarily increase the demand for state funding, and accordingly, any such increase can only be funded by means of an approved exception budget request.

(A) External cost adjustments can also be applied to state funding of Wyoming Public Television. However, given that enrollment is not a factor in Wyoming Public Television’s operations, the external cost adjustment shall be based solely upon the most recent Consumer Price Index available at the time of biennial and/or supplemental budget submission.

(xv) For fiscal-year 2017 and fiscal-year 2018, annual recapture and redistribution of state aid due to changes in local 4-mill revenue resulting from changes in assessed valuation identified in July or August of each year shall be distributed to the community colleges based on their proportionate share of the sum of the adjusted 2015-2016 biennial budget appropriation for state aid and the community college district revenue, as calculated in support of the 2017-2018 biennial budget request.

(xvi) A spreadsheet depicting the operation of the funding allocation model for 2017-2018 shall be included in the *Fiscal Handbook*.

(xvii) The enrollment growth funding pool is intended to provide variable cost state funding for increased enrollment and successfully completed, weighted credit hours in a more timely fashion than recognition of increased enrollment and successfully completed, weighted credit hours during preparation of the subsequent biennial budget request. The respective proportions of the enrollment growth funding pool available for increased enrollment and for successfully completed, weighted credit hours shall be the same as for appropriations for enrollment growth and successfully completed, weighted credit hours known at the time of biennial budget preparation. Funding for the pool shall be an exception budget request, with any unspent balance subject to reversion. Should an appropriation not be made for the enrollment growth funding pool during the Budget Session, an exception budget request may be made during the General Session, consisting of known enrollment growth for the preceding academic year and projected enrollment growth for the current year.

(A) In October of each year, following the Commission’s approval of the annual enrollment report, the current biennial weighted credit hours for each college shall be recalculated by utilizing the most recent weighted credit hours in place of the two-year-old weighted credit hours.

(B) For each community college, the current biennial weighted credit hours shall then be divided by two to establish the current annual college-specific weighted credit hours.

(C) College-specific variable costs state funding payable from the enrollment growth funding pool shall then be calculated by multiplying the positive difference between the current annual college-specific weighted credit hours (utilizing the most recent weighted credit hours and one-year-old weighted credit hours) and the annual college-specific weighted credit hours (utilizing one-year-old and two-year-old weighted credit hours) by the state-funded system-wide credit-hour revenue.

(D) The calculation of college-specific variable cost state funding payable from the enrollment growth funding pool shall then be divided by two, and the resulting amount shall be distributed to the community colleges at the same time as the December and March distributions of state aid, but shall be identified separately given that the source of funding for the enrollment growth funding pool can only be appropriated through the exception budget request process.

(b) If it is determined that the funding allocation model established by rule and in accordance with W.S. 21-18-205 is no longer the appropriate method for determining the funding request for the community colleges, and no other funding allocation model has been developed, funding requests for specifically identified needs may be submitted in the biennial budget request until a new funding allocation model has been approved and rules have been promulgated.

(i) Annual recapture and redistribution of state aid due to changes in local 4-mill revenue resulting from changes in assessed valuation identified in July or August of each year shall be distributed to colleges based on their proportionate share of credit full-time-equivalent (Credit FTE) enrollment as reported in Table 5 of the Wyoming Community College System Annual Enrollment Report for the two most current years available. This process shall be followed until an approved funding allocation model is in place.

(c) Adjuncts to the funding allocation model include the following:

(i) Revenues received by the Commission's contingency reserve account, to be used only for facility emergency repairs and/or preventive maintenance, shall be distributed to the community colleges as follows:

(A) Each community college's share of the distribution shall be based on its proportionate share of actual gross square footage as outlined by the computation and dates prescribed in Section 10 of this chapter.

(I) Subsequent changes in eligible gross square footage by any community college shall not alter the respective distribution percentages until such changes are recognized through a Commission-initiated calculation of system-wide gross square footage.

(B) Actual distribution of revenue from the contingency reserve account to the community colleges shall be made as the Commission determines, and shall be dependent on receipt of coal lease bonus funds by the Commission.

(ii) The appropriation for health insurance premium benefits, to be used for reimbursement of community college employee premiums, shall be calculated and distributed as follows:

(A) For the 2007-2008 biennium and beyond, the health insurance premium benefit pool shall be based on plan enrollment numbers as of the month of April in odd-numbered years, as well as the projected premium rates for the month of December in the same odd-numbered years.

(B) Distribution of funds to the community colleges shall be for reimbursement of actual expenses incurred. Each community college shall submit a quarterly reimbursement request on an approved Commission form.

(C) The Commission shall evaluate the sufficiency of funding in the health insurance premium benefit pool on a quarterly basis. If funding is projected to be insufficient, the Commission shall work with the Budget Division of the Department of Administration and Information to identify other possible funding options, and if other options are not available, and if supplemental budget requests can still be submitted, the Commission shall consider such a request.

(I) If funding in the health insurance premium benefit pool is insufficient and other funding options, including supplemental budget requests, are not available, each of the community college's reimbursement shall be reduced in an amount proportionate to its share of system-wide eligible employees as of the month of April in odd-numbered years.

(II) If funding in the health insurance premium benefit pool exceeds reimbursement of actual expenses incurred, the unspent balance shall revert to the general fund at the end of the biennium.

(iii) The appropriation for the retirees' health insurance pool, to be used to cover the community colleges' share of pool funding, shall be calculated and distributed as follows:

(A) Based on payroll data provided by the community colleges, the Commission shall calculate the college-specific biennial appropriations for the retirees' health insurance assessment.

(B) Distribution of the appropriations by the Commission to the community colleges shall occur at the same time and in the same relative proportions as state aid distributions.

(C) On a monthly basis, each community college shall calculate the amount of the appropriation used for the preceding month, and submit payment of this amount to the State Auditor's Office.

(iv) Appropriations for increased retirement contribution benefits, to be used for reimbursement of the community colleges' share of increased contributions, beginning September 1, 2010, shall be calculated and distributed as follows:

(A) For the 2013-2014 biennium and beyond, the retirement contribution benefit pool shall be based on the cumulative payroll of pension-eligible community college employees as of the month of April in odd-numbered years, adjusted to recognize local funding.

(B) Distribution of funds to the community colleges shall be for reimbursement of actual expenses incurred, adjusted to recognize local funding. Each community college shall submit a quarterly reimbursement request on an approved Commission form.

(C) The Commission shall evaluate the sufficiency of funding in the retirement contribution benefit pool on a quarterly basis. If funding is projected to be insufficient, the Commission shall work with the Budget Division of the Department of Administration and Information to identify other possible funding options, and if other options are not available, and if supplemental budget requests can still be submitted, the Commission shall consider such a request.

(D) If funding in the retirement contribution benefit pool is insufficient and other funding options, including supplemental budget requests, are not available, each of the community college's reimbursement shall be reduced in an amount proportionate to its share of the cumulative payroll of pension-eligible college employees as of the month of April in odd-numbered years.

(v) The funding allocation model and/or its adjuncts may be reviewed by the Commission as necessary, and proposed revisions may be recommended for rules, in accordance with applicable statutes.

Section 4. Preparing Commission and Community College Budget Requests.

(a) The Commission shall prepare a consolidated biennial budget request for state assistance, including state funding for Commission programs, the community colleges and Wyoming Public Television in a format determined by the Budget Division of the Department of Administration and Information.

(b) The Commission shall hold at least one public budget hearing for the community colleges, after which the consolidated budget request for state assistance shall be submitted to the governor.

(c) Requests for state appropriations to fund the regular support and operation of the community colleges shall be developed utilizing a Commission-adopted funding allocation model.

(d) Wyoming Statute 21-18-205 created a statewide community college system operations funding mechanism based upon a statewide community college system strategic planning process attaching state funding to state interests.

(i) The budget request model shall be derived from that principle, and it shall consist of two components: the standard budget request and the exception budget request. The step-by-step procedures for calculation of both types of requests are outlined in Section 3 of the Rules - Creating and Maintaining a Funding Allocation Model.

(A) The biennial standard budget request shall be based on amounts appropriated for state aid in the preceding biennium, including any external cost adjustments for fixed and variable costs, or other Budget Division adjustments to base.

(I) The allocation of the standard budget appropriation among the community colleges shall be adjusted to recognize variations in each community college district's revenue from biennium to biennium. The only exception to this is the variable cost funding subject to allocation in accordance with performance metrics.

(B) The biennial exception budget request may include, but shall not be limited to the following:

(I) Additional variable cost state funding (i.e., special purpose funding) in recognition of enrollment growth calculated as the difference between the two most recent academic years prior to preparation of the biennial budget request and the two years that comprise the base period.

(II) Additional variable cost state funding (i.e., special purpose funding) in recognition of enrollment growth projected for the academic year immediately preceding the biennium but after preparation of the biennial budget request, as well as enrollment growth projected for the first academic year of the biennium. Any undistributed balance of this enrollment growth funding pool shall revert at the end of the biennium.

(III) External cost adjustments for variable cost state funding based on the Employment Cost Index for post-secondary institutions, published by the US Department of Labor-Bureau of Labor Statistics. The adjustments may be made for either one fiscal-year of a biennium or both fiscal-years of a biennium.

(IV) External cost adjustments for fixed cost state funding and state funding of Wyoming Public Television. The adjustments shall be based on the Consumer Price Index published by the US Department of Labor-Bureau of Labor Statistics, and may be made for either one fiscal-year of a biennium or both fiscal-years of a biennium.

(V) An incentive pool (i.e., special purpose funding) intended to provide start-up revenue to one or more community colleges for programs which address unanticipated and emerging statewide needs, but which lack sufficient resources initially. Initial funding for such programs shall be subject to Commission approval, and continued funding shall be subject to satisfaction of established performance benchmarks. Funding provided by the pool shall not be considered long-term, regardless of program success. Any undistributed balance of this pool shall revert at the end of the biennium.

(C) Standard and exception budget requests for other programs assigned to the Commission shall be developed in consultation with the community colleges and the Budget Division.

(I) The Commission may also prepare and submit supplemental budget requests.

(II) The Commission may also seek additional funding from state or other sources to support incentive and/or performance funds that address statewide priorities.

(e) The executive director shall report to the Commission and the community colleges on action taken by the governor and the legislature on requests for state appropriations.

(f) The Budget Division is not bound by the provisions of this section.

Section 5. Disbursing State and Other Funds.

(a) Unless otherwise directed by the legislature, state funding for the assistance of community colleges shall be allocated by the Commission to the community colleges on the basis of the funding allocation model and its adjuncts approved by the Commission, as outlined in Section 3 of these Rules – Creating and Maintaining a Funding Allocation Model.

(b) Distributions of state appropriations shall be made by the Commission to the community colleges in accordance with the funding allocation model or other legislative instructions, and at times and in amounts determined by the Commission.

(i) Unless otherwise specified by the Commission, distributions of state aid to the community colleges and Wyoming Public Television shall be made on or about July 15, September 15, December 15 and March 15 of each fiscal year.

(ii) Unless otherwise specified by the Commission, distributions of state aid to the community colleges and Wyoming Public Television shall be made in the amounts of 15 percent, 15 percent, 10 percent and 10 percent of the total amount of state aid designated for each entity on the respective dates of each fiscal year.

(c) Contingency reserve account funds shall be distributed at times determined by the Commission, subject to receipt of coal lease bonus funds.

(d) Any additional state funding appropriated to the Commission for distribution to the community colleges will be distributed at times and in amounts determined by the Commission.

Section 6. Establishing and Promoting Statewide Priorities.

The Commission shall collaborate with college trustees, college administrators, the governor's office, the legislature, and community and business leaders to determine statewide priorities that conform to interests that shall be addressed by the *WY Community College Commission Statewide Strategic Plan*.

Section 7. Administering Loan Repayment Programs.

(a) This Section is promulgated under authority of W.S. 21-18-202 and W.S. 9-2-123 for the Wyoming Investment in Nursing program, W.S. 21-7-601 for the Teacher Shortage Loan Repayment program, and W.S. 21-7-701 for the Wyoming Adjunct Professor Loan Repayment program, as amended.

(i) The purpose of the Wyoming Investment in Nursing Program (WYIN program) is to make funds available to individuals who wish to pursue a career in nursing or nurse education and to alleviate a shortage of nurses within the state.

(ii) The purpose of the Wyoming Teacher Shortage Loan Repayment Program (TSLR program) is to make funds available to students at the University of Wyoming who wish to pursue a career in education and to alleviate a shortage of teachers in qualified areas of study within the state as designated by W.S. 21-7-601.

(iii) The purpose of the Wyoming Adjunct Professor Loan Repayment Program (WAPLR program) is to make funds available to public school teachers who require additional coursework in order to qualify as adjunct instructors under the concurrent enrollment policies of a Wyoming community college district or the University of Wyoming (UW).

(b) Sections (c) through (g) apply to all loan repayment programs except as otherwise noted. Section (h) applies to the WYIN and TSLR programs except as otherwise noted and section (i) applies to the WAPLR program.

(c) Interest

(i) The interest rate shall be the average prime interest rate plus four percent (4%) computed by the Commission's financial institution in the same manner as specified under W.S. 39-16-108(b) for determining the interest rate on delinquent use taxes. The rate shall be approved by the Commission by July 1st of every calendar year.

(ii) Accrual of interest shall begin upon scheduled commencement of cash repayment.

(d) Loan Terms

(i) Loan origination fees shall be established by the Commission and deducted from the first disbursement of funds for payment to the contracted financial institution.

(ii) The student shall sign a master promissory note as approved by the Commission prior to disbursement to the student of any funds.

(iii) The Commission or the contracted financial institution may disclose any delinquency or default on the student's loan to credit bureaus.

(iv) If the student fails to make a scheduled repayment, or fails to comply with any other term of the note, the Commission or the contracted financial institution may refer the student's loan to a collection agent, initiate legal proceedings against the student, and pursue judicial remedies.

(v) If the student fails to make a scheduled repayment or fails to comply with any other term of the promissory note, the entire unpaid balance of the loan, including interest due and accrued and any applicable penalty charges and collection fees, including attorney fees, will, at the option of the Commission, become immediately due and payable.

(vi) The student may prepay all or any part of the principal and accrued interest of the loan at any time without penalty.

(vii) The student will promptly inform the Commission or the contracted financial institution of any change in name or address.

(e) Default of a Loan.

(i) A loan shall be in default when an installment is due and not paid in full within 90 days after the time period provided by these rules.

(ii) The process for collection of a loan in default shall be determined by the Commission through its designated financial institution.

(iii) The student in default shall pay any charges related to offsetting the note or any charges incurred should the note(s) be referred to an outside collection agency and any other collection charges, including attorney's fees allowed by state law.

(iv) Loan repayment options under this section may be deferred for:

(A) A period not to exceed five (5) years while the student is serving on full time active duty with any branch of the military services of the United States; or

(B) The length of a graduate program that qualifies under the WYIN program or the TSLR program if the student begins the graduate program while still paying the WYIN or TSLR loan by cash or employment; or

(C) The length of the undergraduate program for a WYIN or TSLR student who did not complete the program, but who is readmitted. Interest will not accrue while the student is enrolled in the program. Upon completion of the program, the current loan balance will be repaid as specified in section (h)(v) for WYIN and TSLR loans and section (i)(v) for WAPLR loans.

(v) Students may be granted a delay from having to repay loans and interest, including interest accrual, thereon, in whole or in part or complete cancellation, including interest accrual, thereon, when the requirement to repay would cause undue hardship, economic or otherwise. The financial institution responsible for servicing the loans will use its best judgment in applying the economic hardship deferment criteria used for the Federal Family Education Loan Program. The Commission reserves the right to consider and make the final decision as to any request on the basis of undue hardship, economic or otherwise.

(vi) Complete cancellation of a student's debt will be granted only in limited circumstances. These circumstances may include a student's total and permanent disability, as determined by a medical or osteopathic physician, or death.

(A) A student who is determined to be totally and permanently disabled will have his/her loan placed in a conditional discharge period for three (3) years from the date the student became totally and permanently disabled.

(B) During this conditional period, the student need not pay principal and interest will not accrue. If the student continues to meet the total and permanent disability conditions during, and at the end of, the three-year conditional period, the student's obligation to repay the loan shall be canceled upon approval by the Commission.

(C) If the student does not continue to meet the cancellation requirements, the student must resume payment within forty-five (45) days of the medical opinion specified in (vi) of this section.

(f) Process for Cash Repayment. The process and schedule for cash repayment under (h)(v) for WYIN and TSLR loans and section (i)(v) for WAPLR loans shall be administered by the Commission through its designated financial institution. Students shall be notified by the Commission through its designated financial institution of the approved payment plan.

(g) Review and Reporting. Any designated financial institution the Commission employs shall prepare a report once a year outlining the services it is providing and the progress made.

(h) WYIN and TSLR programs.

(i) Funding

(A) Funding for a WYIN student in an undergraduate nursing program at a Wyoming community college or the University of Wyoming will be for a maximum of four semesters between any combination of institutions.

(B) Funding for a WYIN student in a graduate nursing or nurse educator program at the University of Wyoming or at an institution approved by the Commission will be for a maximum of the equivalent of 60 graduate-level credit hours.

(C) Funding for a TSLR student will be for a maximum of the equivalent of two full-time academic years for all qualified areas of study as designated in W.S. 21-7-601, except for students enrolled in a special education program of study, who may receive funding for a maximum of the equivalent of three full-time academic years, assuming funds are appropriated by the legislature.

(ii) Application Form: To be eligible to participate in either of these programs, a student shall submit an application to the Commission or its designee upon a form approved by the Commission according to the deadlines determined by each participating educational institution.

(iii) Selection Process

(A) The Commission shall designate the financial aid officers at the University of Wyoming and the Wyoming community colleges to administer these programs subject to the following:

(I) Subject to the Commission's approval, nurses pursuing a graduate degree may apply to the University of Wyoming, in which case Section (II) below shall apply. All others shall make application for loan funds to the Commission's designated financial institution. The designated financial institution, acting in the same capacity as an institution financial aid officer, shall apply the same rules as those listed below, except the designated financial institution will not be given an allocation of WYIN funds, rather applicants will be funded on a per applicant basis by the Commission.

(II) The financial aid officer shall require each applicant to apply to the participating educational institution, review each application, and determine whether the applicant is eligible under these rules;

(1.) Nurses with an unencumbered BSN degree in nursing may apply for a loan to pursue a MSN degree in nursing or nurse education, and a nurse with a MSN degree in nursing or nurse education may apply for a loan to pursue a PhD in nursing or nurse education.

(III) The financial aid officer shall authorize loans from appropriated funds in an amount sufficient to avoid over commitment and to ensure sufficient funds remain available to allow students to complete the program in which they enrolled;

(1.) When determining the amount of a loan in either program for which an applicant may be eligible, the unmet need of the applicant shall be considered.

(IV) The funds appropriated by the legislature will be allocated by the Commission to the University of Wyoming and Wyoming's community colleges for students in these programs;

(V) The financial aid officers shall report to the Commission and the designated financial institution responsible for servicing the loans, the names of all students enrolled in the WYIN and TSLR programs in their respective schools, including students enrolled in WICHE schools or distance learning programs, within 30 days of initial enrollment. Thereafter, the financial aid officers shall report to the Commission and the financial institution on a semester basis regarding participants in the program.

(iv) Upon completion of the academic program, the student must provide the following information every two months, until all the following requirements are reported to the contracted financial institution:

(A) WYIN program:

(I) Date of appropriate certification or licensure examination;

and

(II) Successful passing score and certification or licensure and employment information; or unsuccessful passing score and date of next examination; and

(III) Outcome of second examination and, if successful, employment information.

(B) TSLR program:

(I) Verification by the Professional Teaching Standards Board of appropriate teacher certification in qualified areas of study as designated by W.S. 21-7-601; and

(II) Verification by a Wyoming public school principal of successful employment in a public school in Wyoming teaching in a qualified area of study as designated by W.S. 21-7-601 at least 50% of the working hours.

(v) Terms of Repayment

(A) Repayment of loans shall continue as specified under the loan agreement, until all loan obligations have been satisfied.

(B) Qualified work shall be verified annually by the Commission's designated financial institution by having received a letter from the student's employer stating the person is currently or has been employed as follows:

(I) As a nurse, if the WYIN loan was for an undergraduate nursing degree, or nurse educator, if the loan was for a graduate nursing degree.

(II) As a certified teacher in any qualified area of study as designated by W.S. 21-7-601 for a TSLR loan.

(C) Subject to the cash repayment provision as detailed in W.S. 9-2-123 for a WYIN loan and W.S. 21-7-601 for a TSLR loan, the loan is repayable in equal or graduated periods installments, with the right of the Commission to accelerate repayment, over a period not to exceed ten (10) years that begins nine (9) months after the student ceases to be a student in the nursing program.

(i) WAPLR program:

(i) Application Process. To be eligible to participate in this program, a public school teacher (applicant) shall secure from the school district a signed agreement using a form approved by the Commission.

(A) The agreement form shall include:

(I) Verification by the school district that the applicant is a resident of Wyoming as defined in Chapter 1 of these rules;

(II) Verification by the school district that the applicant is employed as a teacher within the school district;

(III) Verification by the school district that the applicant is in good standing with the Professional Teacher Standards Board;

(IV) Verification by the school district and the post-secondary institution that the schedule of proposed coursework is correct and necessary for the applicant to teach concurrent courses in the high school;

(V) A list and schedule of concurrent courses the applicant is expected to teach after completion of the educational program; and

(VI) Signatures of the school district superintendent or designee and the president of the post-secondary institution or designee.

(B) The agreement described in (A) of this section shall constitute a nomination for the program and be submitted by the school district to the partner post-secondary institution in accordance with the deadline prescribed by the Commission. In the event the school district nominates more than one applicant, the school district shall prioritize nominations prior to submitting all applications to the partner post-secondary institution.

(ii) Submission to the Commission:

(A) The post-secondary institution shall submit the nomination(s) to the Commission no later than the second Friday of March or the third Friday in October of the school year in which the educational program is planned.

(B) In the event that the post-secondary institution receives more than one nomination, the post-secondary institution shall prioritize nominations prior to submitting all applications to the Commission.

(iii) Selection Process:

(A) The Commission shall review all applications and select recipients based on the following criteria:

(I) Amount of coursework and length of time necessary to qualify the applicant to teach concurrent courses;

(II) Estimated number of students enrolled in concurrent classes to the eligible student population expressed as a percentage impacted when the concurrent courses are offered by the community college in cooperation with the school district;

(III) How the post-secondary institution has prioritized the nominations; and

(IV) The scope and access of concurrent courses currently offered by the community college in cooperation with the school district.

(B) The Commission shall notify successful applicants no later than the third Friday of April or the second Friday in October of the school year in which the educational program is planned and specify the terms and conditions of the loan.

(iv) Payment Process:

(A) Payment for reimbursement of tuition and fees shall be made by the Commission on a semester-by-semester basis to the applicant.

(I) The school district shall verify successful completion for each course and shall report completion to the Commission. This report shall include:

(1.) An official transcript provided by the applicant from the post-secondary institution showing the course or courses were completed with a passing grade of A, B, C, S or P; and

(2.) The total cost of tuition and fees to be reimbursed.

(II) If an applicant fails to meet the standard established in (1.) of this section, the applicant will begin cash repayment as described in (d)(v) of this section.

(B) Terms and conditions of loans awarded under this section shall be approved by the Commission.

(v) Terms of Repayment

(A) A recipient of a loan under this section may repay the loan without cash payment by teaching at least one concurrent class in a Wyoming public school. To qualify as repayment under this subsection, work shall be performed for a minimum of two (2) years, which shall begin the fall semester of the academic year following completion of the educational program. Annually the Wyoming public school district shall provide verification that the applicant is teaching a concurrent college level credit-bearing course or courses in one or more high schools.

(B) Repayment of loans shall continue as specified under the loan agreement until all loan obligations have been satisfied.

(C) Qualified work shall be verified by the Commission by having received a letter from the applicant's employer stating the applicant is currently or has been employed as a teacher in a qualifying area of study. This letter must be submitted at the end of the spring semester for the two (2) years immediately following completion of the academic program.

(D) Subject to the cash repayment provision as detailed by W.S. 21-7-601, the loan is repayable in equal or graduated installments with the right of the Commission to accelerate payment over a period not to exceed two (2) years that begins forty-five (45) days after the applicant ceases to be a student in the academic program. The Commission may approve a longer period for repayment in extenuating circumstances.

(E) Applicants shall not be considered in default when the school district or post-secondary institution does not offer a previously agreed upon concurrent course or courses and such action does not extend the repayment period.

Section 8. Administering the Tuition Benefit for Vietnam Veterans, Overseas Combat Veterans and Surviving Spouses and Dependents.

(a) This section is promulgated under authority of W.S. 19-14-106.

(b) The purpose of the benefit is to provide free tuition and fees for Vietnam veterans, overseas combat veterans and surviving spouses and dependants.

(c) Application Process. Vietnam veterans, overseas combat veterans and surviving spouses and dependants shall apply for the educational benefit under this section with an eligible institution and will provide the appropriate documentation to establish eligibility.

(i) The application form and deadlines shall be determined by each participating educational institution

(d) Selection Process. The Commission shall designate the financial aid officers at the University of Wyoming and the Wyoming community colleges to administer this program subject to the following:

(i) The financial aid officer shall require each applicant to apply to the participating educational institution, review each application, and determine whether the applicant is eligible under W.S. 19-14-106.

(ii) The financial aid officer shall authorize free tuition, matriculation, and other fees from appropriated funds in an amount sufficient to avoid over commitment.

(e) Reimbursement. The funds appropriated by the legislature will be reimbursed by the Commission to the University of Wyoming and Wyoming's community colleges upon submission of a Certificate of Eligibility.

(i) Certificates of Eligibility will be processed for payment on a semester basis by the Commission; and

(ii) The financial aid director of the University of Wyoming or community college will certify as correct, with an original signature, all Certificates of Eligibility and mail them to the Commission using the United States Postal Service.

(f) Tracking of total semesters. Tuition benefit usage shall be updated and verified each semester (fall, summer, spring) by Commission staff based on the information submitted on the Certificate of Eligibility by the financial aid director at the University of Wyoming or the community colleges. A report shall be run by Commission staff to determine that the benefit is used within eight (8) academic years after the first receipt of the benefit. If the eight (8) academic year time limit has been reached, the financial aid office shall be notified by the Commission that the student is no longer eligible. The financial aid office shall be responsible for notifying the student of such.

(g) Initial use of benefits. Initial eligibility shall be determined by the financial aid office at the University of Wyoming or the community college in which the veteran is applying for the benefit. The financial aid office shall be responsible for determining that a dependant is under the age of twenty-two (22) when initially applying to use the benefit.

(h) Transfer between public state education institutions. Commission staff shall track how many semesters have been used by each student and an updated listing of number of semesters used shall be sent to the financial aid offices each semester so the financial aid office can determine if a student has received the benefit at another public education institution. The Commission shall verify that each student has not exceeded his or her total benefit of eight (8) academic years before payment is made to the University of Wyoming or the community colleges for that semester.

(i) Continuation of eligibility. The University of Wyoming or community college financial aid office where the student is attending and receiving the benefit shall be responsible for tracking the GPA of the student once he or she has started using the benefit. The respective office shall run a report determining if those students receiving the benefit have met the requirements for continued eligibility. If a student loses eligibility because they fell below a 2.0 GPA or failed to meet other institutional standards of progress, he or she can earn the benefit back by completing course work at their own cost until such time as the GPA has risen back to the minimum requirement of 2.0 and also meets other institutional standards of progress.

Section 9. Administering the High School Equivalency Certificate Program.

(a) This section is promulgated under authority of 2013 Wyo. Sess. Laws 99 and W.S. 21-16-1308(b)(iv)(C).

(b) This section describes the procedures for administration of the Wyoming High School Equivalency Certificate (HSEC) program. The HSEC program provides a credential to adults and out-of-school youth who did not graduate from an accredited high school, are unable to receive a high school diploma from their school district of residence, or were home-schooled and did not receive a diploma, but are able to demonstrate attainment of knowledge and skills that are equivalent to those which would be attained in a high school program of study through passing any of the state-authorized equivalency credentialing assessments.

(c) The HSEC program applies to all citizens, naturalized immigrants, resident alien non-citizens and foreign exchange students according to state and federal immigration policy. Candidates must prove their identity with current, unmodified, original government or accredited institution of higher learning issued photo identification.

(d) The HSEC program office shall maintain an official HSEC Policy and Procedures Manual for each authorized assessment instrument or pathway used to certify candidate attainment of high school equivalency.

(e) The HSEC program or the Commission Executive Director's designated representative shall convene a review committee to select the state-authorized assessment instrument(s) or pathway(s) used to certify candidate attainment of high school equivalency when appropriate as such instruments or pathways become available. No particular instrument may be considered the state standard.

(i) The process for forming the review committee shall be as follows:

(A) The HSEC program office shall monitor the marketplace for viable products, and may also participate in applicable national or regional committees which investigate equivalency assessments. When new assessment instruments become available, or when review of an instrument or pathway is requested, the HSEC program office shall call a meeting composed of the individuals and the representatives of the entities listed below, however, there is no quorum necessary to proceed with approval or rejection:

(I) Community College Academic Affairs Council, Community College Admissions/Financial Aid Officers, Department of Education, Department of Workforce

Services, University of Wyoming, the Adult Education Program Manager, and English as a Second Language (ESL) expert, a Wyoming Board of Cooperative Education Services (B.O.C.E.S.) representative and a Community College Commission-appointed Test Center administration expert.

(B) The HSEC program office or the Commission Executive Director's designated representative shall convene, chair and support the committee and consult with the available committee members, either in person or via electronic meeting, to evaluate and/or develop new proposed instruments or pathways.

(I) Final committee decisions concerning approval or rejection of proposed instruments or pathways shall be via an official vote recorded by electronic mail and promulgated by a summary posting on the Commission website HSEC webpage. The Commission shall consider the actions of the committee at their next regularly scheduled meeting and may override all other approvals or rejections for a proposed instrument or pathway. Appeals shall be handled in accordance with the Wyoming Administrative Procedures Act W.S. 16-3-101 through W.S. 16-3-115.

(C) Effective dates for approved instruments or pathways and necessary policy and procedural information shall be maintained by the HSEC Program Manager with official copies available on the Commission website HSEC webpage.

(D) If for any reason the state should revoke approval for an instrument or pathway, the applicable announcements shall be posted on the Commission website HSEC webpage, communicated publicly by official press release and through the HSEC committee by electronic media.

(f) Qualifying scores for the different Hathaway scholarship levels shall be determined through consultation with the vendor. Any changes made to the Wyoming Hathaway Scholarship program by the Wyoming Department of Education or the Wyoming Legislature, which may affect qualification scores, may be incorporated in this program within sixty (60) days of notification from the Wyoming Department of Education.

(i) If otherwise eligible, HSEC candidates shall be eligible for a Hathaway scholarship if they achieve an average score on a selected, approved HSEC assessment instrument corresponding to the scores below, verified by the vendor-supplied concordance:

(A) A minimum standard score of 500 on the GED® 2002 series test, a scholarship at the same level and to the same extent as a Hathaway opportunity scholarship or provisional opportunity scholarship;

(B) A minimum standard score of 540 on the GED® 2002 series test, a scholarship at the same level and to the same extent as a Hathaway performance scholarship; or

(C) A minimum standard score of 575 on the GED® 2002 series test, a scholarship at the same level and to the same extent as a Hathaway honor scholarship.

(ii) Minimum standard scores from all approved instruments shall represent the same proficiency skills as those represented by the scores listed above and shall be available on the HSEC webpage, Hathaway Scholarships section.

Section 10. Major Maintenance Funding and Distribution.

(a) The Commission shall, no later than June 1 of each odd-numbered year, and in accordance with W.S. 21-18-225 (f) and any additional provisions enacted in current session law, calculate actual gross square footage of college facilities eligible for state-supported major maintenance funding. The square footage data contained in the capital construction database provided by the Commission to the colleges under W.S. 21-18-225 (b)(i), and current as of May 1 of each odd-numbered year, shall be the data used to support the request sent to the Construction Management Program of the Department of Administration and Information, with the following exceptions:

(i) Gross square footage data for an otherwise eligible building scheduled for demolition within two years of December 1 of each odd-numbered year shall not be included in the calculation.

(b) Once funding is appropriated, and to the extent funds are available, the distribution shall take place in accordance with rules and regulations promulgated by the Construction Management Program of the Department of Administration and Information.

Section 11. Capital Construction Requests.

(a) Under authority of W.S. 21-18-225, this section addresses the development of a prioritized list of community college capital construction projects, and the submission of this list to the Construction Management Program of the Department of Administration and Information.

(b) The prioritized list of community college capital construction projects shall include only necessary building square footage required for provision of those education programs serving the state's interests as described in Chapter 4 of the *WY Community College Commission Statewide Strategic Plan* developed and maintained under the authority of W.S. 21-18-202 (a)(v).

(c) The Commission's *Facilities Handbook* shall be referenced for specifications regarding automated programs and databases, forms, formats, timelines, documentation, guidelines, facility classification systems, forecasting models, indices and/or other factors.

(i) The Commission shall provide guidelines and formats for community colleges to use in developing its prioritized capital construction lists which are correlated to the *WY Community College Commission Statewide Strategic Plan*.

(ii) The Commission shall provide access to a statewide community college building database (otherwise referred to as the capital construction database), a component of which shall be a facilities inventory database.

(A) Community colleges shall provide updates to the facilities inventory database in a timely fashion, thereby facilitating both current and comprehensive descriptions of colleges' built environments. Deadlines for all outstanding updates may be established by the

Commission in order to ensure the validity of computations inherent to, and reports generated by, the capital construction database.

(B) Database information shall be used to develop the long range plans for building space needs.

(iii) The Commission shall identify and implement a forecasting model to assist community colleges in computing future student enrollments and related building needs. Model reports will be available to the colleges upon completion of commission-related database updates including, but not limited to, population projections, enrollment projections, student demographics, participation rates, distance education, utilization hours, library volumes and student study stations.

(d) By June 1 of every year, the colleges shall be authorized to submit for funding consideration capital construction projects. Each submission must be supported by a Level I study, and shall use the capital construction database described in the *Facilities Handbook*. The proposed project must have an identified educational use and must also be described and prioritized within the college's published 5-year master plan.

(i) No later than June 1 of each year, Commission staff shall forward the prioritized list, supported by Level I design documents, to the Construction Management Program of the Department of Administration and Information in accordance with W.S. 21-18-225 (g).

(ii) An informational report will be created related to the prioritized list given to the Construction Management Program, and will be provided to the commissioners at their summer meeting.

(e) Community colleges may submit requests for authorization to construct without state funding, as provided for in W.S. 21-18-202 (d)(v). Such requests shall be sent to Commission staff no later than 30 days prior to any scheduled commission meeting for consideration at that meeting. Commission-authorized projects of \$1 million or more also require authorization by the State Building Commission and the legislature, and therefore will not move forward until the following October.

(f) Community colleges shall submit requests for modification of capital construction priorities through resubmission of their respective college master plans. Re-writes and updates to college master plans must be submitted to the Commission within 30 days of college board approval.

Section 12. State Authorization Reciprocity Agreements (SARA)

(a) In accordance with W.S. 21-18-226, accredited institutions of higher education with a physical presence in Wyoming may apply for membership in SARA, as administered by our regional compact (WICHE), by making application to the Commission (portal agency) using the form provided by the National Council for State Authorization Reciprocity Agreements (NC-SARA).

(b) Applicant institutions shall comply with the provisions of the Council of Regional Accrediting Commissions (C-RAC) guidelines, and more specifically, its inter-regional guidelines

for the evaluation of distance education programs (online learning) for best practices in postsecondary distance education developed by leading practitioners of distance education.

(c) Each applicant institution shall provide the portal agency and all students enrolled in courses under SARA provisions, its written complaint resolution policies and procedures, including assurances it will comply with the consumer protection standards, as described below:

(i) Initial responsibility for the investigation and resolution of complaints resides with the institution against which the complaint was made.

(A) Complaints against an institution operating under SARA shall first be processed through the institution's own procedures for resolution of grievances.

(B) Complaints regarding student grades or student conduct violations are governed entirely by institutional policy and laws of the SARA institution's home state.

(C) If a person bringing a complaint is not satisfied with the outcome of the institutional process for handling complaints, the complaint (except for complaints about grades or student conduct violations) may be appealed within two years of the incident about which the complaint is made, by requesting in writing, a review by the portal agency. The resolution of the complaint by the portal agency with consultation with the Attorney General shall be final, except for complaints that fall under the provisions of (g) below.

(D) NC-SARA will develop policies and procedures for reporting the number and disposition of complaints that are not resolved at the institution level. Since appeals of decisions made at the institution level are made to the portal agency, these data will be used to report to NC-SARA.

(d) No sooner than July 1, 2015, eligible institutions may make initial application to the portal agency. If approved, the portal agency will notify NC-SARA of the acceptance. NC-SARA will then contact the institution regarding payment of fees, which are based on annual FTE as reported to IPEDS for the previous year. Contingent upon the satisfactory review of eligibility by the portal agency, institutions will pay annual renewal fees directly to NC-SARA. Failure to pay renewal fees shall result in a loss of eligibility to participate in SARA.

(e) Annually, at the time of renewal, the portal agency shall review institutional eligibility and notify WICHE of its findings. Any institution that is disqualified from participating in SARA, either during its annual review or when circumstances dictate, shall not receive a refund if eligibility is revoked partway through an annual period.

(f) Programs Leading to Licensure - Any institution operating under SARA that offers courses or programs potentially leading to professional licensure must keep all students, applicants, and potential students who have contacted the institution about the course or program informed as to whether such offerings actually meet state licensing requirements. This must be done in one of two ways:

(i) The institution may determine whether the course or program meets the requirements for professional licensure in the state where the applicant or student resides, and provide that information in writing to the student; or

(ii) The institution may notify the applicant or student in writing that the institution cannot confirm whether a course or program meets the requirements for professional licensure in the student's state, provide the student with the current contact information for any applicable licensing boards, and advise the student to determine whether the program meets requirements for licensure in the state where the student lives.

(A) Failure to provide proper notice in one of these two ways invalidates the SARA eligibility of any course or program offered without the proper notice.

(B) SARA covers class field trips across state lines among member states, but does not cover full-scale residency programs such as a summer session at a field station.

(C) Short Courses and Seminars – Physical presence under SARA is not triggered if the instruction provided for a short course or seminar takes no more than 20 classroom hours. Class meetings during a full-term course do not trigger physical presence if the instructor and students physically meet together for no more than two meetings, totaling less than six hours. Apparent abuses of these provisions may be brought to the attention of the home state portal agency.

(D) Third Party Providers – Contracts between a third-party provider of educational services and any SARA office or state must be made via the degree-granting institution that operates under SARA. A third-party provider may not represent an institution regarding any subject under SARA operating policies to any SARA office or any state operating under SARA. The institution that transcribes a course is considered the degree-granting institution for purposes of this section.

(g) Data Submission Requirements – Participating institutions shall annually submit the following data to NC-SARA using the protocols established by NC-SARA:

(i) The number of students enrolled in the institution via distance education delivered outside the state, reported by state, territory or district in which the students reside.

(ii) A list of programs a student may complete without on-campus attendance using the US DoE definition of a distance education program.

(h) The institution shall have a plan that assures a student will receive services for which they have paid or reasonable financial compensation for those not received in the event of an unanticipated closure of the institution. Such assurances may include tuition assurance funds, surety bonds, teach-out provisions or other practices deemed sufficient to protect consumers.

(i) Participating institutions shall make available their disaster recovery plans, particularly with respect to the protection of student records, to the portal agency, WICHE or NC-SARA upon request.