



# Community College Gap Assistance Program Act

---

## Program Guidelines

**Last Revised**

**5/26/2023**

## Contents

I.	PURPOSE .....	1
II.	STATUTORY PROVISIONS.....	1
III.	APPLICABILITY .....	1
IV.	START DATE .....	1
V.	Gap PROGRAM OF STUDY .....	2
VI.	FUNDING ALLOCATIONS/OTHER SOURCES OF FUNDS.....	6
VII.	STUDENT ELIGIBILITY .....	8
	Income Requirements.....	8
	Income Requirements – Public Assistance .....	9
	U.S. Citizenship Requirements.....	9
VIII.	APPLICATION.....	10
IX.	INITIAL ASSESSMENT .....	11
X.	STUDENT RESPONSIBILITIES.....	11
XI.	ELIGIBLE STUDENT COSTS .....	12
XII.	Gap RECIPIENT CANCELLATION; USE OF CANCELLATION AND/OR REFUND POLICY .....	12
XIII.	ELIGIBLE COMMUNITY COLLEGE ADMINISTRATIVE COSTS .....	12
XIV.	COMMON APPLICANT TRACKING SYSTEM.....	13
XV.	COMMUNITY COLLEGE REPORTING REQUIREMENTS .....	13
XVI.	FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT (FERPA); TRANSMISSION OF YOUR COMMON TRACKING SPREADSHEET .....	15
XVII.	RIGHT TO AUDIT.....	16
	<u>Appendix A</u> Gap ASSISTANCE ALLOCATION FORMULA .....	17
	<u>Appendix B</u> Gap ASSISTANCE PROGRAM FREQUENTLY ASKED QUESTIONS/COMMENTS .....	17

*This guidance document is advisory in nature but is binding on an agency until amended by such agency. A guidance document does not include internal procedural documents that only affect the internal operations of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.*

## **Revisions**

08/14/2019	Expanded Frequently Asked Questions/Comments
11/21/2019	Updated requirements for Gap-eligible credit programs
04/01/2020	Update for remedial courses, combining credit and non-credit programs, and concurrent enrollment in Gap program and degree program
07/10/2020	Update allocation formula, in-demand occupations, and FAQs regarding income eligibility
03/02/2021	Expanded Frequently Asked Questions/Comments
06/22/2021	Include LB 528 (2021) changes for eligible institutions and new reporting requirements to the APA. Incorporate FAQs.
7/14/2022	Include LB 528 (2021) change for administrative cost percentage to 10% maximum for all colleges.
5/26/23	Changed distribution dates to beginning of each quarter from five days after the quarter ended.

## I. PURPOSE

The purpose of this document is to provide guidance to community colleges on administration of the Community College Gap Assistance Program (Gap). The purpose of Gap is to provide funding to community colleges to award community college gap assistance to students in Gap programs of study.

## II. STATUTORY PROVISIONS

Nebraska Revised Statutes §§ 85-2001 to 85-2011 govern the Community College Gap Assistance Program Act.

<u>§ 85-2001</u>	Act, how cited.
<u>§ 85-2002</u>	Terms, defined.
<u>§ 85-2003</u>	CCGAP; created; purpose; eligibility.
<u>§ 85-2004</u>	Community college gap assistance; application.
<u>§ 85-2005</u>	Community college gap assistance; criteria; denial of application; when.
<u>§ 85-2006</u>	Community college gap assistance; eligible costs.
<u>§ 85-2007</u>	Applicant; initial assessment.
<u>§ 85-2008</u>	Community college gap assistance; recipient; duties; termination of assistance; when.
<u>§ 85-2009</u>	CCGAP Fund; created; use; investment.
<u>§ 85-2010</u>	CCGAP; committee; duties; meetings.
<u>§ 85-2011</u>	Rules and regulations.

## III. APPLICABILITY

The following institutions are covered by the Act:

- ❖ Central Community College
- ❖ Metropolitan Community College
- ❖ Mid-Plains Community College
- ❖ Northeast Community College
- ❖ Southeast Community College
- ❖ Western Nebraska Community College
- ❖ A not-for-profit, two-year postsecondary institution with a physical presence in this state that has been accredited by an accrediting agency recognized by the United States Department of Education to provide institutional accreditation for degree granting institutions under contract with the committee.

## IV. START DATE

Community colleges may begin offering Gap assistance to eligible students beginning July 1, 2016. Not-for-profit, two-year postsecondary institutions may begin once a contract has been finalized.

## V. Gap PROGRAM OF STUDY

The Commission will maintain a master list of Gap programs of study, viewable at <https://ccpe.nebraska.gov/gap>, which have been submitted by the community colleges<sup>(1)</sup> and approved by the Commission.

### Gap Program of Study Defined

A Gap program of study means a program offered by a community college that is not offered for credit and has a duration of not less than sixteen contact hours in length or is offered for credit but is of insufficient clock, semester, or quarter hours to be eligible for Federal Pell Grants, is in an in-demand occupation, and does any of the following:

- Offers a state, national, or locally recognized certificate;
- Offers preparation for a professional examination or licensure;
- Provides endorsement for an existing credential or license;
- Represents recognized skill standards defined by an industrial sector; or
- Offers similar credential or training.

A Gap program of study offered by a community college must be a program instructed by a college faculty member, an adjunct faculty member, or a person or entity contracted and paid to teach by the college administration. A Gap program of study offered by a community college must also be aligned with training programs with stackable credentials that lead to a program awarding either college credit, an associate's degree, a diploma, or a certificate in an in-demand occupation. The aligned training program must be for credit.

When creating any Gap program, Gap funding pays for programs, not individual courses. While some Gap programs may consist of only one class such as Med Aide, once students complete the Med Aide program, they would not be eligible for further Gap funding as only one program per student is allowed.

A Gap program of study can include:

- Credit Programs

With the passage of LB 180 (2019), eligible credit programs can be funded under the Gap program. The Federal Student Financial Aid handbook identifies two types of institutions and community colleges may fall under both – an institution of higher education and a postsecondary vocational institution, each one with a different programmatic hourly threshold requirement to be eligible for Title IV funding. As not all of the community colleges have opted to be designated a postsecondary vocational institution by the U.S Dept. of Education, undergraduate programs that provide less than 600 clock hours, 16 semester or trimester hours, or 24 quarter hours of undergraduate instruction offered during a term of at least 15 weeks of instruction are not eligible for a Pell grant, possibly making these programs eligible for Gap funding

<sup>(1)</sup> Community college includes the six public community colleges located in one of the six community college areas or a not-for-profit, two-year postsecondary institution with a physical presence in this state that has been accredited by an accrediting agency recognized by the United States Department of Education to provide institutional accreditation for degree granting institutions under contract with the committee.

In order to keep the inquiries of potential Pell-eligible programs to a minimum for the financial aid or similar office, you can use the following thresholds:

- If a credit program is less than 600 clock hours, 16 semester or trimester hours, or 24 quarter hours, these programs do not need to be reviewed by the financial aid or similar office that's familiar with Pell grant requirements.
- If a credit program is at least 600 clock hours, 16 semester or trimester hours, or 24 quarter hours, these programs need reviewed by the financial aid or similar office that's familiar with Pell grant requirements to determine whether the program is Pell eligible. If the financial aid or similar office determines the program isn't eligible for Pell grant funding, and therefore eligible for Gap funding, this should be documented and kept on file.

- Credit Course Eligibility When Part of Pell-Eligible Program

Certain Pell-eligible programs have required introductory credit-bearing courses that, when taken on their own, could be considered Gap Assistance programs. An Associate Degree Nursing program with CNA and Med Aide classes embedded into the program would be Pell-eligible. However, the same CNA and Med Aide courses could be combined into a stand-alone credit Gap program, provided the program meets the eligibility requirements.

By creating Gap-eligible credit programs by breaking out certain courses from Pell-eligible programs, a student could complete a Gap program and then decide to pursue a degree pathway and be eligible for Pell grants, with the Gap program coursework counting toward their degree pathway.

As with any new program, it must be submitted for approval using the Gap Assistance Program Approval Form found on the website. Although credit Gap programs could meet the definition of an aligned training program, these credit programs could also lead to an associate's degree, a diploma, or a certificate. Currently, non-credit CDL programs with an aligned training program are included on the Gap programs list. If a similar credit CDL program is submitted, it would be expected to include an aligned training program, which is not required to be from the same college. Please include under the Aligned Training Program heading if there is a pathway for the credit Gap program.

When creating any Gap program, keep in mind Gap funding pays for programs, not individual courses. While some Gap programs may consist of only one class such as Med Aide, once students complete the Med Aide program, they would not be eligible for further Gap funding as only one program per student is allowed.

- Credit and non-credit programs/courses combined into one Gap program.

Credit and non-credit programs/courses can be combined into one Gap program as long as there is a logical relationship to the courses/programs. This builds on the previous guidance of combining non-credit programs into one program. When combining programs, colleges must submit the combined program of study for approval even though previously approved programs of study may be being combined. This will identify the combined program as one program. When completing the Gap Assistance Program Approval Form, you should identify the non-credit and credit hours separately under the correct column.

- Remedial Courses

One outcome measure in § 85-2005 is that the applicant must demonstrate the ability to be accepted to and complete an eligible program. This could imply that if a student requires remedial coursework then that student doesn't have the ability to be accepted into the program and would not be eligible.

The committee reviewed this issue and determined that when a student does not test high enough in a subject and would need one remedial course before being meeting the requirements, this one remedial course could be included as part of a Gap program of study. This will allow a student that may not be able to afford a remedial course or not be able to afford the time to take and complete the remedial course and then start a Gap program, to take the remedial and Gap courses concurrently and finish the program more quickly.

It is important to note that only one remedial course will be allowed per program and only if the applicant's assessment determined the applicant did not test high enough in a subject and would need to take a remedial course.

An in-demand occupation means:

- Financial services
- Transportation, warehousing, and distribution logistics
- Precision metals manufacturing
- Biosciences
- Renewable energy
- Agriculture and food processing
- Business management and administrative services
- Software and computer services
- Research, development, and engineering services
- Health services
- Hospitality and tourism
- Construction
- Education (designated by committee 7/14/20)
- Any other industry designated as an in-demand occupation by the committee

Contact hour defined

Contact hour means an educational activity consisting of sixty minutes minus break time and required time to change classes. Neb. Rev. Stat. § 85-1503(5).

Format for submitting your Gap Assistance Program Approval Form

The Commission has created a simple spreadsheet for you to submit your Gap programs of study for review and approval/disapproval. Please only use this format so submissions are kept uniform.



# Gap Assistance Program Approval Form

Community College	Gap Program of Study	In-demand Occupation Selection	Length Contact Hours	Length Credit Program		Aligned Training Program (must be for credit)	Aligned Training Program Institution
				Type	Hours		

- **Community College:** please enter your community college initials.
- **Gap Program of Study:** please enter your proposed Gap program of study name.
- **In-demand Occupation Selection:** please use the drop-down menu and select the appropriate in-demand occupation your Gap program of study falls within.
- **Length Contact Hours:** please enter the Gap program of Study’s length in contact hours for non-credit courses. Please note, a number greater than or equal to sixteen must be entered into this column. Gap programs can be a mixture of credit and non-credit courses.
- **Length Credit Program:** please enter the Gap program of Study’s length in credit hours for credit courses. If this amount is greater than 16 credit hours, please check with your financial aid office to ensure the program isn’t Pell eligible. Gap programs can be a mixture of credit and non-credit courses.
- **Aligned Training Program:** please enter the training program (credit or non-credit) that aligns with your Gap program of study. This training program is not confined to offerings at your college. However, priority should be given to those at your college first, then other Nebraska institutions, and finally those training programs outside Nebraska.
- **Aligned Training Program Institution:** please enter the institution where the aligned training program is offered.

Gap program of study list

Promptly notify the Commission of any Gap program of study no longer offered so we can update the cumulative list. If your community college is seeking to make an addition to your Gap program of study list, please submit that addition for Commission review on the Gap Assistance Program Approval Form spreadsheet. You will be notified whether the new Gap program of study has been approved or not shortly thereafter.

Certification of your Gap program of study list

When submitting your Gap program of study list to the Commission, you are certifying that, to the best of your knowledge and belief, all information contained within complies with statutory requirements. Specifically, you are certifying your Gap programs of study



are eligible offerings pursuant to Neb. Rev. Stat. § 85-2002(3). This includes confirming with your financial aid office that any submitted credit course program that provides at least 600 clock hours, 16 semester or trimester hours, or 24 quarter hours of undergraduate instruction is not eligible for Pell grant funding.

Using your Commission approved Gap program of study list

As prospective applicants to this program have diverse training needs, community colleges may reasonably package or combine any number of the programs listed on their approved Gap program of study list into a singular Gap program of study. For example, individual Gap-approved OSHA training programs can be combined into a single Gap program of study for students who need multiple OSHA training courses. Due to restrictions that the Gap program can only pay for one program of study per student, you must submit the combined program of study for approval even though you are combining previously approved programs of study. This identifies the combined program as one program.

VI. FUNDING ALLOCATIONS/OTHER SOURCES OF FUNDS

Effective July 1, 2020, the six public community colleges located in one of the community college areas will be allocated state Gap funding based on each community college area's average monthly expenditure for the fiscal year with the highest expenditure divided into its June 30 cash on hand amount and multiplied by the difference between the targeted number of months of cash on hand and the number of months of cash on hand on June 30. A more detailed explanation can be found in Appendix A. This allocation method is subject to change based on factors including, but not limited to, need and performance. The grant committee that is charged with oversight of this program, upon its findings, may ask for the return of unused funds in order to reallocate them.

Estimated quarterly distributions dates each year (subject to change):

1 <sup>st</sup> Quarter:	by July 10 <sup>th</sup>	3 <sup>rd</sup> Quarter:	by January 10 <sup>th</sup>
2 <sup>nd</sup> Quarter:	by September 10 <sup>th</sup>	4 <sup>th</sup> Quarter:	by April 10 <sup>th</sup>

Not-for-profit, two-year postsecondary institutions will be reimbursed for actual expenditures up to the amount included in its contract with the Commission.

The community colleges are expected to be prudent stewards of their funding allocations and to appropriately plan their number of Gap recipients in light of that allocation. Effective monitoring of the allocation is paramount to ensure sufficient funds remain for recipients throughout their respective Gap program of study's duration.

Other Sources of Funds

Neb. Rev. Stat. § 85-2005(3) conditions the awarding of Gap funding to an applicant by specifically directing the committee to "deny an application when the community college receiving the application determines that funding for an applicant's participation in an eligible program is available from any other public or private funding source."

The commission interprets this requirement to include only funds the college has in its possession at the time the applicant is accepted into the Gap program and not funds, such as reimbursement grants, that are conditioned on specific requirements to be

reimbursed. Neb. Rev. Stat. § 85-2005(3) would preclude an individual from applying for and being accepted into the Gap Assistance program and concurrently accepting Workforce Retraining Initiative (WRI) funds to pay for the Gap-approved program.

However, an individual who has not applied to the Gap Assistance program could receive WRI funding and, once the individual completes the courses/training paid by WRI funds, he/she could apply to the Gap Assistance program with the Gap Assistance program funding the remaining courses/training in a Gap-eligible program.

An example could be a student who enrolls in one or two welding courses funded through WRI. Once the student exhausts the WRI funding, he/she could apply to the Gap Assistance program, and provided the student met the eligibility requirements, would be accepted into a Gap-eligible welding program with the courses taken through WRI counting toward the certificate.

This does not preclude the student receiving funds from other sources for costs Gap does not cover, such as housing. Another example could be using Vocational Rehabilitation funding for costs that the Gap program does not allow.

#### Reimbursement type grants

Reimbursement type grant programs, by definition, require funds to first be expended before the college would be able to request reimbursement from grant funds. Because of this, funding is not available at the time the student is accepted into the Gap. While this is a small distinction from the WRI funds, it does allow Gap funds to be used first and then the Gap program would be reimbursed from the grant once the grant requirements to claim reimbursement are met. To account for this type of reimbursement, Gap funds should first be spent for allowable costs, then once the grant requirements have been met for reimbursement and the funds are received by the college, a journal entry for the appropriate amount of grant funds should be done to reimburse the Gap program. Documentation for this journal entry should include the Gap student's name.

To account for the student expense on the tracking spreadsheet, once the Gap fund has been reimbursed, the appropriate student's expenses should be reduced by the amount of the reimbursement to show the actual cost to the Gap program. In the Expense tab, the reimbursement (credit) should be netted against the appropriate expense (tuition, equipment, administrative costs, etc.).

An example brought to our attention was the SNAP Employment and Training Grant. The Nebraska Department of Health and Human Services (DHHS) and the Nebraska Department of Labor (DOL) are working together to get under-employed and unemployed clients who are on the Supplemental Nutrition Assistance Program (SNAP) into jobs that pay a livable wage.

Many of the students eligible for Gap may also be eligible for the SNAP E&T program. The SNAP E&T grant includes a matching component that the unreimbursed Gap funds may be able to be used to meet this matching requirement. An additional benefit of receiving reimbursement for allowable Gap costs is state Gap funding will be able to be awarded to more students.

## VII. STUDENT ELIGIBILITY

Pursuant to Neb. Rev. Stat. § 85-2003, to be eligible for community college Gap assistance, an applicant:

- a) Must have a family income which is at or below two hundred fifty percent of the U.S. Department of Health and Human Services income poverty guidelines; and
- b) Shall be a resident of Nebraska as provided in Neb. Rev. Stat. § 85-502.

Nebraska Revised Statute § 85-2003 mistakenly references the Office of Management and Budget income poverty guidelines. OMB has never issued such guidelines. Please see <https://www.federalregister.gov/articles/2016/01/25/2016-01450/annual-update-of-the-hhs-poverty-guidelines> for an explanation from the Office of the Federal Register. **Income poverty guideline calculations will be emailed by CCPE to community colleges after posting by the federal government (usually in January).**

### Income Requirements

As noted above, an applicant must have an annual family income which is at or below two hundred fifty percent of the U.S. Department of Health and Human Services income poverty guidelines. The most recent update for the income poverty guidelines is located at <https://aspe.hhs.gov/poverty-guidelines>. The Office of the Federal Register as well as the U.S. Department of Health and Human Services will continue to post future updates. For Gap purposes, family is defined as either the applicant, and if applicable, the applicant and spouse (plus any dependents, see below). However, although the family may include dependents, on the “Income Qualification” section of the student application, only the names of applicant or applicant plus spouse will be entered. In practical terms then, only the applicant or applicant and spouse’s income will be included in the annual family income.

Income most often is annualized on a January through December basis, i.e. if an applicant earned \$7,000 through March, the annualized income would be \$28,000. However, when determining income eligibility, the annualize period that most accurately reflects the family’s ability to pay should be used. For example, if an applicant had earned \$20,000 through March, applied for Gap in July and had no other income from March through July, the college could elect to use a July through June timeframe to calculate the annualized income, in this case \$0. In this example, the applicant had been unemployed for three months and it was assumed the situation would not change. If you use a timeframe different than the standard January through December, you should note your reason in the applicant’s file. Your financial aid office should be familiar with recalculating aid based on changing circumstances for federal aid if you need additional information.

To satisfy audit documentation requirements, community colleges must obtain and retain the applicant’s, and if applicable the spouse’s, most recent federal Internal Revenue Service Form 1040. Form 1040 will be used to verify if any additional sources of income were not reported on the student application “Income Qualification” section and if any dependents can be added to the family size (dependents are typically listed on line 6(c) on Form 1040). For example, child support and retirement income may be reported on Form 1040 but not reported by an applicant under “Income Qualification.” **Form 1040 is not to be used to compute the annual family income required for the applicant’s eligibility in the Gap.** If the applicant, or the applicant’s spouse, has not filed a Form 1040

because no income was received the prior year, community college staff must make a written statement to that effect on the student's application or elsewhere in the student's record and proceed with the application. If the applicant's Form 1040 indicates dependents, these individuals should be included in the family size on the income poverty guidelines. If the applicant did not file a Form 1040, the applicant may indicate the number of dependents if they had filed.

The student application provides the community college with the applicant's family (applicant or applicant plus spouse) gross income data. For every individual (applicant, or applicant plus spouse) with income listed on the "Income Qualification" section of the student application, the most recent pay stub must be obtained and retained. The pay stub(s) are to be used to verify the income indicated on the "Income Qualification" section of the student application. If the applicant, or applicant's spouse, is unemployed and has no pay stub, community college staff must make a written statement to that effect on the student's application or elsewhere in the student's record and proceed with the application. Next, community college staff can compare the paystub(s) with the student applicant reported income and annualize that income and use the annualized income to compare to the income poverty guidelines with any changes to family size due to being married or having dependents as noted above. Community college staff can notate in the Office Use Only area on the student application if applicant's family annual income is at or below two hundred fifty percent (250%) of the current year's U.S. Department of Health and Human Services income poverty guidelines.

#### Income Requirements – Public Assistance

Within the "Income Qualification" section of the Gap student application, the application asks the Gap applicant to state an amount of public assistance income and how often it was received. This information is gathered to allow the community colleges to compute the Gap applicant's total family income and determine whether it meets Gap income requirements.

For Gap, the definition of public assistance includes only the following nonmeans-tested government cash transfers: social security payments (not SSI though), unemployment compensation, workers' compensation, nonmeans-tested veterans' payments, U.S. railroad retirement, Black lung payments, and Pell Grants.

#### U.S. Citizenship Requirements

A student receiving Gap funding must be either a citizen of the United States or a qualified alien under the federal Immigration and Nationality Act. The Gap student application asks the same questions as the United States Citizenship Attestation Form developed by Nebraska's Department of Administrative Services to comply with Neb. Rev. Stat. §§ 4-108 through 4-114 and is available at [http://das.nebraska.gov/lb403/attestation\\_form.pdf](http://das.nebraska.gov/lb403/attestation_form.pdf).

Pursuant to Neb. Rev. Stat. § 4-112, any prospective Gap applicant who has selected the second option as a qualified alien must be verified through the U.S. Department of Homeland Security (SAVE system) or an equivalent program as designated by the U.S. Department of Homeland Security. The community colleges by law must complete this verification. The turnaround time for verification in the Commission's experience is mostly instantaneous with a few cases requiring about a week to verify. United States Citizenship and Immigration Services charges a fee per verification and sets a monthly minimum floor

on the verification fee regardless of inquires at \$25.00 (subject to change). This fee, as it relates to Gap applications, may be paid from your Gap administrative allocation.

Deferred Action for Childhood Arrivals (DACA) students are not eligible for the Gap program as deferred action does not provide lawful status which is a requirement for public benefits per Neb. Rev. Stat. § 4-111. Neb. Rev. Stat. § 4-108 et al. states that “no state agency or political subdivision... shall provide public benefits to a person not lawfully present in the United States.” Neb. Rev. Stat. § 4-109 defines public benefit to include grants. Per the U.S Citizenship and Immigration Services website, deferred action does not provide lawful status.

## VIII. APPLICATION

The Commission has developed a standard Gap application form that community colleges may modify and use in their intake process. Applications for Gap shall be made to the community college in which the applicant is enrolled or intends to enroll. An application shall be valid for six months from the date of signature on the application. The applicant must provide certification of all sources of income and cannot receive Gap assistance for more than one Gap program of study.

Nebraska Revised Statute § 85-2005 requires a Gap applicant, through their initial assessment or other means, to demonstrate capacity to achieve the following outcomes:

- a) The ability to be accepted to and complete a Gap program of study;
- b) The ability to be accepted into and complete a postsecondary certificate, diploma, or degree program for credit;
- c) The ability to obtain full-time employment; and
- d) The ability to maintain full-time employment over time.

The community colleges must reasonably document a Gap applicant’s capacity to achieve the above outcomes.

The community college may grant Gap assistance under this program to an applicant in any amount up to the full amount of eligible costs.

The community college shall deny an application if it determines that funding for an applicant’s participation in a Gap program of study is available from any other public or private funding source.

A Gap student can be enrolled in both a Gap program and a certificate or degree program **if** the student is taking a limited number of credit courses toward a certificate or degree program and the expected certificate or degree will not be completed for several years. An example is a student taking one or two courses each semester toward a degree but would like to enhance current skills for promotion or job retention. The Gap program would not necessarily have to be in the same area as the degree program.

### High School Student Application

As included above, Neb. Rev. Stat. § 85-2005 requires a Gap applicant, through their initial assessment or other means, to demonstrate capacity to achieve four outcomes:

The specific criteria that would make a high school student ineligible for Gap Assistance is b) The ability to be accepted into and complete a postsecondary certificate, diploma, or degree program for credit. If a community college requires a high school diploma or GED to be accepted into a credit program, a high school student would not be eligible. If a community college does not have this requirement, then a high school student would be eligible if he/she meets the other requirements. With the requirements of c) and d), a high school student would need to be a senior. A junior or younger would not be able to obtain full-time employment within a 6 to 12-month period from completing the program.

### Incarcerated Person Application

The same criteria as used above for the eligibility of a high school student would apply to an incarcerated person. First, they would need to meet the requirements of Neb. Rev. Stat. § 85-2005. With the requirements of c) and d), the incarcerated person's sentence would need to end within 6 months from completing the program.

## IX. INITIAL ASSESSMENT

Applicants to the Gap must complete an initial assessment administered by the community colleges in accordance with Neb. Rev. Stat. § 85-2007 to determine the applicant's readiness to complete a Gap program of study. The community colleges shall make the determination of readiness based on an assessment tool of their choice. The initial assessment and the determination of readiness must be documented in the student's file in a reasonable manner to allow for review.

## X. STUDENT RESPONSIBILITIES

Pursuant to Neb. Rev. Stat. §§ 85-2008 and 85-2010 a Gap recipient must:

- a) Maintain regular contact with faculty of the Gap program of study to document the applicant's progress in the program;
- b) Sign any necessary releases to provide relevant information to community college faculty or case managers, if applicable;
- c) Discuss with faculty of the Gap program of study any issues that may affect the recipient's ability to complete the Gap program of study and obtain and maintain employment;
- d) Attend all required courses regularly;
- e) Meet with faculty of the Gap program of study to develop a job-search plan; and
- f) Upon completion of any community college Gap program of study complete surveying when requested by the community college.

Community colleges must reasonably document that these requirements are being met when applicable.

## XI. ELIGIBLE STUDENT COSTS

Pursuant to Neb. Rev. Stat. § 85-2006 eligible student costs under the Gap include, but are not limited to:

- a) Tuition;
- b) Direct training costs;
- c) Required books and equipment; and
- d) Fees, including, but not limited to, fees for industry testing services and background check services.

## XII. Gap RECIPIENT CANCELLATION; USE OF CANCELLATION AND/OR REFUND POLICY

If a Gap recipient cancels or withdraws his or her enrollment in a Gap program of study, the community college must use their existing cancellation or refund policy to determine the amount of aid, if any, is refunded back to your Gap aid account. However, community colleges are encouraged, in an effort to reuse Gap aid dollars to achieve program success, to refund as much as possible to your Gap aid account if a Gap recipient withdraws or cancels after the program start date.

A Gap recipient who withdraws or cancels after the program start date should, barring extenuating circumstances, be excluded from future participation from the Gap and marked as "Did Not Complete" in the tracking spreadsheet. Examples of extenuating circumstances include, but are not limited to, medical issues, incarceration, and changes to work schedules for those students participating in Gap while continuing to work. The status of students in extenuating circumstances should be identified with a date in the Did Not Complete column and upon return to the Gap program, this date should be deleted so the current status of the student is reflected.

If a community college purchased any other items as eligible student costs beyond tuition for a Gap recipient (e.g., welding jacket, boots, etc.), who cancels after the program start date, the community college must make a good faith attempt to reuse these items or obtain a refund to help offset the original expense. If the items are reused for another Gap recipient, the cost of these items on the spreadsheet is to be associated with the student who actual uses them.

## XIII. ELIGIBLE COMMUNITY COLLEGE ADMINISTRATIVE COSTS

Beyond the eligible student costs listed earlier, community colleges may use up to 10% of their Gap allocation to assist in defraying the costs of direct staff support services, including, but not limited to, marketing, outreach, applications, interviews, and assessments.

When expending Gap funds, the community colleges must reasonably mark or identify them as such in their accounting system in order to facilitate outside review. Administrative costs must be able to be differentiated from student costs for outside review to verify compliance with administrative percentage limits.

#### XIV. COMMON APPLICANT TRACKING SYSTEM

The Commission has developed a common applicant tracking system for the Gap program that is to be implemented consistently by each participating community college. The tracking system was designed so it can easily be updated, saved, and then submitted to the Commission. The community colleges must sufficiently complete the tabs within this spreadsheet labeled as "Tracking" and "Expenses." The community colleges do not need to enter information on the other sheets located within the spreadsheet. These other sheets are strictly for Commission data gathering and reporting.

#### XV. COMMUNITY COLLEGE REPORTING REQUIREMENTS

The success of the Gap program centers on the ability to communicate positive results to the Nebraska legislature. This information is needed by the legislature when considering any funding changes and whether to continue the program. To collect such data, community colleges must submit to the Commission on a quarterly basis an up-to-date, cumulative common applicant tracking spreadsheet and a narrative section describing the status of the program. **The quarterly reports are due two weeks after the conclusion of the preceding quarter.** The quarters will be based off of the July 1<sup>st</sup> through June 30<sup>th</sup> year.

##### TRACKING TAB

The common applicant tracking spreadsheet includes a post-completion section to indicate if the Gap program completer had any of the following outcomes: new employment, if that new employment was within their identified in-demand occupation area, retained current employment, is unemployed but continuing with further education, is unemployed, is deceased, or had no response. In order to sufficiently complete this section of the tracking spreadsheet, community colleges must survey or follow up with Gap completers. The method and mode of surveying is at the community colleges discretion provided that such surveying will collect the information needed to complete the common applicant tracking spreadsheet.

The most significant data that can be collected from Gap completers is if they gained new employment, and if so, if it was in their in-demand occupation area, or if they retained their current employment. If the Gap completer has obtained either of these results at the time of program completion, please input it into the tracking spreadsheet as soon as possible. No further surveying for these students who had gained new employment or retained employment would need to be done. However, if a completer at the time of completion had not yet gained new employment or retained employment, it would be beneficial to follow up with that student for a period of up to six months to determine if new employment has been reached and input that data on the tracking spreadsheet. Once a Gap completer has indicated new employment, no further surveying needs to be completed. If after six months post-completion a Gap completer has not obtained new employment, please fill out the completer section of the spreadsheet with the appropriate response (e.g., unemployed, deceased, etc.). The legislative history related to this program indicates Nebraska's senators are extremely interested in job attainment rates which makes being



able to collect and report this information vital to the success and continuation of the Gap program.

### General

The Status of Approved Participants, Completed Program/Training Date, and Did Not Complete Date fields (columns N-Q) should show the status of the student as of the last day of the quarter being reported.

Dates must be in mm/dd/yyyy format as formulas used to prepare the annual report rely on comparing dates when doing counts of students or sums of eligible costs.

Columns W through AD, highlighted in red, are used only when there is a date in column P, Completed Program/Training Date. These are very important columns to complete as they show the benefits and outcomes of the Gap program and are included in the report submitted to the Legislature.

If a date is included in column W - New Employment, then either a Yes or No must be entered in column X - If New Employment, was employment within their in-demand occupational area?

### Status of Approved Participants

Since the spreadsheet should report the status of the student as of the end of the quarter, if the student had been approved and the Enrolled in Program Date is after the end of the quarter, this person must have a date prior to the end of the quarter entered in the Waiting to Participate Date field. Otherwise, this student will not be counted for the quarter and this could make a big impact if it is the 4th quarter which is used to prepare the report. Example: Fourth quarter report (June 30, 2018) shows an Enrolled in Program Date for a student of July 7, 2018. Because this student's date is after June 30, 2018, he will not be included in the June 30, 2018, report. However, if the student would have a June 28, 2018, date entered in the Waiting to Participate Date, the June 30, 2018, report would include this student under the Waiting to Participate category.

### Eligible Costs

If the student has a date entered in the Enrolled in Program Date column, then costs must be recorded in this section but can be estimated initially. It is important that the costs of enrolled students are reported in the same quarter as the Enrolled in Program date. Adjustments can be made in later quarters if necessary.

### EXPENSES TAB

In the past, there has been some attempt to reconcile the Eligible Costs on the Tracking tab to the amount reported in the Expenses tab. While this may be possible, there could be timing differences when costs are actually paid from the Gap funds and when Eligible Costs are recorded on the Tracking tab.

Because of this, please meet with your accounting department and amend the Expenses tab from the beginning (July 2016) to reflect actual net expenditures as shown in the general ledger used to track Gap expenditures. The purpose of this change is to report the amount actually paid from Gap funds and supported in the accounting records.

Expenses included under this tab will be the basis for expenditures reported in the annual report.

Drug testing should be part of training costs, not administrative costs if it is a requirement of the program. If it's a requirement of the college for acceptance to the gap program, then it would be an administrative expense.

#### LB 528 Reporting Requirements

On or before September 20, 2022, and on or before each September 20 thereafter, (i) any department or agency receiving a transfer or acting as the administrator for a fund receiving a transfer pursuant to subsection (4) of this section, (ii) any recipient or subsequent recipient of money from any such fund, and (iii) any service contractor responsible for managing any portion of any such fund or any money disbursed from any such fund on behalf of any entity shall prepare and submit an annual report to the Auditor of Public Accounts in a manner prescribed by the auditor for the immediately preceding July 1 through June 30 fiscal year detailing information regarding the use of such fund or such money.

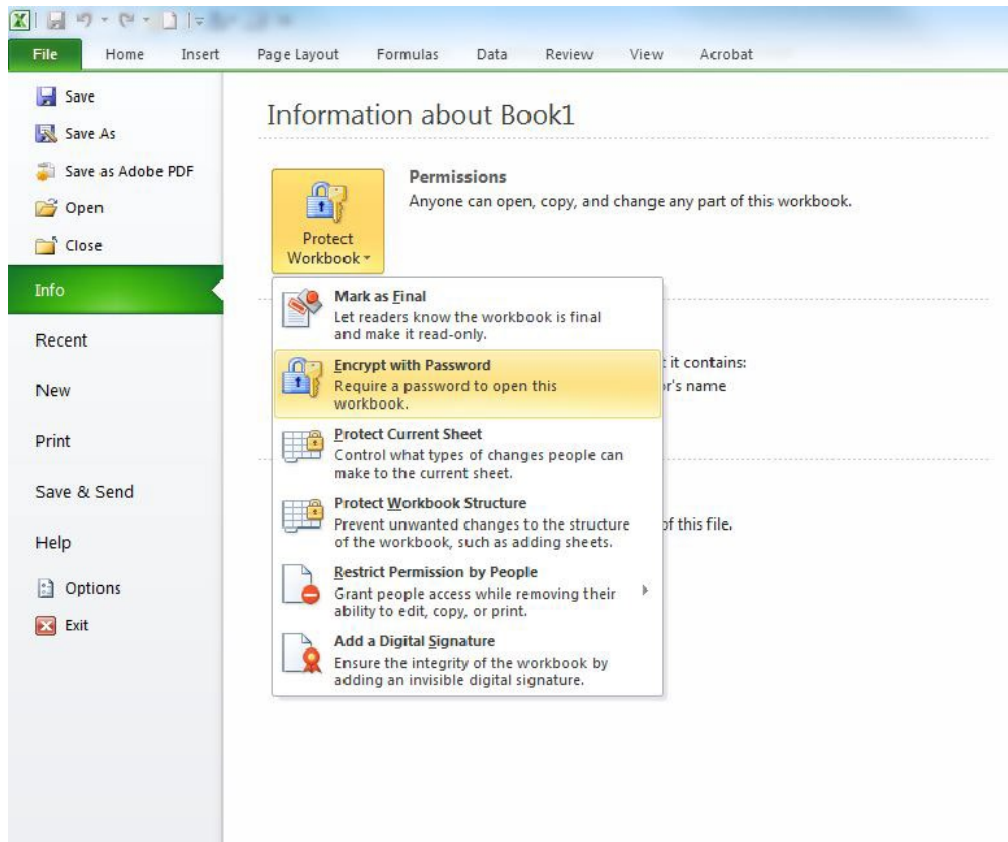
#### XVI. FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT (FERPA); TRANSMISSION OF YOUR COMMON TRACKING SPREADSHEET

The common applicant tracking spreadsheet you will be emailing the Commission on a quarterly basis likely qualifies as an education record (or multiple education records) under FERPA. Under 34 § 99.31(a)(4)(i) of the Code of Federal Regulations, current as of May 4, 2016, the community colleges may disclose personally identifiable information from an education record of a student without student consent, as the disclosure is in connection with financial aid for which the student has applied or which the student has received, which is necessary for the Commission to enforce the terms and conditions of the aid. No additional releases need be obtained from the student for the transmission of the tracking spreadsheet.

When disclosures are made under this financial aid exception, the recordkeeping and redisclosure provisions apply in 34 CFR §§ 99.32 and 99.33. See FERPA Online Library, <http://www2.ed.gov/policy/gen/guid/fpco/ferpa/library/ferpayale.html>. Please be mindful and implement these sections according to your institution's FERPA policy when making these disclosures to the Commission.

In order to protect the personally identifiable information during electronic transmission to the Commission, each community college must encrypt the tracking spreadsheet with a password prior to submission. The community colleges must take necessary data security precautions while the tracking spreadsheet and any other items are in their possession (e.g., located on their servers). The Commission has supplied each community college with a unique password to encrypt their spreadsheet which the Commission will use to decrypt that spreadsheet upon receipt.

Encrypting within Microsoft Excel 2010 is done by clicking File→Info→Protect Workbook→Encrypt with Password and also as shown in the image below. Please note these instructions are for Microsoft Excel 2010 whereas other versions may have different steps to enable encryption. Please refer to online resources for assistance.



## XVII. RIGHT TO AUDIT

The community colleges must maintain a reasonable accounting system that enables the Commission to readily audit all components of this program. Community colleges must maintain such records, together with such supporting or underlying documents and materials, for at least the preceding five (5) years.

## Gap ASSISTANCE ALLOCATION FORMULA

Beginning with the award year starting July 1, 2020, the new formula would be:

1. Determine which of the previous years had the largest annual level of expenditures for each institution and divide by 12 to arrive at a monthly cash need. Divide this number into the June 30 balance to determine the number of months of cash on hand at the end of the fiscal year. For CCC this would be  $\$168,335/12 = \$14,028$  then  $\$231,802/\$14,028 = 16.5$  months rounded to 17 months.
2. Using a reasonable number of months of cash on hand, I've used 18 months as a starting point, subtract the number of months of cash on hand calculated in 1 from 18 months. For the CCC example, this would be  $18 - 17 = 1$  month below the target of 18 months.
3. Multiply the number of months from 2 by the monthly cash need from 1. For CCC, this would be 1 month x  $\$14,028$ . This will be the allocation for the 2020-21 award year.

	Allocation					Expenditures					Target Months of Cash on Hand → 18		2020-21 Calculated Allocation		
	Actual		Estimated			Actual		Estimated			Remaining Allotment	% of Cumulative Allotment Spent		Months of cash on hand	Months (Above/ Below Target)
	FYE June 30, 2017	FYE June 30, 2018	FYE June 30, 2019	FYE June 30, 2020	Cumulative Allotment	FYE June 30, 2017	FYE June 30, 2018	FYE June 30, 2019	FYE June 30, 2020	Cumulative Expenditures					
Central Community College Area	188,856	196,365	201,261	200,520	787,002	88,378	138,168	160,319	168,335	555,200	231,802	70.5%	17	1	14,028
Metropolitan Community College Area	483,733	496,239	512,309	522,136	2,014,417	135,478	157,571	507,746	533,133	1,333,328	680,489	66.2%	15	3	133,283
Mid Plains Community College Area	87,077	86,633	77,183	74,923	325,816	15,150	14,141	44,703	46,938	120,932	204,884	37.1%	52	(34)	-
Northeast Community College Area	154,789	153,781	163,537	163,698	641,805	38,538	39,999	36,418	41,999	156,954	484,851	24.5%	139	(121)	-
Southeast Community College Area	411,357	418,160	415,995	405,875	1,651,387	31,739	97,900	58,631	102,795	291,065	1,360,322	17.6%	159	(141)	-
Western Community College Area	87,784	88,822	87,915	84,840	349,361	2,096	34,539	22,959	36,266	95,860	253,501	27.4%	84	(66)	-
	1,413,596	1,446,000	1,458,200	1,451,992	5,769,788	311,379	482,318	830,776	929,466	2,553,339	3,215,849	243.4%			147,311

As you can see, only CCC and MCC would receive any funding for the 2020-21 award year as the other four colleges have enough cash on hand. SCC has 159 months or 13 years of cash on hand at the estimated 6/30/2020 spending level. What this formula does is take into account the highest annual expenditure amount when calculating the allotment. Using the cash on hand method, building up large cash balances should not happen.

### Administrative cost allowance allocation

Currently, statute provides for MPCC and WNCC to use 20% of their allocation for admin costs, CCC and NECC 15%, and MCC and SCC 10%. Beginning July 1, 2021, LB 920 reduced the administrative cost percentage to 10% for all colleges of the amount received. As can be seen from the table on the next page, both CCC and MCC currently spend over 90% of their administrative cost allotment.

For the 2020-21 administrative cost calculation only, the prior method of calculating administrative costs would be used, i.e. the statutory administrative percentages would be applied to the estimated Gap allocation for 2020-21. However, the actual amount of funds would be based on the above for 2020-21.

2021-22 Admin. Allocation		LB 294 (2019)	
Amount appropriated per LB 294 (2019)	\$ 1,467,708.00	Sec. 167, AGENCY NO. 48 - COORDINATING COMMISSION FOR POSTSECONDARY EDUCATION	
Plus Carryover	\$ -	Program No. 092 - Community College GAP Program	
Less Administration (change to actual amount)	\$ 15,000.00	FY2019-20	FY2020-21
Estimated Gap funds for distribution	\$1.5 million max	CASH FUND	1,466,992 1,467,708
Distributed to date	\$ -	PROGRAM TOTAL	1,466,992 1,467,708
Remaining appropriation to be distributed	\$ 1,452,708.00	SALARY LIMIT	26,945 27,566

There is included in the appropriation to this program for FY2019-20 \$1,391,139 Cash Funds for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$1,391,139 Cash Funds for state aid, which shall only be used for such purpose.

	FYE June 30, 2019	FYE June 30, 2018	FYE June 30, 2017	Average	% of Total REU	Total Gap Allocation	Maximum Admin %	Maximum Admin Dollar Amount
Central Community College Area	4,923.44	4,907.37	5,040.57	4,957.13	13.810%	\$200,619.00	15%	\$30,092.85
Metropolitan Community College Area	12,995.02	12,907.74	12,818.71	12,907.16	35.960%	\$522,394.00	10%	\$52,239.40
Mid Plains Community College Area	1,802.05	1,845.58	1,908.72	1,852.12	5.160%	\$74,960.00	20%	\$14,992.00
Northeast Community College Area	4,010.87	4,070.64	4,058.50	4,046.67	11.274%	\$163,778.00	15%	\$24,566.70
Southeast Community College Area	9,676.68	9,938.71	10,485.08	10,033.49	27.953%	\$406,075.00	10%	\$40,607.50
Western Community College Area	1,949.99	2,100.07	2,242.33	2,097.46	5.843%	\$84,882.00	20%	\$16,976.40
Check	35,358.05	35,770.11	36,553.91	35,894.03	100.000%	\$1,452,708.00		\$179,474.85

Beginning with 2021-22, administrative costs are calculated on the amount received and capped at 10%. Using the new allocation formula above, 2021-22 administrative costs would be calculated at \$19,148 (\$191,481 x 10%) for CCC and \$60,644 (\$606,439 x 10%) for MCC. Since the four other colleges would not receive funds because of their large cash balance on hand, no administrative costs would be included. However, these four colleges do have administrative costs from prior years that are available going forward.

2021-22  
Effective date of LB920

Allocation

	Allocation							Expenditures							Target Months of Cash on Hand → 18		2022-23 Calculated Allocation	
	Actual							Actual							% of Cumulative Allotment Spent	Months of cash on hand		Months (Above/Below) Target
	FYE June 30, 2017	FYE June 30, 2018	FYE June 30, 2019	FYE June 30, 2020	FYE June 30, 2021	FYE June 30, 2022	Cumulative Allotment	FYE June 30, 2017	FYE June 30, 2018	FYE June 30, 2019	FYE June 30, 2020	FYE June 30, 2021	FYE June 30, 2022	Expenditures				
Central Community College Area	188,856	196,365	201,261	200,520	14,028	191,481	392,511	88,378	138,168	160,319	168,335	176,752	917,541	74,970	92.4%	5	13	201,055
Metropolitan Community College Area	483,733	496,239	512,309	522,136	133,283	606,439	2,754,139	135,478	157,571	507,746	533,133	559,790	2,481,497	272,642	90.1%	6	12	587,779
Mid Plains Community College Area	87,077	86,633	77,183	74,923	-	-	325,816	15,150	14,141	44,703	46,938	49,285	221,966	103,850	68.1%	24	(6)	-
Northeast Community College Area	154,789	153,781	163,537	163,698	-	-	641,805	38,538	39,999	36,418	41,999	44,099	247,357	394,448	38.5%	102	(84)	-
Southeast Community College Area	411,357	418,160	415,995	405,875	-	-	1,651,387	31,739	97,900	58,631	102,795	107,935	512,331	1,139,056	31.0%	121	(103)	-
Western Community College Area	87,784	88,822	87,915	84,840	-	-	349,361	2,096	34,539	22,953	36,266	38,079	173,923	175,438	49.8%	53	(35)	-
	1,413,596	1,446,000	1,458,200	1,451,992	147,311	797,920	6,715,019	311,379	482,318	830,776	929,466	975,939	4,554,615	2,160,404	370.0%			788,834

2021-22  
Effective date of LB920

Administrative Costs

	Allocation							Expenditures							Target Months of Cash on Hand
	Actual							Actual							
	FYE June 30, 2017	FYE June 30, 2018	FYE June 30, 2019	FYE June 30, 2020	FYE June 30, 2021	FYE June 30, 2022	Cumulative Allotment	FYE June 30, 2017	FYE June 30, 2018	FYE June 30, 2019	FYE June 30, 2020	FYE June 30, 2021	FYE June 30, 2022	Expenditures	
Central Community College Area	28,328	29,455	30,189	30,078	30,093	19,148	167,291	28,177	29,444	27,616	30,916	32,462	34,085	182,700	(15,409)
Metropolitan Community College Area	48,373	49,624	51,231	52,214	52,239	60,644	314,325	48,893	47,382	51,231	53,793	56,482	59,306	317,087	(2,762)
Mid Plains Community College Area	17,415	17,327	15,437	14,965	14,992	-	80,156	3,539	4,168	7,218	7,579	7,958	8,356	38,817	41,339
Northeast Community College Area	23,218	23,967	24,531	24,555	24,567	-	120,838	5,503	2,319	1,101	5,778	6,067	6,370	27,139	93,699
Southeast Community College Area	41,136	41,816	41,600	40,588	40,608	-	205,748	9,663	23,785	23,939	25,136	26,393	27,712	136,628	69,119
Western Community College Area	17,557	17,764	17,583	16,968	16,976	-	86,848	1,381	-	743	1,450	1,523	1,599	6,695	80,153
	176,027	179,953	180,571	179,388	179,475	79,792	975,206	97,156	107,098	111,848	124,652	130,884	137,429	709,067	266,139

## Gap ASSISTANCE PROGRAM FREQUENTLY ASKED QUESTIONS/COMMENTS

None at this time.