**24:40:13:18.  Institutional agreements.** Any institution that is accredited by the North Central Association of Colleges and Schools and that provides instruction from a campus located in South Dakota may enter into a written agreement with the board to permit its eligible regular students to participate in the scholarship program. Until such an institution has agreed to comply with the requirements of this chapter, the board may not recognize it as a participating institution and no student enrolled at the institution as a regular student may participate in the scholarship program. The executive director shall develop a standard contract document for execution by such institutions. The standard contract shall obligate a participating institution, at a minimum, to do the following:

 (1)  Comply with all requirements placed upon participating institutions in this chapter;

 (2)  Review existing institutional procedures and policies and provide any special assistance that may be necessary to permit students to comply with the scholarship program requirements;

 (3)  Notify prospective students of the program availability and of procedures employed by the participating institution to implement the program;

 (4)  Process student applications for each school term by distributing and collecting student applications and verifying eligibility of applicants;

 (5)  Submit to the executive director a roster of its eligible regular students on October 1, or the first working day thereafter, and on February 28, or the first working day thereafter;

 (6)  Permit participating students to attend classes without obligation to make payment toward that portion of tuition and fee charges that will be covered by scholarship program funds and without any interest or penalty if funds are disbursed after the time when tuition and fee charges ordinarily accrue interest or penalties;

 (7)  Allocate funds transferred by the executive director to the benefit of each eligible student participating in the scholarship program;

 (8)  Document the application of all funds received;

 (9)  Administer the program under the same procedures employed to administer other financial aid programs that the participating institution offers to its students, subject to such adjustments as may be needed to comply with scholarship program requirements;

 (10)  Treat mid-semester withdrawals of program participants in the same manner that the institution treats withdrawal of students who receive federal financial aid, prorating the aid allocable to the student based upon active attendance and remitting to the board such sums as have not been earned by the student prior to the last day of attendance;

 (11)  Expedite the preparation of official transcripts and other documentation required by participating students who transfer to other participating institutions, unless, under institutional policy, a transferring student is ineligible for the release of academic records pending settlement of outstanding debts to the institution;

 (12)  Cooperate with the executive director in all matters relating to assessment of the operation and effectiveness of the scholarship program;

 (13)  Cooperate with the executive director in all matters relating to the audit of program administration;

 (14)  Provide prompt assistance to the executive director in responding to legislative inquiries; and

 (15)  Accept such amendments or modifications to the standard contract terms as the executive director may subsequently prescribe.

 **Source:** 30 SDR 211, effective July 7, 2004; 37 SDR 54, effective September 28, 2010.

 **General Authority:** SDCL 13-55-36.

 **Law Implemented:** SDCL 13-55-30 to 13-55-36, inclusive.