

**CHAPTER 8****OFFICE OF STUDENT ASSISTANCE POLICIES,  
PROCEDURES AND PROGRAMS****Authority**

N.J.S.A. 18A:3B-17, 18A:72F-1 et seq., 18A:72M-6.

**Source and Effective Date**

R.1995 d.551, effective October 16, 1995.  
See: 27 N.J.R. 2664(a), 27 N.J.R. 3935(a).  
R.1995 d.552, effective October 16, 1995.  
See: 27 N.J.R. 2662(b), 27 N.J.R. 3937(a).

**Executive Order No. 66(1978) Expiration Date**

Chapter 8, Office of Student Assistance Policies, Procedures and Programs, expires on October 16, 2000.

**Chapter Historical Note**

Chapter 8, Office of Student Assistance Policies, Procedures and Programs, was adopted as new rules by R.1995 d.551 and R.1995 d.552, effective October 16, 1995. See: Source and Effective Date.

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**SUBCHAPTERS 1 THROUGH 2. (RESERVED)****SUBCHAPTER 3. MINORITY FACULTY  
ADVANCEMENT LOAN AND LOAN  
REDEMPTION PROGRAM****9A:8-3.1 Definitions**

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

“Authority” means New Jersey Higher Education Assistance Authority created pursuant to chapter 72 of Title 18A of the New Jersey Statutes.

“Eligible discipline” means an academic discipline in which minority faculty members are underrepresented in comparison to non-minority faculty members with doctorates, including, but not limited to, the physical and life sciences, engineering, mathematics, management, computer sciences, environmental science and statistics. “Eligible discipline” shall not, however, include the disciplines of law, medicine or dentistry.

“Executive Director” means the Executive Director, Office of Student Assistance.

“Faculty member” means any person employed full-time by a New Jersey institution of higher education to perform primarily teaching or research duties for a full academic year.

“Faculty service requirement” means that service which qualifies a program participant for loan redemption as set forth in N.J.A.C. 9A:8-3.14.

“Full-time student” means one who, in each semester, quarter or equivalent thereof, is engaged in coursework or research necessary to constitute full-time graduate student status as defined by the host institution attended.

“Host institution” means an institution of higher education having authority under the laws of New Jersey to award doctoral degrees which elects to participate in the program through the awarding of doctoral degrees to program participants.

“Institution of higher education” means an institution of collegiate grade in New Jersey which is approved or licensed by the New Jersey Commission on Higher Education.

“Minority” means any United States citizen or permanent resident who is a member of a racial-ethnic group that has been historically disadvantaged in obtaining access to equal

educational opportunities as designated by the United States Department of Education, Office of Civil Rights, including Blacks, Hispanics, Native Americans, Asians and Pacific Islanders.

“Program” means the Minority Faculty Advancement Loan and Loan Redemption Program.

“Program participant” means an individual who has been recommended by the Minority Faculty Advancement Program Advisory Committee and accepted by the Executive Director to participate in the program.

“Sponsoring institution” means an institution of higher education which nominates and sponsors either a minority faculty member, a member of the non-teaching professional staff or any other recipient of a baccalaureate or master’s degree from its or another institution to participate in the program or other eligible minority as defined herein.

### 9A:8-3.2 Degree requirements

(a) Each program participant must pursue doctoral studies as a full-time student at an approved host institution.

(b) Eligible disciplines shall be determined by the Executive Director.

### 9A:8-3.3 Program participation eligibility

(a) To qualify for eligibility under the program, an applicant must:

1. Be a member of a minority group;
2. Be admitted on a full-time basis as a graduate student pursuing a doctoral degree in an eligible discipline at a host institution;
3. Have demonstrated a potential for academic excellence based upon superior performance in previous academic work and graduate admission testing; and
4. Have a high interest and potential for success in college teaching and academic research and agree to fulfill a faculty service requirement in New Jersey for at least four years.

### 9A:8-3.4 Admission to host institution

Admission to the graduate program will be determined by each individual host institution.

### 9A:8-3.5 Participation in program

(a) The nomination of eligible candidates for participation in the program after institutional admission shall be determined by the Office of Student Assistance Minority Faculty Advancement Program Advisory Committee, established pursuant to N.J.A.C. 9A:8-3.15.

(b) Approval of eligible candidates for participation in the program shall be granted by the Executive Director.

### 9A:8-3.6 Sponsoring institution responsibilities

(a) A sponsoring institution may nominate one of its minority faculty members to participate in the program under the following conditions:

1. The minority faculty member must be granted a leave of absence from his or her regular duties at the sponsoring institution for the amount of time necessary for the faculty member to obtain the doctoral degree but no greater than four academic years in length; and
2. The minority faculty member must be given a commitment by the sponsoring institution for reemployment, in at least an equivalent teaching position at the institution, when the doctoral degree has been completed.

(b) A sponsoring institution may nominate a member of the non-teaching professional staff or any other recipient of a baccalaureate or master’s degree to participate in the program under the following conditions:

1. The sponsoring institution will appoint said person to the faculty of the institution upon completion of the doctorate; and
2. The sponsoring institution shall involve said person in a variety of faculty activities during his or her participation in the program.

(c) Prior to a minority faculty member’s entrance into the program pursuant to the provisions of this section, the sponsoring institution and the program participant shall execute a written agreement, consistent with existing applicable statutes and regulations, which shall set forth the program participant’s employment rights, including, but not limited to, the areas of tenure, seniority, salary and promotion, upon reemployment by the institution.

### 9A:8-3.7 Host institution responsibilities

(a) A host institution shall:

1. Offer a doctoral degree in at least one of the eligible disciplines designated in the program;
2. Provide to each program participant an annual grant of at least \$5,000 or 50 percent of total full-time tuition and fees, whichever is greater and which may include tuition remission, each year for up to four years;
3. Recruit candidates for the program from among minority faculty members who are currently teaching in New Jersey institutions of higher education and minority graduates of baccalaureate and masters programs both in and out of State; and
4. Make available appropriate support services.

### 9A:8-3.8 Program participant responsibilities

(a) Each program participant shall:

1. Abide by all rules and regulations of the host institution applicable to full-time graduate students;

2. Pay all tuition, fees and other educational expenses, except for any charges or costs waived by the host institution pursuant to the provisions of N.J.A.C. 9A:8-3.7(a); and

3. Maintain satisfactory academic progress as defined by the host institution attended by the program participant.

#### 9A:8-3.9 Source of loan funds

(a) The eligible student attending a host institution that participates in the Federal Family Education Loan Program (FFELP) will be considered for two loan sources: the Stafford Loan and the Minority Faculty Advancement Loan, in that order. If the eligible student is attending a host institution that participates solely in the William D. Ford Federal Direct Loan Program (FDSLP), the student will be considered for the Minority Faculty Advancement Loan only. The type and amount of loan(s) will depend on the student's eligibility, in accordance with the policies and procedures set forth by the FFELP and the Minority Faculty Advancement Loan Program. Regardless of the loan(s) for which the recipient qualifies, these loans will be eligible for loan redemption upon qualifying service as set forth in N.J.A.C. 9A:8-3.14.

(b) The maximum loan amount received shall not exceed \$10,000 annually and \$40,000 aggregate for any combination of Stafford Loan and Minority Faculty Advancement Loan.

(c) Sequence of funding where applicable will be:

1. Subsidized Stafford Loan;
2. Non-subsidized Stafford Loan;
3. Minority Faculty Advancement Loan.

#### 9A:8-3.10 Loan application process

(a) All eligible participants being considered for participation in Minority Faculty Advancement Loan Program will apply through the Authority's Special Loan Unit. The Authority will serve as lender, guarantor, and servicer of this loan program.

(b) Each academic year, the borrower attending a host institution that participates in the FFELP will obtain a Stafford Loan application through the Special Loan Unit which will be used to process the participant's request for loan(s) under the program.

(c) Each academic year, the borrower attending a host institution that participates solely in the FDSLP shall obtain a loan request form through the Special Loan Unit from that institution, which will then forward the completed loan request form and a school certification form to the Special Loan Unit. The two forms will be used to process the participant's request for loan(s) under the program.

(d) As required by Federal rules governing the FFELP, an origination fee will be levied on the subsidized and/or non-subsidized Stafford Loan and will be deducted from the proceeds of the loan disbursement.

#### 9A:8-3.11 Redemption

(a) Borrowers with earned doctoral degrees will be eligible for redemption of their Stafford Loan(s) and Minority Faculty Advancement Loan(s) over a four-year period of qualifying service as defined by N.J.A.C. 9A:8-3.14.

(b) The principal balance of each loan account will be cancelled at an annual rate of 25 percent, in return for each full academic year of service as set forth in N.J.A.C. 9A:8-3.14.

(c) Total cancellation of loan indebtedness will not exceed the maximum of \$40,000 per student. Any previous loans obtained by the borrower will not be eligible for loan redemption under this program.

(d) Prior to the annual redemption of loan indebtedness, participants shall submit institutional certification of qualifying service to the Office of Student Assistance.

(e) If the borrower is deemed ineligible for loan redemption or chooses not to have the loans redeemed, the unpaid principal balance plus accruing interest at the prevailing rate for Stafford Loans and Minority Faculty Advancement Loans at the time the loans were made on the portion of loans not already redeemed will be converted to an installment contract and serviced by the Special Loan Unit of the Authority.

#### 9A:8-3.12 Terms of repayment

(a) Repayment of loans under the program shall be governed under the following conditions:

##### 1. For subsidized Stafford Loan:

i. Repayment of the loan shall be governed by the appropriate policies and procedures for Stafford Loans.

ii. Interest shall be at the prevailing rate established for Stafford Loans at the time the loan is made, and will be paid by the Federal Government during at least half-time enrollment and grace periods and authorized periods of deferment and may be waived during periods of authorized forbearance.

iii. Interest will begin accruing at the time of repayment, which will commence six months following less than half-time enrollment, withdrawal, graduation, or thereafter, in the absence of qualifying service as defined in N.J.A.C. 9A:8-3.14.

##### 2. For non-subsidized Stafford Loan:

i. Repayment of the loan shall be governed by the appropriate policies and procedures for Stafford Loans.

ii. Interest shall be at the prevailing rate established for Stafford Loans at the time the loan is made and will be waived during at least half-time enrollment periods, grace period, and authorized periods of deferment and may be waived during periods of authorized forbearance.

iii. Interest will begin accruing at the time of repayment, which will commence six months following less than half-time enrollment, withdrawal, graduation, or thereafter, in the absence of qualifying service as defined in N.J.A.C. 9A:8-3.14.

3. For Minority Faculty Advancement Loan:

i. Repayment of the loan shall be governed by the appropriate policies and procedures for Stafford Loans.

ii. Interest shall be at the prevailing rate established for Stafford Loans at the time the loan is made and will be waived during at least half-time enrollment periods, grace period, and authorized periods of deferment.

iii. Interest will begin accruing at the time of repayment which will commence six months following less than half-time enrollment, withdrawal, graduation, or thereafter, in the absence of qualifying service as defined in N.J.A.C. 9A:8-3.14.

(b) The Stafford Loan and Minority Faculty Advancement Loan will be converted to repayment simultaneously.

#### 9A:8-3.13 Loan forgiveness

(a) In the case of a program participant's death or total and permanent disability, the loan will be forgiven pursuant to the guidelines set forth for Stafford Loans.

(b) Request for deferment, forbearance or forgiveness of loans must be made by the borrower to the Authority's Special Loan Unit.

#### 9A:8-3.14 Faculty service requirements

(a) Faculty service requirements for loan redemption purposes shall be satisfied:

1. For those program participants nominated by a sponsoring institution, by faculty service at the sponsoring institution unless otherwise mutually agreed upon by the president of the institution and the program. A sponsoring institution must reemploy a program participant who successfully completes the program and was nominated by that institution. Exceptions to this requirement may be made only under extreme circumstances and with the approval of the Executive Director; or

2. By faculty service in an appropriate position, as determined by the Executive Director, at an institution of higher education within New Jersey; or

3. If no faculty position is available at a New Jersey college or university, by service in an appropriate position, as determined by the Executive Director, in an agency of State government.

(b) Host institutions shall provide assistance to program participants not nominated by a sponsoring institution who successfully complete the program in obtaining an appropriate position to fulfill faculty service requirements.

#### 9A:8-3.15 Minority faculty advancement program advisory committee

(a) A Minority Faculty Advancement Program Advisory Committee shall be appointed by the Executive Director.

(b) The Committee shall meet at least annually or more frequently, if necessary.

(c) The Committee shall:

1. Make recommendations to the Executive Director for participants in the program from among those candidates admitted by the academic programs of the host institutions who have applied for the program;

2. Make recommendations to the Executive Director regarding appropriate eligible disciplines and faculty service requirement positions;

3. Recommend to the Executive Director policies governing the program; and

4. Engage in other such activities as designated by the Executive Director which will further the quality of the program.

#### 9A:8-3.16 Exceptions to rules

An exception to these rules, on a case by case basis, may be granted by the Executive Director in cases where application of these rules, inasmuch as they might conflict with host institution policies, would not be in the best interests of, or would result in financial hardship to, program participants.

### SUBCHAPTER 4. (RESERVED)

#### Subchapter Historical Note

Subchapter 4, Minority Undergraduate Fellowship Program, was repealed by R.2000 d.162, effective April 17, 2000. See: 32 N.J.R. 429(a), 32 N.J.R. 1418(b).

### SUBCHAPTER 5. SELECTIVE SERVICE COMPLIANCE

#### Authority

N.J.S.A. 18A:3B-17, 18A:71-107.

**Source and Effective Date**

R.1997 d.525, effective December 15, 1997.  
See: 29 N.J.R. 4229(a), 29 N.J.R. 5293(a).

**9A:8-5.1 Purpose**

The rules established in this subchapter are intended to provide guidance for certain students in demonstrating compliance with the Military Selective Service Act, 50 App. U.S.C. §§ 451 et seq., prior to the disbursement of a State-funded loan, grant, or scholarship for attendance at any postsecondary institution.

**9A:8-5.2 Scope**

The requirements set forth under this subchapter address verification of compliance with the Military Selective Service Act for recipients of State-funded loans, grants, or scholarships for attendance at any postsecondary institution, but only for those students who do not file a Free Application for Federal Student Aid (FAFSA). For students who file a Free Application for Federal Student Aid, whether or not there is a successful data match with the Selective Service System as a result of filing the FAFSA, verification of selective service compliance provided under the Federal Higher Education Act of 1965, Pub. L. 89-329 (20 U.S.C. §§ 1001 et seq.) shall be satisfactory. A "postsecondary institution" shall mean an institution of higher education or a proprietary institution of higher education, as defined by the implementing regulations of the Federal Higher Education Act of 1965, Pub. L. 89-329 (20 U.S.C. §§ 1001 et seq.), 34 C.F.R. Part 600. A "State-funded loan, grant, or scholarship" shall include State financial assistance administered by the Office of Student Assistance or either of its public oversight boards, the Student Assistance Board and the Higher Education Assistance Authority, as well as State-funded loans, grants or scholarships administered by other agencies and by postsecondary institutions.

**9A:8-5.3 Proof of compliance**

(a) An institution or agency shall not disburse a State-funded loan, grant, or scholarship to a student who has not filed the FAFSA or its equivalent unless that institution or agency has received a satisfactorily completed New Jersey Statement of Selective Service Registration Status demonstrating that the student has complied with the Military Selective Service Act.

(b) The institution or agency awarding any State-funded loan, grant, or scholarship shall send the New Jersey Statement of Selective Service Registration Status, as provided in N.J.A.C. 9A:8-5.4, to the potential recipient of such aid prior to disbursement of funds to the recipient. The New Jersey Statement of Selective Service Registration Status shall be returned to the funding institution or agency in the student's initial award year. If the student has not yet demonstrated compliance with the Military Selective Service Act, or if he is not yet subject to the Military Selective Service Act (for example, he is under the age of 18), the

New Jersey Statement of Selective Service Registration Status is to be provided for each subsequent award year until the institution or agency receives such proof of compliance.

(c) The student shall return a completed New Jersey Statement of Selective Service Registration Status to the funding institution or agency no later than the date set by the institution or agency. If the funding agency is the New Jersey Office of Student Assistance, the student shall return a completed New Jersey Statement of Selective Service Registration Status no later than the deadline set annually by the Office of Student Assistance, the Student Assistance Board, or the Higher Education Assistance Authority for other documentation required prior to the disbursement of the State-funded loan, grant, or scholarship in question. For example, in the case of a grant or scholarship administered by the Office of Student Assistance, the student shall return a completed New Jersey Statement of Selective Service Registration Status to the Office of Student Assistance no later than the deadline date set annually by the Student Assistance Board for requests for additional applicant information.

(d) If the New Jersey Statement of Selective Service Registration Status is received after the deadline referenced in (c) above, is incomplete, or otherwise unsatisfactory, the funding institution or agency shall not disburse any State funds to the student.

(e) If State financial aid funds are not disbursed pursuant to (d) above, the institution or agency may permit an appeal by the student.

**9A:8-5.4 New Jersey Statement of Selective Service Registration Status**

The following form shall be completed by those students who do not file a Free Application for Federal Student Aid or its equivalent in order to verify their compliance with the Military Selective Service Act before any State-funded loans, grants, or scholarships for attendance at any postsecondary institution are disbursed to the student. To expedite disbursement, a funding agency or institution may accept a facsimile in lieu of an original.

**NEW JERSEY STATEMENT OF  
SELECTIVE SERVICE REGISTRATION STATUS**  
(for receiving State of New Jersey funded loans, grants, or  
scholarships to attend a postsecondary institution)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Student name) (Student Social Security Number)  
(Please print clearly)

\_\_\_\_\_ I certify that I am registered with Selective Service.  
=====

\_\_\_\_\_ I certify that I am not required to be registered with  
Selective Service because:

- \_\_\_\_\_ I am female.
- \_\_\_\_\_ I am in the armed services on active duty. (Does not apply to members of the Reserves and National Guard who are not on active duty.)
- \_\_\_\_\_ I have not reached my 18th birthday.
- \_\_\_\_\_ I was born before 1960.
- \_\_\_\_\_ I am exempt from registration for another reason consistent with the Federal Higher Education Act of 1965, as amended. (Specify the reason.) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

- \_\_\_\_\_ I did not register for another reason consistent with the Federal Higher Education Act of 1965, as amended. (Specify the reason.) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

I declare under penalty of perjury that the information contained in the New Jersey Statement of Selective Service Registration Status is true, complete, and correct to the best of my knowledge and belief and made in good faith. I understand that I may be asked to provide additional information or documentation to demonstrate compliance with the Military Selective Service Act.

\_\_\_\_\_  
(Student signature)

\_\_\_\_\_  
(Date signed)