

BYLAW 11. FINANCIAL AID

Sec. 1) DEFINITIONS FOR THIS BYLAW

- a) Tuition— means the amount of necessary fees, costs and other charges to attend a member school as determined by that member school's published scale of charges. The tuition at the member school shall be the same for all students in like situation irrespective of participation in athletics and shall include applicable room and board expenses.
- b) Classification of Schools— means the classification of the member schools as follows: (1) A1— District operated general program or multi-program schools; (2) D1— Kentucky Department of Education operated schools (Blind and Deaf); (3) F1— Federal Dependent Schools; (4) J1— Roman Catholic schools; (5) M1— Other Religious schools and (6) R1— Private nonchurch related schools.
- c) Public Schools— means the member schools receiving funding from the Kentucky Department of Education or comparable federal sources. Public schools shall include the member schools which are classified as A1, D1 or F1.
- d) Nonpublic Schools— means the member schools not receiving funding from the Kentucky Department of Education or comparable federal sources. Those schools shall include the member schools which are classified as J1, M1 and R1.
- e) Nonpublic School Zone— means the zone to which each nonpublic school is assigned. The four current nonpublic school zones are Covington, Lexington, Louisville and Owensboro. These nonpublic school zones shall be comprised of the counties contained in the geographic alignment related to the archdiocese of the same name.
- f) Nonpublic School Governing Board— means the entity having oversight over the member school. For purposes of this bylaw, the "governing board" of a nonpublic school shall be determined by the school type. For J1 schools, the "governing board" shall be the archdiocese and geographic references shall be the counties included in the nonpublic school zone of the school. For the R1 and M1 schools, the "governing board" shall be as defined by the governance structure of the institution.
- g) Immediate Family— means the student and the student's father, mother, brother, sister, step-father, step-mother, step-brother, step-sister, husband, wife, aunt, uncle, grandparent.
- h) Financial Aid— means any and all aid given to a student which reduces tuition, including awards, grants, work study, reductions and waivers.
- i) Need-Based Aid— means the amount of financial aid that an independent financial analysis of the student's financial aid application demonstrates that the student needs to pay tuition to attend a member school, provided the analysis is performed by an agency approved by the Board of Control.
- j) Merit Aid— means financial aid awards given by the member school based solely on academic/test performance which are available to the entire student body through a competitive application process and that the selection of the recipient(s) is based on published objective criteria which may not include athletic achievement or ability.
- k) Merit Aid Test— means the academic assessment or placement test approved by the Board of Control prior to its administration.
- l) Merit Aid Test Window— means the range of dates submitted by each member school for the administration of the merit aid test.
- m) Financial Records— means the records related to any financial aid analysis of the student including the immediate family's records of the method and sources for all tuition payments.

Sec. 2) IMPERMISSIBLE FINANCIAL AID

- A student shall be ineligible to participate in interscholastic athletics if the student:
- a) Receives financial aid beyond the limits defined in Section 1 (a) except for merit and need-based aid allowed under this bylaw, and waivers of tuition for nondomestic students meeting all federal laws and regulations who are ruled eligible under Bylaw 7 or Bylaw 8;
 - b) Receives merit aid based on an unapproved merit aid test;
 - c) Receives merit aid based on a merit aid test not administered on an approved merit aid test date;
 - d) Receives merit aid greater than twenty-five percent (25%) of the tuition at the member school;

- e) Receives merit aid from a member school that has already given merit aid to the greater of five (5) percent of its student body or five students;
- f) Receives financial aid that is not available to the entire student body by published objective criteria;
- g) Receives financial aid from a funding source that is not under the custody and control of the member school or its governing board;
- h) Receives any financial aid other than the permitted need-based aid or merit aid detailed above from a member school, any other entity governed by that member school's governing board or any representatives of the member school;
- i) Receives any financial aid that is indirectly or directly related to athletic achievement or ability;
- j) Has any part of the financial obligation to the member school paid directly or indirectly by individuals outside of the student's immediate family; or
- k) Does not agree to complete disclosure of financial records as defined in this bylaw upon request of the KHSAA and its officials, employees and agents.

Sec. 3) FINANCIAL AID RESTRICTIONS AND REPORTING

All member schools shall annually report detailed financial aid information to the KHSAA including:

- a) Tuition schedule or other fees applicable to the student body at the member school;
- b) The merit aid test being utilized by the school and the merit aid test date; and
- c) A detailed listing of the amount of financial aid awarded by the member school including:
 - (1) The need-based aid each student-athlete is eligible to receive based on the report of the approved independent agency;
 - (2) The merit aid given to each student and the qualifying score used to make the determination;
 - (3) The amount of need-based aid awarded to each student; and
 - (4) A specific listing of the sports in which each student participates.

Sec. 4) SPECIAL PROGRAM REVIEW PROCESS

A member school may petition the Board of Control for approval of a specific program existing prior to the adoption of this rule or a program that can be documented to be unrelated to athletics that does not create an advantage to the school and provided that program is available to all students within the school based on objective criteria.

Case BL-11-1— What are the key provisions regarding the awarding of aid to student-athletes and the purpose of Bylaw 11?

Awards given for need-based financial aid for which the student body is generally eligible and are therefore permissible, shall be determined by a neutral evaluation of the student or family financial record by one of six agencies. The need analysis may not include room and board expenses.

Awards given for achievement per prescribed standardized tests as detailed in Bylaw 11 (merit aid) are limited to 25% of the total tuition for the student each year.

Case BL-11-2— Are member schools required to submit financial aid information to the Association?

Upon request, all KHSAA member schools (public and private) shall annually submit to the KHSAA office a financial aid report with information about awards programs, source of funds, awarding of funds and benefits to athletes.

Case BL-11-3— Which agencies are approved to evaluate the needs of an applicant for need based financial aid?

The only permitted agencies are:

- FACTS Grant in Aid Agency (Lincoln, NE);*
- Financial Aid for Student Tuition (FAST) (Wilmington, DE);*
- Financial Aid Independent Review (FAIR) (Rosemount, MN);*
- Independent School Management (ISM) (formerly Family Financial Needs Assessment, Hernando, MS);*
- Private School Aid Service (PSAS) (Lakewood, OH);*
- School and Student Service for Financial Aid (SSSFA) (Princeton, NJ); and*
- Tuitions Aid Data Services (TADS) (St. Paul, MN).*

In addition, the Board of Control may approve other agencies to

process parental or student data for the purpose of financial analysis. The use of any other agency not approved would render the aid invalid with respect to the ability to award the funds and remaining in compliance with Bylaw 11.

Case BL-11-4- Which tests are permitted to be used for the assessment to determine merit aid under Bylaw 11?

The only permitted tests are:

Education Records Bureau (ERB, CTP);
High School Placement Test (HSPT);
Independent School Entrance Exam (ISEE);
Iowa Test of Basic Skills (ITBS, Riverside Publishing);
Pearson Educations Assessment (PEA);
Otis Lennon School Ability Test (OLSTAT);
School and College Ability Test (SCAT);
Stanford Achievement Test, 10th Edition; and
Terra Nova (McGraw Hill).

In addition, the Board of Control may approve other tests to be used for the merit assessment. The use of any other test not approved would render the aid invalid with respect to the ability to award the funds and remain in compliance with Bylaw 11.

Case BL-11-5- Is it permissible for funds from nonschool sources to be incorporated into financial aid awards for student-athletes?

Bylaw 11 does not expressly prohibit the use of funds developed or raised from outside sources from being used for financial aid programs. However, such aid shall always be managed and distributed exclusively by member school personnel solely through the member high school financial aid program and within the limits of Bylaw 11.

Aid given directly to students by outside entities not permitted in the bylaw would render the student-athlete ineligible. This includes any aid in excess of the merit aid limits or need based index calculation as detailed in the Bylaw.

Case BL-11-6- Are there restrictions on which family members can pay the tuition or offer financial assistance to a student within Bylaw 11?

Yes. Immediate family members are allowed to be involved in the payment of tuition and providing assistance, but this is restricted to the student and the student's father, mother, brother, sister, step-father, step-mother, step-brother, step-sister, husband, wife, aunt, uncle, grandparent.

Case BL-11-7- What are the criteria used for a Board of Control to consider a waiver of the limitation on merit aid for specific programs under Bylaw 11, Sec. 4?

A specific merit aid program will be considered through the petition process if the specific program:

Existed with the merit test based awards limitations greater than 25% prior to the adoption of Bylaw 11;

Has been in continuous operation since the adoption of Bylaw 11 (with all participants not being permitted to play interscholastic athletes because of exceeding the 25% limitation);

Is subject to an annual review with the school by the Association to ensure competitive equity; and

Is annually confirmed by the Board of Control.
