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TOWARD EXCELLENCE, ACCESS AND SUCCESS
GRANT

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE (19 TAC, SECTION 22.225)
The Toward EXcellence, Access, & Success (TEXAS) Grant program is authorized by TEC Chapter 56, Section 56.302 Subchapter M. Rules establishing procedures to administer the program can be found in Title 19 of the TAC, Chapter 22, Subchapter L. The program is funded by appropriations authorized by the Texas Legislature and from various revenue sources and gifts to the program. The purpose of the TEXAS Grant program is to provide financial aid assistance to enable eligible students to attend public institutions of higher education in this state.

STATE PRIORITY DEADLINE (TEC, SECTION 56.008 and 19 TAC, SECTION 21.10)
The THECB provides a uniform priority deadline for applications that qualify for financial assistance in an academic year. General Academic Teaching Institutions (GATIs) in Texas must publicize and use March 15 as the state priority deadline for identifying eligible students to be given priority in receiving awards through the state financial aid programs. All other public institutions are encouraged to use this state priority deadline. Institutions have the flexibility to define what it means to meet the priority deadline at their institution. Institutions are encouraged to adopt a policy and procedure to ensure students are awarded consistently for this program.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 22.227)
With the exception of public state colleges, GATIs and Health-Related Institutions (HRIs) are eligible to make both initial year (IY) and renewal year (RY) awards from a single allocation. Community colleges, public state colleges, and public technical institutes may only issue RY awards to students who received an IY award prior to fall 2014 through a community college, public state college, or public technical institute.
ELIGIBILITY

INITIAL ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.228)

TO RECEIVE AN IY AWARD, A STUDENT MUST:

- Be classified by the institution as a Texas resident
- Be registered with Selective Service or be exempt
- Have applied for any available financial aid assistance
- Demonstrate financial need
- Have a 9-month expected family contribution (EFC) of no more than $5,430
- Be enrolled at least 3/4 time
- Not have earned a baccalaureate degree
- Be enrolled in a baccalaureate degree program at a public 4-year or HRI institution as a first-time undergraduate and qualify through one of the following four pathways:
  - **High School Graduation Pathway:** Graduation from an accredited public or private high school* in Texas and enrollment at an approved institution within 16 months after high school graduation. The student may not have accumulated more than 30 semester credit hours (SCHs) (excluding credits for dual enrollment or by examination); OR
  - **Associate Degree Pathway:** Enrollment in an eligible institution within 12 months after earning an associate degree from a public or private nonprofit Texas institution of higher education; OR
  - **Honorable Military Discharge Pathway:** Enrollment in an eligible institution of higher education within 12 months after being honorably discharged from military service. Enlistment in the military must have occurred within 12 months after graduation from an accredited public or private high school in Texas on May 1, 2013 or later; OR
  - **TEOG Transfer Pathway:** Completion of at least 24 SCHs with a minimum 2.5 GPA after receiving an IY Texas Educational Opportunity Grant (TEOG) in Fall 2014 or later and transferring to an eligible institution with a minimum 2.5 GPA.
- Not have been convicted of a felony or crime involving a controlled substance or under the law of any jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code (Texas Controlled Substances Act)

*To determine eligibility for a student that graduated from a private high school in Texas, the institution of higher education must receive a certification form from the private high school. This form verifies that the student completed the equivalent of the required high school curriculum. The [private high school certification form](#) is located on the THECB’s website.

HIGH SCHOOL RECIPIENT

Home-schooled students are not eligible for an initial award through the High School Graduation Pathway. Only students that graduated from an accredited public or private high school* in Texas are eligible for TEXAS Grant consideration as an initial applicant.

INITIAL RECIPIENT

If an initial TEXAS Grant recipient is paid funds but is later selected for verification (or voluntarily submits documentation) resulting in a new EFC that exceeds the maximum ($5,430) requirement, the award must be cancelled. Funds should be awarded to another eligible student when possible.

TRANSFER STUDENTS

A student that is eligible through either the Associate Degree or TEOG Transfer Pathway does not need to have his or her high school transcripts evaluated but cannot receive priority consideration for an initial TEXAS Grant award.
RENEWAL ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.228)

TO RECEIVE A RY AWARD, A STUDENT MUST:

- Be classified by the institution as a Texas resident
- Be registered with Selective Service, or be exempt
- Demonstrate financial need
- Be enrolled at least 3/4 time
- Maintain satisfactory academic progress
- Not have earned a baccalaureate degree
- Be a prior recipient of a TEXAS Grant award who is an undergraduate enrolled at a public institution who qualifies through one of the following three pathways:
  - Is enrolled as an undergraduate at a public 2-year institution and previously received a TEXAS Grant IY award prior to fall 2014 at a public 2-year institution;
  - OR
  - Is enrolled as an undergraduate in a baccalaureate program at a public 4-year institution or HRI and previously received a TEXAS Grant IY award prior to fall 2014 at a public 2-year institution, 4-year public institution, or HRI;
  - OR
  - Is enrolled as an undergraduate in a baccalaureate program at a public 4-year institution or HRI and received a TEXAS Grant IY award in fall 2014 or later.
- Not have been convicted of a felony or crime involving a controlled substance or under the law of any jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code (Texas Controlled Substances Act)

CONTROLLED SUBSTANCE RESTRICTIONS (19 TAC, SECTION 22.230)

A student is not eligible to receive a TEXAS Grant award if convicted of a felony or an offense under the law in any jurisdiction involving a controlled substance as defined in Chapter 481, Health and Safety Code (Texas Controlled Substances Act). Institutions should consult with their legal counsel concerning questions about individual cases.

A person with a controlled substance conviction or offense can be considered for an award if one of the following conditions exists:

- A certificate of discharge by the Texas Department of Criminal Justice or a correctional facility has been issued.
- The person completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion.
- The person has been pardoned and the record of the offense has been expunged from the person’s record.
DISCONTINUATION OF ELIGIBILITY (19 TAC, SECTION 22.230)

Unless a hardship is granted, a student’s eligibility ends if any of the following maximums have been met, or the student earns a baccalaureate degree, whichever comes first.

<table>
<thead>
<tr>
<th>PATHWAY</th>
<th>IF ENROLLED IN A DEGREE PLAN OF 4 YEARS OR LESS</th>
<th>IF ENROLLED IN A DEGREE PLAN OF MORE THAN 4 YEARS</th>
<th>ATTEMPTED HOURS**</th>
<th>HOURS WHILE RECEIVING GRANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>INITIAL RECIPIENT BY:</td>
<td>3 years from the first semester awarded</td>
<td>4 years from the first semester awarded</td>
<td>150 SCH</td>
<td>90 SCH No hardship allowed</td>
</tr>
<tr>
<td>• ASSOCIATE DEGREE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INITIAL RECIPIENT BY:</td>
<td>5 years from the first semester awarded</td>
<td>6 years from the first semester awarded</td>
<td>150 SCH</td>
<td>150 SCH No hardship allowed</td>
</tr>
<tr>
<td>• HIGH SCHOOL GRADUATE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• TEOG TRANSFER</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• MILITARY DISCHARGE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Attempted hours** is defined as every course in every semester for which a student has been registered as of the official census date. This includes but is not limited to repeated courses, courses the student drops, or those from which the student withdraws. For transfer students, the transfer hours and hours for optional internship and cooperative education courses are included if they are accepted, by the receiving institution, as counting towards the student’s current program of study (See 19 TAC, Section 22.230).

HARDSHIP PROVISIONS (19 TAC, SECTION 22.231)

A student who is ineligible for a TEXAS Grant based on the requirements for the grade point average (GPA), number of completed hours, and total hours enrolled may be deemed eligible under a hardship provision. Each institution must adopt a hardship policy and have the policy available for public review. All hardship decisions must be documented in the student’s record and be available for submission to the THECB, if requested.

⚠️ Alert: If the institution determines it is appropriate, a hardship award can be issued to a student who is enrolled in fewer than 9 hours in the last two semesters of his or her degree program, due to impending graduation.
SATISFACTORY ACADEMIC PROGRESS (SAP) *(19 TAC, SECTION 22.229)*

At the end of the first academic year, a student must meet SAP requirements set by the institution, to be eligible for a first RY award.

At the end of the second academic year, and all years thereafter, a student must have completed 24 SCH in the academic year and have a minimum 2.5 cumulative GPA.

The chart below reflects these requirements, which must be monitored to ensure compliance:

<table>
<thead>
<tr>
<th>ACADEMIC YEAR</th>
<th>SATISFACTORY ACADEMIC PROGRESS (SAP) REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>END OF 1ST ACADEMIC YEAR</td>
<td>Institution SAP policy</td>
</tr>
<tr>
<td>END OF 2ND ACADEMIC YEAR OR LATER</td>
<td>24 SCH in the most recent academic year</td>
</tr>
<tr>
<td></td>
<td>2.5 cumulative GPA on a 4-point scale</td>
</tr>
</tbody>
</table>

AWARDING

If appropriations for the TEXAS Grant program are insufficient to allow awards to all eligible students, first priority will be given to students that are eligible for a RY award (See *19 TAC, Section 22.232*).

In determining who should receive an IY TEXAS Grant award, an institution must give highest priority to students who demonstrate the greatest financial need at the time the award is made (See *19 TAC, Section 22.233*).

After all eligible continuation awards have been funded; remaining allocations should be awarded to IY students in a manner that acknowledges the Priority Model and priority deadline expectations:

- Students meeting the Priority Model requirements who also meet the March 15 state priority deadline should be awarded first.
- If funding remains, the next students to be awarded are those who met the March 15 state priority deadline, but who did not meet the Priority Model requirements.
- The balance of remaining funding can be awarded to any eligible student.

Institutions are encouraged to use the target award amounts to assist as many students as possible.

<table>
<thead>
<tr>
<th>TEXAS GRANT 2017-18 AWARD MAXIMUMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>INSTITUTION TYPE</td>
</tr>
<tr>
<td>PUBLIC UNIVERSITIES, HRIS</td>
</tr>
<tr>
<td>PUBLIC STATE COLLEGES</td>
</tr>
<tr>
<td>PUBLIC TECHNICAL INSTITUTES</td>
</tr>
<tr>
<td>PUBLIC COMMUNITY COLLEGES</td>
</tr>
</tbody>
</table>

IMPORTANT NOTE:

A student who is below the SAP requirements at the end of the academic year can appeal to have transfer courses included in the SAP calculation. In this case, all transfer courses must be included when determining program eligibility. Student award history is available to assist institutions with monitoring this requirement via the Student Financial Aid Programs Information Website.

SAP APPEALS

If a student completes the first year on academic warning, probation, or on an approved plan, the student can be considered meeting SAP, if the institution’s policy includes such provisions. However, at the end of the second year, the student must meet the program SAP requirements for continued eligibility.

FAILING COURSES

The intent of the 24 SCH requirement is to encourage timely progression towards a degree. Since a grade of F is not earned toward a degree, it should not be considered when calculating the student completed hours.
PRIORITY AWARD MODEL REQUIREMENTS [19 TAC, SECTION 22.228]

To receive priority consideration for an IY award through the TEXAS Grant program, an eligible student must meet at least one high school graduation requirement in at least two of the following four areas:

<table>
<thead>
<tr>
<th>AREA</th>
<th>HIGH SCHOOL GRADUATION REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADVANCED ACADEMIC PROGRAM</td>
<td>• 12 Hours of College Credit (Dual Credit or AP Courses),</td>
</tr>
<tr>
<td></td>
<td>• Complete The Recommended or Advanced High School Program or Its Equivalent</td>
</tr>
<tr>
<td></td>
<td>• Complete The International Baccalaureate (IB) Program</td>
</tr>
<tr>
<td>TSI READINESS</td>
<td>• Meet the Texas Success Initiatives (TSI) assessment thresholds or qualify for an exemption</td>
</tr>
<tr>
<td>CLASS STANDING</td>
<td>• Graduate in the top 1/3 of the HS graduating class</td>
</tr>
<tr>
<td></td>
<td>• Graduate with a GPA of at least 3.0 on a 4-point scale</td>
</tr>
<tr>
<td>ADVANCED MATH</td>
<td>• Complete at least one math course beyond Algebra II</td>
</tr>
<tr>
<td></td>
<td>• Complete at least one advanced career and technical course, as determined by the Texas Education Agency (TEA)</td>
</tr>
</tbody>
</table>

REQUIRED MATCHING [19 TAC, SECTION 22.234]

Institutions are required to cover any tuition and required fees that are not covered by the amount of the TEXAS Grant using other funds, which may include any non-loan program funds awarded to the student from federal, state, institutional, or outside sources. Funds used for this purpose are frequently referred to as “matching funds”.

OVER AWARDS [19 TAC, SECTION 22.234]

If an award has been disbursed and a student receives other assistance that exceeds the student’s financial need, the institution is not required to adjust the award unless the sum of the excess resources is greater than $300.

LATE DISBURSEMENTS [19 TAC, SECTION 22.235]

Funds that are disbursed after the end of a student’s period of enrollment must be used either to pay the student’s outstanding balance for the period of enrollment, or to make a payment on an outstanding loan received during that period of enrollment. Under no circumstances should funds be released directly to the student in this situation.

PRIORITY

There is no hierarchy within the priority model areas. However, there is a priority deadline of March 15th. Institutions are required to give priority for IY TEXAS Grant funds to students meeting the priority model requirements and the priority deadline. If funds remain after all eligible priority students meeting the priority deadline have been awarded, the balance of funds can go to students meeting the basic requirements.

MATCHING

A student, who is a recipient of both a TEXAS Grant and Exemption/Waiver, has a decreased amount in tuition and fees. Institutions are only required to cover, with matching funds, the balance of tuition and fees not covered by TEXAS Grant.

For example:

An institution would not be required to provide matching funds in excess of the TEXAS Grant award for a student who is exempt from the total cost of tuition and fees.
PRORATION (19 TAC, SECTION 22.234)

Award amounts must be prorated under the following circumstances:

- Student is enrolled less than 3/4 time, but at least 1/2 time, with an approved hardship.

<table>
<thead>
<tr>
<th>HARDSHIP PRORATION SCHEDULE</th>
<th>Divide the Maximum award for the semester by 12 and multiply by the number of hours enrolled (6-8 hours)</th>
</tr>
</thead>
</table>

- The balance of either total attempted hours or eligible program hours while receiving grant funds is less than the total number of hours the student is enrolled.

<table>
<thead>
<tr>
<th>BALANCE OF TOTAL ATTEMPTED HOURS (150 SCH)</th>
<th>Balance of hours = 6-8 hours: 50% of the maximum award</th>
</tr>
</thead>
<tbody>
<tr>
<td>BALANCE OF ELIGIBLE PROGRAM HOURS WHILE RECEIVING GRANT FUNDS (150 OR 90 SCH)</td>
<td>Balance of hours = 1-5 hours: 25% of the maximum award</td>
</tr>
</tbody>
</table>

For Example: A student has 147 hours and 3 eligible hours remaining. The 3 hours would be prorated using the chart above.

PROCESSING FUNDS

REQUESTING PROGRAM FUNDS

When requesting funds, eligible institutions must submit a Funds Request Form (FRF). The FRF is available through the secure Coordinating Board Pass System (CBPASS) portal on the Student Financial Aid Programs Information Website.

TIMELY DISTRIBUTION OF FUNDS

- Institutions have 3 business days after receiving the funds to apply the funds to a recipient’s account
- Institutions have 6 business days after receiving the funds to return undisbursed funds
- Institutions have 45 calendar days from the date a student becomes ineligible to return disbursed funds
- Institutions have 120 calendar days to return funds after a student has notified the institution of their decision to cancel the award

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved, before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.
Institutions participating in a combination of TExAS Grant and Texas College Work-Study (TCWS) may transfer up to 10% of the institution’s total annual program allocation or $20,000 (whichever is less) between programs in a given fiscal year. The transfer of funds must be encumbered by the institution by February 20th.

**AUTHORITY TO TRANSFER FUNDS (19 TAC, SECTION 22.239)**

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>RULE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FROM</td>
<td>TO</td>
</tr>
<tr>
<td>TEXAS Grant</td>
<td>TCWS</td>
</tr>
<tr>
<td>TEOG</td>
<td>TEG</td>
</tr>
<tr>
<td>OR</td>
<td></td>
</tr>
<tr>
<td>TCWS</td>
<td>TEXAS Grant</td>
</tr>
<tr>
<td>TEOG</td>
<td>TEG</td>
</tr>
</tbody>
</table>

Funds can only be transferred from a grant to TCWS or vice versa, never from a grant to a grant.
TEXAS EDUCATIONAL OPPORTUNITY GRANT

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE (19 TAC, SECTION 22.253)
The Texas Educational Opportunity Grant (TEOG) program is authorized by TEC, Chapter 56, Section 56.402. Rules establishing procedures to administer the program can be found in Title 19 of the TAC, Chapter 22, Subchapter M. The program is funded by appropriations authorized by the Texas Legislature. The purpose of the TEOG program is to provide financial aid assistance to enable eligible students to attend two-year public institutions of higher education in Texas.

STATE PRIORITY DEADLINE (TEC, SECTION 56.008 and 19 TAC, SECTION 21.10)
The THECB provides a uniform priority deadline for applications that qualify for financial assistance in an academic year. Institutions eligible to participate in the TEOG program are encouraged to publicize and use the March 15 state priority deadline for identifying eligible students to be given priority in receiving awards through the state financial aid programs. Institutions have the flexibility to define what it means to meet the priority deadline at their institution. Institutions are encouraged to adopt a policy and procedure to ensure students are awarded consistently for this program.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 22.255)
Community colleges, public state colleges and public technical institutes are eligible to make initial year (IY) and renewal year (RY) awards. Each eligible institution will have a single allocation each fiscal year to make both IY and RY awards.
# ELIGIBILITY

## ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.256)

<table>
<thead>
<tr>
<th>TO RECEIVE AN IY AWARD, A STUDENT MUST:</th>
<th>TO RECEIVE A RY AWARD, A STUDENT MUST:</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Be classified by the institution as a Texas resident</td>
<td>✓ Be classified by the institution as a Texas resident</td>
</tr>
<tr>
<td>✓ Be registered with Selective Service, or be exempt</td>
<td>✓ Be registered with Selective Service, or be exempt</td>
</tr>
<tr>
<td>✓ Have applied for any available financial aid assistance</td>
<td>✓ Be a previous TEOG initial award recipient</td>
</tr>
<tr>
<td>✓ Demonstrate financial need</td>
<td>✓ Demonstrate financial need</td>
</tr>
<tr>
<td>✓ Have a 9-month expected family contribution (EFC) of no more than $5,430</td>
<td>✓ Be enrolled at least 1/2 time as an undergraduate student in an associate degree or certificate program at a 2-year institution</td>
</tr>
<tr>
<td>✓ Be enrolled at least 1/2 time as an undergraduate student in an associate degree or certificate program at a 2-year institution</td>
<td>✓ Maintain satisfactory academic progress</td>
</tr>
<tr>
<td>✓ Not have accumulated more than 30 semester credit hours (SCH) (excluding credits for dual enrollment or by examination)</td>
<td>✓ Not have earned an associate or baccalaureate degree</td>
</tr>
<tr>
<td>✓ Not have earned an associate or baccalaureate degree</td>
<td>✓ Not be concurrently receiving TEXAS Grant</td>
</tr>
<tr>
<td>✓ Not be concurrently receiving TEXAS Grant</td>
<td>✓ Not have been convicted of a felony or crime involving a controlled substance or under the law of any jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code (Texas Controlled Substances Act)</td>
</tr>
<tr>
<td>✓ Not have been convicted of a felony or crime involving a controlled substance or under the law of any jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code (Texas Controlled Substances Act)</td>
<td></td>
</tr>
</tbody>
</table>

## EFC REQUIREMENT

IY awards can only be made to students that have an EFC of $5,430 or less (9-month EFC). RY awards can be made to eligible students with EFCs higher than $5,430 if the student has a calculated need. A TEOG award cannot exceed a student’s calculated financial need.

## CONCURRENT TEOG AND TEXAS GRANT AWARDS

A student may receive a TEOG and TEXAS Grant award during the same award year, if both awards are not received for the same semester or term.

**Example:**

Student attends a public community college in the fall and receives a TEOG award but transfers to a public university in the spring. A TEXAS Grant can be awarded for the spring semester.

## GED

A student who received his or her GED can be considered eligible for a TEOG if the student is admitted for enrollment as an entering regular student in the first 30 SCH’s of an associate degree or certificate program.
CONTROLLED SUBSTANCE RESTRICTIONS (19 TAC, SECTION 22.256)

A student is not eligible to receive a TEOG award if convicted of a felony or an offense under the law in any jurisdiction involving a controlled substance as defined in Chapter 481, Health and Safety Code (Texas Controlled Substances Act). Institutions should consult with their legal counsel concerning questions about individual cases.

A person with a controlled substance conviction or offense can be considered for an award if one of the following conditions exists:

- A certificate of discharge by the Texas Department of Criminal Justice or a correctional facility has been issued.
- The person completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion.
- The person has been pardoned and the record of the offense has been expunged from the person’s record.

DISCONTINUATION OF ELIGIBILITY (19 TAC, SECTION 22.256)

Unless a hardship is granted, a student’s eligibility ends if any of the following maximums have been met, or the student earns an associate degree whichever comes first.

<table>
<thead>
<tr>
<th>TIME LIMIT</th>
<th>ATTEMPTED HOURS</th>
<th>HOURS WHILE RECEIVING GRANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 years from the first semester awarded</td>
<td>75 SCH</td>
<td>75 SCH (no hardship allowed)</td>
</tr>
</tbody>
</table>

**Attempted hours is defined as every course in every semester for which a student has been registered as of the official census date. This includes but is not limited to repeated courses, courses the student drops or those that the student withdraws from. For transfer students, the transfer hours and hours for optional internship and cooperative education courses are included if they are accepted by the receiving institution towards the student’s current program of study.

HARDSHIP PROVISIONS (19 TAC, SECTION 22.257)

A student who is ineligible for a TEOG award based on grade point average (GPA), completion rate, and number of completed hours for satisfactory academic progress may be deemed eligible under the hardship provision. Each institution must adopt a hardship policy and have the policy available for public review. All hardship decisions must be documented in the student’s record and be available for submission to the THECB if requested.
SATISFACTORY ACADEMIC PROGRESS (SAP) (19 TAC, SECTION 22.256)

At the end of the first academic year, a student must meet the SAP requirements set by the institution to be eligible for a first RY award.

At the end of the second academic year, and all years thereafter, a student must complete 75% of total attempted hours in the academic year and have a minimum 2.5 cumulative GPA.

The chart below reflects these requirements, which must be monitored to ensure compliance.

<table>
<thead>
<tr>
<th>ACADEMIC YEAR</th>
<th>SATISFACTORY ACADEMIC PROGRESS (SAP) REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>END OF 1ST ACADEMIC YEAR</td>
<td>Institutional SAP policy</td>
</tr>
<tr>
<td>END OF 2ND ACADEMIC YEAR OR LATER</td>
<td>75% completion rate in the most recent academic year</td>
</tr>
</tbody>
</table>

AWARDING

In determining who should receive an IY TEOG award, an institution must give highest priority to students who demonstrate the greatest financial need at the time the award is made (See 19 TAC, Section 22.259).

If appropriations for the TEOG program are insufficient to allow awards to all eligible students, first priority will be given to students that are eligible for a RY award (See 19 TAC, Section 22.258).

<table>
<thead>
<tr>
<th>INSTITUTION TYPE</th>
<th>TEOG 2017-18 AWARD MAXIMUMS</th>
<th>AWARD MAXIMUM BASED ON ENROLLMENT ON CENSUS DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AWARD MAXIMUM PER YEAR</td>
<td>FULL-TIME</td>
</tr>
<tr>
<td>PUBLIC STATE COLLEGES</td>
<td>$5,666</td>
<td>$2,833</td>
</tr>
<tr>
<td>PUBLIC TECHNICAL</td>
<td>$5,496</td>
<td>$2,748</td>
</tr>
<tr>
<td>INSTITUTES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PUBLIC COMMUNITY</td>
<td>$3,010</td>
<td>$1,505</td>
</tr>
<tr>
<td>COLLEGES</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

IMPORTANT NOTE:
A student who is below the SAP requirements at the end of the academic year can appeal to have transfer courses included in the SAP calculation. In this case, all transfer courses must be included when determining program eligibility. Student award history is available to assist institutions with monitoring this requirement via the Student Financial Aid Information Website.

SAP APPEALS

If a student completes the first year on academic warning, probation, or on an approved plan, the student can be considered meeting SAP, if the institutions policy includes such provisions. However, at the end of the second year, the student must meet the program SAP requirements for continued eligibility.
REQUIRED MATCHING (19 TAC, SECTION 22.260)

Institutions are required to cover the cost of tuition and required fees in excess of the TEOG award amount, with other available sources of financial aid, excluding loans or Pell grants. Matching aid may include any non-loan program funds awarded to the student from federal, state, institutional, or outside sources.

OVER AWARDS (19 TAC, SECTION 22.260)

If an award has been disbursed and a student receives other assistance that exceeds the student’s financial need, the institution is not required to adjust the award unless the sum of the excess resources is greater than $300.

LATE DISBURSEMENTS (19 TAC, SECTION 22.261)

Funds that are disbursed after the end of a student’s period of enrollment must be used either to pay the student’s outstanding balance for the period of enrollment, or to make a payment on an outstanding loan received during that period of enrollment. Under no circumstances should funds be released directly to the student in this situation.

PRORATION

All TEOG award amounts must be prorated in relation to the student’s enrollment status as of the census date of a regular semester. (See 19 TAC, Section 22.260)

Award amounts must also be prorated if a student is in one of the following situations:

- Student is enrolled less than half-time with an approved hardship.
- The balance of eligible hours is less than the number of hours taken in the given term or semester:

<table>
<thead>
<tr>
<th>HARDSHIP PRORATION SCHEDULE</th>
<th>ENROLLED &lt; 6 HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>The maximum award for the semester divided by 12, multiplied by the number of hours enrolled.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BALANCE OF TOTAL ATTEMPTED HOURS</th>
<th>BALANCE OF ELIGIBLE PROGRAM HOURS WHILE RECEIVING GRANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance of hours = 9-11 hours: 75% of the maximum award</td>
<td></td>
</tr>
<tr>
<td>Balance of hours = 6-8 hours: 50% of the maximum award</td>
<td></td>
</tr>
<tr>
<td>Balance of hours = 1-5 hours: 25% of the maximum award</td>
<td></td>
</tr>
</tbody>
</table>

ADDITIONAL INFORMATION

PRORATING AN AWARD

Listed below are 2 examples of how to calculate a prorated TEOG award.

Example One:

Student A is enrolled in 5 SCHs for the fall 2017 semester at ABC Community College, and has an approved hardship on file. The prorated award should be calculated as:

- $1,505/12 = $125
- $125 x 5 = $625

The prorated award for Student A = $625

Example Two:

Student B is enrolled in 12 SCHs for the fall 2017 semester at XYZ State College but has only 8 SCHs of TEOG eligibility left. The prorated award should be calculated as:

- Maximum award for the semester = $2,833
- $2,833/50% = $1,417

The prorated award for Student B = $1,417
REQUESTING PROGRAM FUNDS

When requesting funds, eligible institutions must submit a Funds Request Form (FRF). The FRF is available through the secure Coordinating Board Pass System (CBPASS) portal on the Student Financial Aid Programs Information Website.

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved, before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.

AUTHORITY TO TRANSFER FUNDS (19 TAC, SECTION 22.262)

Institutions participating in a combination of TEOG and Texas College Work-Study (TCWS) may transfer up to 10% of the institution’s total annual program allocation or $20,000 (whichever is less) between programs in a given fiscal year. The transfer of funds must be encumbered by the institution by February 20th.

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>RULE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Grant</td>
<td>To</td>
</tr>
<tr>
<td>TEOG</td>
<td>TCWS</td>
</tr>
<tr>
<td>TEG</td>
<td>OR</td>
</tr>
<tr>
<td>TCWS</td>
<td>Texas Grant</td>
</tr>
<tr>
<td></td>
<td>TEOG</td>
</tr>
<tr>
<td></td>
<td>TEG</td>
</tr>
</tbody>
</table>

Funds can only be transferred from a grant to TCWS or vice versa, never from a grant to a grant.
TUITION EQUALIZATION GRANT PROGRAM

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE (19 TAC, SECTION 22.21)
The Tuition Equalization Grant (TEG) program was authorized by TEC Chapter 61, Section 61.221. Rules establishing procedures to administer the subchapter can be found in Title 19 of the TAC, Chapter 22, Subchapter B. The program is funded by appropriations by the Texas Legislature. The purpose of the TEG program is to promote the best use of existing educational resources and facilities within this state, both public and private, by providing need-based grants to Texas residents enrolled in approved private or independent Texas colleges or universities.

STATE PRIORITY DEADLINE (TEC, SECTION 56.008 and 19 TAC, SECTION 21.10)
The THECB provides a uniform priority deadline for applications that qualify for financial assistance in an academic year. Institutions eligible to participate in the TEG program are encouraged to publicize and use the March 15 state priority deadline for identifying eligible students to be given priority in receiving awards through the state financial aid programs. Institutions have the flexibility to define what it means to meet the priority deadline at their institution. Institutions are encouraged to adopt a policy and procedure to ensure students are awarded consistently for this program.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 22.23)
Any college, university or branch campus, defined as a private or independent institution of higher education, is eligible to participate in the TEG program (See TEC, Section 61.003).

Each participating institution will have a single allocation in which initial year (IY), also known as first awards, and renewal year (RY), also known as subsequent awards, can be made.
ELIGIBILITY

ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.24)

TO RECEIVE A FIRST AWARD, A STUDENT MUST:

- Be classified by the institution as a Texas resident
- Be registered with Selective Service or be exempt
- Have applied for financial aid assistance
- Demonstrate financial need
- Be enrolled at least 3/4 time
- Be an undergraduate or graduate student enrolled in degree plan leading to a first associate, baccalaureate, master’s, professional, or doctoral degree (excluding degree plans that are intended to lead to religious ministry)
- Not have earned a degree for which they are currently enrolled
- Not be a recipient of an athletic scholarship (i.e. the student is obliged to play an intercollegiate sport as a result of receiving the scholarship) during the semester(s) TEG is awarded
- Be required to pay more tuition than is required at a comparable public college or university and be charged no less than the tuition required of all similarly situated enrolled at the institution

TO RECEIVE A CONTINUATION AWARD, A STUDENT MUST:

- Meet all the FIRST AWARD requirements
- Maintain satisfactory academic progress

Stop: Non-resident National Merit Scholarship finalists are no longer eligible for a TEG award and there is no grandfathering provision included in this change.

DISCONTINUATION OF ELIGIBILITY (19 TAC, SECTION 22.24)

Unless a hardship is granted, a student’s eligibility ends if any of the following maximums have been met:

<table>
<thead>
<tr>
<th>DEGREE TYPE*</th>
<th>IF ENROLLED IN A DEGREE OR CERTIFICATE PROGRAM OF 4 YEARS OR LESS</th>
<th>IF ENROLLED IN A DEGREE OR CERTIFICATE PROGRAM OF MORE THAN 4 YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECIPIENT WORKING TOWARD AN ASSOCIATE OR BACCALAUREATE DEGREE</td>
<td>5 years from the first semester awarded</td>
<td>6 years from the first semester awarded</td>
</tr>
<tr>
<td>RECIPIENT WORKING TOWARD A MASTER’S, PROFESSIONAL, OR DOCTORAL DEGREE</td>
<td></td>
<td>No maximum time limit</td>
</tr>
</tbody>
</table>

*An award cannot be granted to a student pursuing a second degree of one already earned.
HARDSHIP PROVISIONS (19 TAC, SECTION 22.24)

A student who is ineligible for a TEG award based on grade point average (GPA), completion rate, and number of completed hours for satisfactory academic progress may be deemed eligible under a hardship provision. Each institution must adopt a hardship policy and have the policy available for public review. All hardship decisions must be documented in the student’s record and be available for submission to the THECB if requested.

SATISFACTORY ACADEMIC PROGRESS (SAP) (19 TAC, SECTION 22.24)

At the end of the first academic year, a student must meet the SAP requirements set by the institution to be eligible for a continuation award.

At the end of the second academic year, and all years thereafter, undergraduates must have completed 24 semester credit hours (SCH) in the most recent academic year, with a 75% completion rate for hours attempted in that year, and must have a minimum 2.5 cumulative GPA. Graduate students must have completed 18 SCH in the most recent academic year, with a 75% completion rate for hours attempted in that year, and must have a minimum 2.5 cumulative GPA.

The chart below reflects these requirements, which must be monitored to ensure compliance.

<table>
<thead>
<tr>
<th>ACADEMIC YEAR</th>
<th>SATISFACTORY ACADEMIC PROGRESS (SAP) REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>END OF 1ST ACADEMIC YEAR</td>
<td>Institutional SAP policy</td>
</tr>
<tr>
<td>END OF 2ND ACADEMIC YEAR OR LATER – UNDERGRADUATE STUDENTS</td>
<td>Completion of at least 24 SCH in most recent academic year</td>
</tr>
<tr>
<td>END OF 2ND ACADEMIC YEAR OR LATER – GRADUATE STUDENTS</td>
<td>Completion of at least 18 SCH in most recent academic year</td>
</tr>
<tr>
<td></td>
<td>2.5 cumulative GPA on a 4-point scale for all coursework attempted at a public, private, or independent institution</td>
</tr>
<tr>
<td></td>
<td>75% completion rate</td>
</tr>
</tbody>
</table>

IMPORTANT NOTE:

A student who does not meet the SAP requirements at the end of the academic year can appeal to have transfer courses included in the SAP calculation. In this case, all transfer courses must be included when determining program eligibility. Student aid award history is available to assist institutions with monitoring this requirement via the Student Financial Aid Programs Information Website.

SAP APPEALS

If a student completes the first year on academic warning, probation, or on an approved plan, the student can be considered meeting SAP, if the institution’s policy includes such provisions. However, at the end of the second year, the student must meet the program SAP requirements for continued eligibility.

FAILING COURSES

The intent of the 24/18 SCH requirement is to encourage timely progression towards a degree. Since a grade of F is not earned toward a degree, it should not be considered when calculating the student completed hours.
AWARDING

A TEG award amount for a term or semester may not exceed a student’s financial need or tuition differential for that term or semester or the program maximum for the academic year, whichever is least.

Undergraduate students with exceptional financial need may receive up to 150% of the program maximum award, not to exceed the student’s financial need or tuition differential.

Alert: Exceptional financial need is defined as an amount of TEG funds an undergraduate student may qualify for if his or her expected family contribution is less than or equal to $1,000.

TUITION DIFFERENTIAL (19 TAC, SECTION 22.22)

Tuition differential is defined as the difference between the tuition paid at a private or independent institution and the tuition the student would have to pay to attend a comparable public institution in Texas. Fees are not included in this calculation, only tuition rates.

The Southern Association of Colleges and Schools (SACS) identifies institutions by the highest levels of degrees they offer. These levels are being used by the THECB to identify “comparable” institutions for the purpose of calculating tuition differentials. The following table shows average resident undergraduate and graduate tuition rates per SCH for public institutions at various SACS levels for the 2017-18 academic year. These amounts should be used by the institution to derive tuition differentials by using the student’s total SCH and multiplying the tuition rate provided.

<table>
<thead>
<tr>
<th>SACS LEVEL</th>
<th>UNDERGRADUATE TUITION RATE PER SCH</th>
<th>GRADUATE TUITION RATE PER SCH</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSOCIATE DEGREE LEVEL 1</td>
<td>$ 57</td>
<td>n/a</td>
</tr>
<tr>
<td>BACCALAUREATE DEGREE LEVEL 2</td>
<td>$ 66</td>
<td>n/a</td>
</tr>
<tr>
<td>MASTER’S DEGREE LEVEL 3</td>
<td>$ 194</td>
<td>$ 268</td>
</tr>
<tr>
<td>THREE OR FEWER DOCTORAL DEGREES LEVEL 5</td>
<td>$ 182</td>
<td>$ 239</td>
</tr>
<tr>
<td>FOUR OR MORE DOCTORAL DEGREES LEVEL 6</td>
<td>$ 232</td>
<td>$ 329</td>
</tr>
</tbody>
</table>

The average public institution rates for law school students are as follows:

- Resident: $918 per SCH

TUITION DIFFERENTIAL EXAMPLE:

- Charges for an independent 2-year institution (e.g. Jacksonville College) should be compared to public community college charges (Level 1).
- A Level 2 institution that only awards TEG to associate degree students (e.g. Southwestern Christian College) should compare its charges to those of public community colleges (Level 1).
- Levels 2, 3, 5 and 6 independent institutions (other than Southwestern Christian College) should compare the charges to the average charges of public institutions at the same levels.
### TEG 2017-18 AWARD MAXIMUMS

<table>
<thead>
<tr>
<th>INSTITUTION TYPE</th>
<th>AWARD MAX/YEAR</th>
<th>EXCEPTIONAL NEED</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIVATE/INDEPENDENT INSTITUTIONS</td>
<td>$3,364</td>
<td>$5,046</td>
</tr>
</tbody>
</table>

TEG - EFC’s ≤ $1,000 may receive up to the Exceptional Need award amount (Undergraduates).

### OVER AWARDS (19 TAC, SECTION 22.26)

If an award has been disbursed and a student receives other assistance that exceeds the student’s financial need, the institution is not required to adjust the award unless the sum of the excess resources is greater than $300.

### LATE DISBURSEMENTS (19 TAC, SECTION 22.28)

Funds that are disbursed after the end of a student’s period of enrollment must be used either to pay the student’s outstanding balance for the period of enrollment, or to make a payment on an outstanding loan received during that period of enrollment. Under no circumstances should funds be released directly to the student in this situation.

### PRORATION (19 TAC, SECTION 22.26)

Awards must be prorated if the student has been approved for an exception to the 3/4 time enrollment requirement based on hardship:

#### UNDERGRADUATE HARDSHIP PRORATION SCHEDULE

<table>
<thead>
<tr>
<th>Enrolled 6-8 Hours</th>
<th>Enrolled &lt; 6 Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% of the maximum award amount</td>
<td>25% of the maximum award amount</td>
</tr>
</tbody>
</table>

#### GRADUATE HARDSHIP PRORATION SCHEDULE

<table>
<thead>
<tr>
<th>Enrolled 5-6 Hours</th>
<th>Enrolled &lt; 5 Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% of the maximum award amount</td>
<td>25% of the maximum award amount</td>
</tr>
</tbody>
</table>

### ADJUSTMENTS TO AWARDS (19 TAC, SECTION 22.27)

If a student officially withdraws or the amount of a student's disbursement exceeds the amount the student is eligible to receive, the institution must follow its institutional refund policy in determining the amount by which the award must be reduced.

- These funds should be re-awarded to other eligible students attending the institution. If funds cannot be re-awarded, they should be returned to the THECB no later than the end of the state fiscal year for which they were allocated to the institution.
- If the student withdraws or drops classes after the end of the institution's refund period, no refunds to the program are due.
PROCESSING FUNDS

REQUESTING PROGRAM FUNDS

When requesting funds, eligible institutions must submit a Funds Request Form (FRF). The FRF is available through the secure Coordinating Board Pass System (CBPASS) portal on the Student Financial Aid Programs Information Website.

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved, before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.

AUTHORITY TO TRANSFER FUNDS (TAC, SECTION 22.30)

Institutions participating in a combination of TEG and Texas College Work-Study (TCWS) may transfer up to 10% of the institution’s total annual program allocation or $20,000 (whichever is less) between programs in a given fiscal year. The transfer of funds must be encumbered by the institution by February 20th.

<table>
<thead>
<tr>
<th>PROGRAM FROM</th>
<th>RULE PROGRAM TO</th>
<th>AUTHORITY TO TRANSFER</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEXAS Grant</td>
<td>TEOG</td>
<td>Institutions may transfer up to 10% or $20,000 of the individual program annual allocation (whichever is less)</td>
</tr>
<tr>
<td>TEOG</td>
<td>TEG</td>
<td></td>
</tr>
<tr>
<td>TEG</td>
<td>TCWS</td>
<td></td>
</tr>
<tr>
<td>TCWS</td>
<td>TEXAS Grant</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TEOG</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TEG</td>
<td></td>
</tr>
</tbody>
</table>

Funds can only be transferred from a grant to TCWS or vice versa, never from a grant to a grant.
TOP TEN PERCENT SCHOLARSHIP PROGRAM

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE *(19 TAC, SECTION 22.196)*

The Top Ten Percent (Top 10%) Scholarship program was originally authorized by the 80th Texas Legislature to encourage outstanding high school students who graduate within the top 10 percent of their high school graduating class to attend a public college or university in Texas. Renewal awards for state Fiscal Year 2018 and 2019 are authorized by the General Appropriations Act of the 85th Texas Legislature (Article III, p. 45 and Rider 27). Rules establishing procedures to administer the program can be found in *Title 19 of the TAC, Chapter 22, Subchapter K*. The program is funded through state General Revenue appropriations.

STATE PRIORITY DEADLINE *(TEC, SECTION 56.008 and 19 TAC, SECTION 21.10)*

The THECB provides a uniform priority deadline for applications that qualify for financial assistance in an academic year. General Academic Teaching Institutions (GATIs) in Texas must publicize and use March 15 as the state priority deadline for identifying eligible students to be given priority in receiving awards through the state financial aid programs. All other public institutions are *encouraged* to use this state priority deadline. Institutions have the flexibility to define what it means to meet the priority deadline at their institution. Institutions are encouraged to adopt a policy and procedure to ensure consistency in making awards through this program.

ELIGIBLE INSTITUTIONS *(19 TAC, SECTION 22.198)*

All public institutions of higher education as defined *TEC, Section 61.003* are eligible to make only renewal awards under the Top 10% Scholarship program.
ELIGIBILITY

ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.199)

**ALERT:** Beginning with the 2015-16 academic year, only renewal awards are authorized for the Top 10% Scholarship Program.

TO RECEIVE A RENEWAL YEAR AWARD, A STUDENT MUST:

- Be classified by the institution as a Texas resident
- Be registered with Selective Service or be exempt
- Complete the Free Application for Federal Student Aid (FAFSA) or the Texas Application for State Financial Aid (TASFA)
- Have unmet financial need, as determined by the following formula:
  
  \[
  \text{Need} = \text{COA} - \text{EFC} - \text{Pell grant eligibility} \quad \text{remainder must be greater than zero}
  \]
- Be enrolled full-time (at least 12 semester credit hours) as of the census date
- Maintain program satisfactory academic progress requirements
- Be an undergraduate baccalaureate student who previously received an award

DISCONTINUATION OF ELIGIBILITY (19 TAC, SECTION 22.201)

Unless a hardship exception is granted, a student’s eligibility ends if any of the following maximums have been met:

<table>
<thead>
<tr>
<th>TIME LIMIT</th>
<th>DEGREE OBTAINED</th>
<th>NUMBER OF AWARDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Consecutive Years</td>
<td>Baccalaureate (No hardship allowed)</td>
<td>4 Awards (No hardship allowed)</td>
</tr>
</tbody>
</table>

HARSHSHIP PROVISIONS (19 TAC, SECTION 22.201)

A student who is ineligible based on the requirements for the GPA, completion rate, and number of completed hours for satisfactory academic progress, may be deemed eligible under a hardship provision. Participating institution must adopt a hardship policy and have the policy available for public review upon request. All hardship decisions must be documented in the student’s record and be available for submission to the THECB if requested.

SATISFACTORY ACADEMIC PROGRESS (SAP) (19 TAC, SECTION 22.201)

A student’s SAP eligibility is determined at the end of each academic year. Students must complete 30 semester credit hours (SCH), have a completion rate of 75%, and maintain a 3.25 cumulative GPA on a 4-point scale.

<table>
<thead>
<tr>
<th>END OF EACH ACADEMIC YEAR</th>
<th>SATISFACTORY ACADEMIC PROGRESS (SAP) REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 SCH in an academic year</td>
</tr>
</tbody>
</table>

ADDITIONAL INFORMATION

CALCULATE AN AWARD

Top 10% Scholarship recipients can receive the maximum award amount even if the amount exceeds the calculated need. An applicant is determined eligible if the following is true:

\[
\text{Need} = \text{COA} - \text{EFC} - \text{Pell} > 0
\]

Ex: $20,000 – $19,999 – 0 = $1

In this example, although the recipient has only $1 of need, the student is eligible to receive up to the maximum award amount.

EXTENSION OF ELIGIBILITY

An extension of eligibility can be issued beyond 4 consecutive years if a hardship is granted, as long as the student has not received more than 4 awards.

FOR EXAMPLE:
A student received an initial award in fall 2013, and did not attend college again until fall 2017. Since the student only received one award, the student may be eligible an award with a documented hardship, if all other eligibility requirements are met.

IMPORTANT NOTE:
A student who is below the SAP requirements at the end of the spring semester can appeal to have transfer courses included in the SAP calculation.
AWARDING

In determining eligibility, renewal recipients must be classified as a Priority 1 or Priority 2 applicant. (See 19 TAC, Section 22.200)

Recipients are classified as Priority 1 if the following was completed by the March 15, 2017 state priority deadline:
- FAFSA was submitted in time to generate the Central Processing System (CPS) results in a non-rejected status.
- TASFA was submitted to the financial aid office.

All other eligible recipients are classified as Priority 2.

STOP: If funds are disbursed for a student who is later determined to be ineligible, the award must be returned to the THECB. Top 10% Scholarship funds are issued on a student-by-student basis and cannot be transferred.

<table>
<thead>
<tr>
<th>INSTITUTION TYPE</th>
<th>AWARD TYPE</th>
<th>AWARD MAX/YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUBLIC INSTITUTIONS</td>
<td>Priority 1</td>
<td>$2,000</td>
</tr>
<tr>
<td></td>
<td>Priority 2</td>
<td>TBD</td>
</tr>
</tbody>
</table>

Both Priority 1 and Priority 2 recipients must be included in the Top 10% Scholarship Funds Requests File. While only Priority 1 recipients can initially receive funds, Priority 2 recipients will be reviewed and processed if funding is available.

PROCESSING FUNDS

REQUESTING PROGRAM FUNDS (19 TAC, SECTION 22.202)

Funds for Top 10% Scholarship students will not be disbursed until the institution submits a file through the secure file transfer portal called MOVEit DMZ.

The Top 10% Scholarship Funds Requests File Instructions can be found on the Student Financial Aid Programs Information Website. Files can be submitted to THECB as early as August 1, 2017, but no later than October 3, 2017. Information included in the file will be used by THECB to confirm and approve funding for eligible students.

TIMELY DISTRIBUTION OF FUNDS

- Institutions have 3 business days after receiving the funds to apply the funds to a recipient’s account
- Institutions have 6 business days after receiving the funds to return undisbursed funds
- Institutions have 45 calendar days from the date a student becomes ineligible to return disbursed funds
- Institutions have 120 calendar days to return funds after a student has notified the institution of their decision to cancel the award

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved, before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.
TEXAS ARMED SERVICES SCHOLARSHIP PROGRAM

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE (19 TAC, SECTION 22.163)
The Texas Armed Services Scholarship Program (TASSP) is authorized by TEC, Chapter 61, Subchapter A, Section 61.9771. Rules establishing procedures to administer the subchapter can be found in Title 19 of the TAC, Chapter 22, Subchapter I. The purpose of the TASSP is to encourage students to become members of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard or United States Merchant Marine, or to become commissioned officers in any branch of the armed services of the United States.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 22.164)
Public institutions of higher education, as defined in TEC, Section 61.003, and private or independent institutions of higher education, as defined in TEC, Section 61.003(15), can participate.
ELIGIBILITY

ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.166 AND 19 TAC, SECTION 22.167)

Each year, the governor and the lieutenant governor may each appoint two students, and each state senator and state representative may appoint one student to receive an initial TASSP award. A student must meet two of the four criteria to be appointed:

- Be on track to graduate or graduated high school with the Distinguished Achievement Plan (DAP), or the International Baccalaureate (IB) Program
- Have a high school GPA of 3.0 or higher
- Achieved a college readiness score on the SAT (1070) or ACT (23)
- Be ranked in the top one-third of the prospective high school graduating class

TO RECEIVE AN INITIAL YEAR AWARD,
A STUDENT MUST:

- Be appointed by the governor, lieutenant governor, state senator or state representative before the August 31, 2017 deadline
- Be enrolled and in good standing in a Reserve Officers Training Corps (ROTC) at an eligible institution
- Enter into an agreement with the THECB to:
  - Complete four years of ROTC training
  - Graduate no later than six years after the date first enrolled after receiving a high school diploma or General Educational Diploma (GED)
- No later than six months after graduation, enter into:
  - A four-year commitment to be a member of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine; OR
  - Contract to serve as a commissioned officer in any branch of the armed services of the United States

TO RECEIVE A RENEWAL YEAR AWARD,
A STUDENT MUST:

- Maintain satisfactory academic progress as determined by the institution
- Continue to be a member of the Reserve Officers’ Training Corps (ROTC)
- Not have earned a baccalaureate degree or completed a cumulative total of 150 hours (includes transfer hours)

AWARDING

The TASSP award maximum is determined and announced annually by the THECB and cannot exceed $15,000 in an academic year. The award must be reduced by the amount of the combined total to be paid to the student for being under contract with one of the branches of the armed services and the full amount of the scholarship if it exceeds the student’s total cost of attendance (COA) for that academic year. (See 19 TAC, Section 22.165).

TASSP FY 2018 AWARD AMOUNTS

<table>
<thead>
<tr>
<th>INSTITUTION TYPE</th>
<th>AWARD TYPE</th>
<th>AWARD MAX/YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUBLIC INSTITUTIONS</td>
<td>INITIAL/RENEWAL</td>
<td>$4,000</td>
</tr>
<tr>
<td>PRIVATE INSTITUTIONS</td>
<td>INITIAL/RENEWAL</td>
<td>$4,000</td>
</tr>
</tbody>
</table>
PROCESSING FUNDS

REQUESTING PROGRAM FUNDS

Funds will not be disbursed until the promissory note is signed by the borrower and the Financial Aid Administrator certifies the loan using one of the following two methods:

- Certify the loan through the HelmNet loan portal; OR
- Submit a Commonline Loan Certification File using the secure file transfer portal called MOVEit DMZ.

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.

TIMELY DISTRIBUTION OF FUNDS

- Institutions have 3 business days after receiving the funds to apply the funds to a recipient’s account
- Institutions have 6 business days after receiving the funds to return undisbursed funds
- Institutions have 45 calendar days from the date a student becomes ineligible to return disbursed funds
- Institutions have 120 calendar days to return funds after a student has notified the institution of his or her decision to cancel the award

NEW RULE
19 TAC, Section 22.2

Alert: Students experiencing a medical disability or any type of financial hardship can apply for postponed or reduced payments and cancellation (medical disability only) of their TASSP loan.

To apply, a student must:

- Navigate to HHloans.com and select Forms
- Complete the appropriate form (ex: General Postponement Request Form, Texas Armed Services Scholarship Program Loan Discharge Form)
- Submit completed forms:
  - Hinson-Hazlewood College Student Loan Program
    P.O. Box 12788
    Austin, TX 78711-2788
    OR
  - Recommended Fax: (512) 427-6423
  - Alternative Fax: (512) 427-6570

ADDITIONAL INFORMATION

STUDENT APPLICATION DEADLINE

Students must complete their TASSP online applications by October 15, 2017.

HOW CAN A STUDENT APPLY?

1. The student will need to be selected by the governor, lieutenant governor, a senator, or a state representative.
   - Students can identify a legislator by visiting, Who Represents Me.
   - To contact the governor's office, a student can call (512) 463-1828 or visit, Governor’s Appointment Responsibility.
   - To contact the lieutenant governor’s office, a student can call (512) 463-0001.
2. Once selected, the student will receive a Notice of Selection letter.
3. Once the student is enrolled in an eligible institution and ROTC program, the Notice of Selection must be provided to the financial aid office.
4. The financial aid office will certify the student’s program eligibility to the THECB.
5. Once the THECB receives the institution's eligibility certification, the student will receive an email notifying them to complete the TASSP application at Loans Online.
REPAYMENT

CONVERSION OF THE SCHOLARSHIP TO A LOAN

A TASSP award will be converted to a loan if the recipient fails to:

- Maintain satisfactory academic progress as required by the institution’s ROTC program for continued participation in the program.
- Does not meet any of the terms in the TASSP agreement.
- Fulfill one of the following:
  - Does not complete a four year commitment to be a member of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine; OR
  - Does not contract to serve as a commissioned officer in any branch of the armed services of the United States.

If a recipient requires a temporary leave of absence from the institution and/or the ROTC program for personal reasons or to provide service for the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine for fewer than twelve months, THECB may agree to not convert the scholarship award to a loan during that time.

If a recipient is required to provide more than twelve months of service in the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine as a result of a national emergency, THECB can grant that recipient additional time to meet the graduation and service requirements specified in the TASSP agreement (See 19 TAC, Section 22.171).

If the scholarship is converted to a loan, the recipient will have a 6-month grace period from the date the student ceases to be enrolled at least half-time at an eligible institution. Repayment begins after the expiration of the 6-month grace period. The TASSP loan has a 15-year repayment period and a minimum monthly payment of $100 or an amount required to repay the loan within 15 years, whichever is greater. The interest rate charged on TASSP loans will be the same rate charged for a College Access Loan at the time the funds were disbursed; new CAL loans currently have a 6.6% fixed annual interest rate (See 19 TAC, Section 22.171).
EDUCATIONAL AIDE EXEMPTION PROGRAM

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE (19 TAC, SECTION 21.1080)

The Educational Aide Exemption (EAE) program is authorized by TEC, Chapter 54, Section 54.363 Subchapter A. Rules establishing procedures to administer the subchapter can be found in Title 19 of the TAC, Chapter 21, Subchapter II. The purpose of the EAE program is to encourage certain Educational Aides to complete full teacher certification by providing need-based exemptions from the payment of tuition and certain mandatory fees at Texas public institutions of higher education.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 21.1082)

Any public institution of higher education is eligible to participate as defined by TEC, Section 61.003. All institutions will be invited annually to partake in the EAE program allocation process. Those choosing not to participate will not be considered in the allocation calculation for the relevant year.
ELIGIBILITY

ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 21.1083)

TO RECEIVE AN AWARD, A STUDENT MUST:

- Be classified by the institution as a Texas resident
- Be registered with Selective Service or be exempt
- Demonstrate financial need
- Meet the institution’s satisfactory academic progress requirements
- Have been employed by a public school district in Texas working in the classroom directly with the students on a full-time basis as:
  - An Educational Aide for at least one school year, in the last five years from the term or semester of the applicant’s initial award; OR
  - A substitute teacher, for 180 or more full days in the last five years from the term or semester of the applicant’s initial award
- Be employed in some capacity by a public school district in Texas during the full term for which the student receives the award, unless granted a hardship

If the student received an EAE award prior to fall 2012:
- Be enrolled in courses required for teacher certification or if enrolled in lower-level coursework, sign a statement indicating an intention to become certified as a teacher in Texas

If the student received an EAE award after fall 2012:
- Be enrolled in courses required for teacher certification in one or more areas experiencing a critical shortage of teachers at public schools in Texas, as determined by the Texas Education Agency (TEA)
- If classified as a resident undergraduate, have not completed a number of semester credit hours that is considered to be excessive under TEC, Section 54.014, unless granted a hardship waiver

2017-18 TEACHER SHORTAGE AREAS

- Bilingual/English as a Second Language
- Career and Technical Education
- Computer Science/Technology Applications
- Mathematics
- Science
- Special Education - Elementary and Secondary Levels

ADDITIONAL INFORMATION

GRADUATE STUDENT ELIGIBILITY

Students enrolled in graduate courses leading to a teacher certification in a teacher shortage area can be considered eligible for the EAE, as long as all other requirements are met.

SCHOOL DISTRICT EMPLOYEE PARTICIPATION ELIGIBILITY

An applicant who has the required Educational Aide work experience and meets all other eligibility requirements, can be employed in any position at a Texas public school district and still be eligible to apply for the EAE program.

FOR EXAMPLE:
A student who is currently employed as a bus driver during the school year, could be eligible to apply if enrolled at a participating institution and the required Educational Aide work experience has been met.

NOTE:
The required Educational Aide experience must be obtained at a Texas public school district (experience at a private high school or outside of Texas does not count).

Alert: UNDERGRADUATE HOURS COMPLETED

Semester credit hours completed include transfer credit hours that count towards the person's undergraduate degree or certificate requirements, but exclude:

- Hours earned exclusively by examination;
- Hours earned for a course credit received toward the person's high school academic requirements; and
- Hours earned for developmental courses that the institution required the person to take under TEC, Section 51.3062

Guidelines 2017-18
HARDSHIP PROVISIONS (19 TAC, SECTION 21.1088)

A student who is ineligible for an EAE award based on the GPA requirement and/or excessive hours provision may be deemed eligible under a hardship provision. Each institution must adopt a hardship policy and have the policy available for public review upon request. All hardship decisions must be documented in the student’s record and be available for submission to the THECB, if requested.

EXEMPTION FROM STUDENT TEACHING (19 TAC, SECTION 21.1087)

- An individual who receives a baccalaureate degree required for a teaching certificate on the basis of higher education coursework completed while receiving an EAE award is not required to participate in any field experience or internship consisting of student teaching to receive a teaching certificate.
- An individual who receives a baccalaureate degree prior to receiving a first EAE award is not eligible for a student teaching exemption.

AWARDING

Students receiving awards through the Educational Aide Exemption Program will be exempted from the payment of the total resident tuition and required fees, other than laboratory and class fees, for courses taken during the relevant term. Institutions must determine the applicant’s eligibility to receive the exemption and notify both the applicant and the school district employing the applicant (TEC, Section 54.363 (d)).

REQUIRED MATCHING (19 TAC, SECTION 21.1086)

Participation in the EAE program requires that institutions use institutional funds to match at least 10% of each recipient’s exemption. Institutions are not required to provide exemptions beyond those funded through appropriations plus a 10% institutional match.

PROCESSING FUNDS

REQUESTING PROGRAM FUNDS

At the start of the fiscal year, each participating institutions full allocation of funds will be disbursed. Allocations for public universities, Health-Related Institution’s (HRIs) or technical institutes will be transferred to the institutions cost center at the Comptroller’s Office. Allocations for community colleges or independent institutions will be sent to the institution’s designated bank or other fiduciary institution, via direct deposit or Automated Clearing House (ACH).

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.
B-ON-TIME LOAN PROGRAM

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE (19 TAC, SECTION 22.329)

The Texas B-On-Time (BOT) Loan Program is authorized by TEC, Chapter 56, Section 56.0092. Rules establishing procedures to administer the program can be found in Title 19 of the TAC, Chapter 22, Subchapter Q. The purpose of the BOT loan program is to improve and increase access to higher education in Texas.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 22.331)

Public and private/independent institutions of higher education as defined in TEC Section 61.003 (8) are eligible to make only renewal awards under the BOT program.
ELIGIBILITY

ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.333)

Alert: Beginning with the 2015-16 academic year, only renewal awards are authorized for the BOT Loan Program.

TO RECEIVE A RENEWAL AWARD, A STUDENT MUST:

- Be classified by the institution as a Texas resident or be entitled to pay resident tuition rates as a dependent child of a member of the U.S. armed forces
- Be registered with Selective Service or be exempt
- Be eligible to receive federal financial aid
- Be enrolled full-time in a baccalaureate degree program
- Have completed at least 75 percent of the hours attempted in the most recent academic year
- Maintain an overall GPA of at least 2.5 on a four-point scale
- Be an undergraduate baccalaureate student that previously received an initial year award
- Have not earned a baccalaureate degree

DISCONTINUATION OF ELIGIBILITY (19 TAC, SECTION 22.333)

After a student has attempted 150 semester credit hours (SCH) the student is no longer eligible for a BOT award.

If, in any given academic period, a student is no longer enrolled full-time and the THECB does not receive a refund of the BOT loan for that period, the dropped courses will be counted toward the calculation of the 150 SCH limit.

HARDSHIP PROVISIONS (19 TAC, SECTION 22.335)

A student who is ineligible for the BOT Loan based on course load and completion requirements may be deemed eligible under a hardship provision. Participating institutions must adopt a hardship policy and have the policy available for public review upon request. All hardship decisions must be documented in the student’s record and be available for submission to the THECB if requested.

Stop: No student enrolled less than 6 SCH may receive a BOT Loan, even with an approved hardship.
Satisfactory Academic Progress (SAP) (19 TAC, Section 22.333)

A student’s SAP eligibility is determined at the end of each academic year. A student must complete 75% of total attempted hours in the academic year and have a minimum 2.5 cumulative GPA on a 4-point scale or its equivalent.

<table>
<thead>
<tr>
<th>END OF EACH ACADEMIC YEAR</th>
<th>SATISFACTORY ACADEMIC PROGRESS (SAP) REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>75% completion rate in an academic year</td>
</tr>
<tr>
<td></td>
<td>2.5 cumulative GPA on a 4-point scale</td>
</tr>
</tbody>
</table>

Awarding

In determining the amount of a BOT award, students can only receive funding up to their cost of attendance (COA). A student’s COA includes tuition and fees, allowances for books and supplies, room and board, transportation expenses, and miscellaneous personal expenses. When certifying a BOT loan, the institution is confirming that the amount of the loan does not exceed the difference between the COA and other forms of student assistance for which the student is eligible (See 19 TAC, Section 22.334).

Stop: Only eligible renewal recipients can have a BOT Loan originated in the HelmNet Loan Portal. If a SSN entered does not have a prior BOT Loan associated with it, the system will not allow an application to be created or certified.

<table>
<thead>
<tr>
<th>INSTITUTION TYPE</th>
<th>AWARD MAX/YEAR</th>
<th>AWARD MAX/SEMESTER</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUBLIC UNIVERSITIES, HRI's AND PRIVATE/INDEPENDENT</td>
<td>$9,050</td>
<td>$4,525</td>
</tr>
<tr>
<td>INSTITUTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PUBLIC STATE COLLEGES</td>
<td>$5,666</td>
<td>$2,833</td>
</tr>
<tr>
<td>PUBLIC TECHNICAL INSTITUTES</td>
<td>$5,496</td>
<td>$2,748</td>
</tr>
<tr>
<td>PUBLIC COMMUNITY COLLEGES</td>
<td>$3,010</td>
<td>$1,505</td>
</tr>
</tbody>
</table>

A 3% origination fee will be deducted from the loan proceeds.

Processing Funds

REQUESTING PROGRAM FUNDS

Institutions can begin disbursing loan funds on September 6, 2017 for the 2017-18 academic year. Funds will not be processed until the promissory note is signed by the borrower and the Financial Aid Administrator certifies the loan using one of the following methods:

- Certify the loan through the HelmNet loan portal; or
- Submit a Commonline Loan Certification File using the MOVEit DMZ secure file transfer portal

TIMELY DISTRIBUTION OF FUNDS

- Institutions have 3 business days after receiving the funds to apply the funds to a recipient’s account
- Institutions have 6 business days after receiving the funds to return undisbursed funds
- Institutions have 45 calendar days from the date a student becomes ineligible to return disbursed funds
- Institutions have 120 calendar days to return funds after a student has notified the institution of their decision to cancel the award

NEW RULE

19 TAC, Section 22.2
RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.

REPAYMENT

BOT loans have a 6-month grace period after the date the student ceases to be enrolled at least half-time at an eligible institution. Repayment begins after the expiration of the 6-month grace period. The BOT loan has a 15-year repayment period or a minimum monthly payment of $75.00. BOT loans have a 0% interest rate (See 19 TAC, Section 22.339).

Deferments for education enrollment or forbearances (financial hardship) are available. If the borrower defaults and a judgment is entered against the borrower, interest will begin to accrue at the legal rate described in the “Terms and Notices” from the date of judgment until the entire debt is paid in full.

FORGIVENESS REQUIREMENTS (19 TAC, SECTION 22.337)

A BOT loan can be forgiven if the student provides the THECB an Application for Forgiveness. The form should be completed by the institutional Registrar’s office certifying that the student:

- Graduated with a B average, or a cumulative grade point average of at least 3.0 on a 4-point scale and:
  - Received a baccalaureate degree within four calendar years after the date the student initially enrolled in an eligible institution; or
  - Within five calendar years after the student initially enrolled in an eligible institution if the institution reports that the student graduated with a degree in architecture, engineering, or any other program that the institution certifies to the Board is a program that requires more than four years to complete; or
- Graduated a B average, or with a cumulative grade point average of at least 3.0 on a 4-point scale with no more than six hours more than the number of credit hours required to complete a baccalaureate degree.
  - Total number of hours earned includes transfer credit hours and excludes hours earned exclusively by examination, dual credit course hours, and hours earned for developmental coursework that an institution required the student to take under TEC, Section 51.3062 (relating to Success Initiative).

APPEALS PROCESS

If a student disagrees with the decision about his or her eligibility for forgiveness, the student can send a dispute letter explaining their situation and reason for appealing to:

Director of Borrower Services
THECB
P.O. Box 12788
Austin, TX 78711
Fax: (512) 427-6423

FORGIVENESS DEADLINE

BOT Loans are automatically scheduled for repayment six months after the last date of a student’s enrollment. While there is no deadline for completing the B-On-Time Loan Application for Forgiveness, submitting the application within 90 days after a student is no longer enrolled at least half-time will help avoid collection efforts.
COLLEGE ACCESS LOAN PROGRAM

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY (19 TAC, SECTION 22.43) AND PURPOSE (19 TAC, SECTION 22.42)

The College Access Loan (CAL) program is authorized by TEC, Chapter 52, Subchapter A. Rules establishing procedures to administer the subchapter can be found in TAC, Chapter 22, Subchapter C. The CAL program provides alternative educational loans to Texas students who are unable to meet the Cost of Attendance (COA). The CAL may be used to cover part or all of a student's COA. The amount of federal aid that a student is eligible for (regardless of whether the funds are accepted) must be deducted from the COA in determining the CAL loan amount.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 22.45)

The following institutions and entities located in Texas are eligible to participate in the CAL program:

- Public or private nonprofit institution of higher education, including a junior college, accredited by a recognized accrediting agency as defined in TEC, Section 61.003; OR
- Entities, including Regional Education Services Centers, approved by the State Board of Educator Certification to offer an alternative certification program can participate.
## ELIGIBILITY

### ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.46)

<table>
<thead>
<tr>
<th>THE STUDENT MUST MEET FOLLOWING ELIGIBILITY REQUIREMENTS:</th>
<th>STUDENTS OR COSIGNERS MUST MEET THE FOLLOWING CREDIT APPROVAL REQUIREMENTS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Be classified by the institution as a Texas resident</td>
<td>✓ Have an Experian VantageScore of 650 or higher</td>
</tr>
<tr>
<td>✓ Be registered with Selective Service or be exempt</td>
<td>✓ Not have any public records such as tax liens or bankruptcy proceedings</td>
</tr>
<tr>
<td>✓ Be enrolled at least half-time in:</td>
<td>✓ Have a minimum of 4 credit trade lines, excluding student loans or authorized user accounts</td>
</tr>
<tr>
<td>• A course of study leading to a certificate, an associate, baccalaureate, graduate, or higher degree; OR</td>
<td>✓ Not have defaulted on any federal or private education loans</td>
</tr>
<tr>
<td>• An approved alternative educator certification program</td>
<td></td>
</tr>
<tr>
<td>✓ Meet the satisfactory academic progress requirements set by the institution</td>
<td></td>
</tr>
<tr>
<td>✓ Receive a favorable credit evaluation or provide a cosigner who has a good credit standing and meets other requirements</td>
<td></td>
</tr>
</tbody>
</table>

### COSIGNERS MUST:

| ✓ Be at least 21 years of age                               |
| ✓ Have a regular source of income                           |
| ✓ Not be the borrower or the spouse of the borrower         |
| ✓ Receive a favorable credit evaluation                      |
| ✓ Be a U.S. citizen or a permanent U.S. resident and reside in the U.S. or in a U.S. territory |

### HELMNET LOAN PORTAL

THECB’s Higher Education Loan Management System (HELMS) allows institutions, students and co-signers to manage loan accounts through a secure online portal called HelmNet.

**LOGIN PAGE**

- Institutions must submit a **System Request Form** to THECB to request access to certify a loan and to extract loan reports.
- Students and co-signers must each create an online account to apply for a loan or view the status of any loans with THECB.

### CAL PROGRAM CHANGES EFFECTIVE APRIL 25, 2017

- The CAL program has a 6.60% fixed annual interest rate.
- A minimum Experian VantageScore of 650 is required for credit approval.
- No loan origination fee will be assessed for approved borrowers.

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**ADDITIONAL INFORMATION**

**College Access Loan (CAL)**

*Interest Rate Change Memo*
AWARDING

Students can only receive CAL funding to cover reasonable expenses, not to exceed the Cost of Attendance (COA) (See 19 TAC, Section 22.49 and IRS Certification Requirements). When certifying a CAL loan, institutions are confirming that the amount of the requested loan is greater than $100 and does not exceed the difference between the student’s COA and other forms of financial assistance for which the student is eligible. The other forms of student assistance that must be considered when determining the amount of a CAL eligibility include:

- Free sources of student aid, such as gifts, grants and scholarships; AND
- The amount of any Federal Perkins loan and/or Federal Direct Stafford loan (including of subsidized and unsubsidized) that a student borrower is eligible to receive. Eligibility for Federal PLUS loans should not be considered when determining the amount of CAL.

PROCESSING FUNDS

REQUESTING PROGRAM FUNDS

Institutions can certify eligible CAL loans throughout the academic year on an as-needed basis. Funds will not be disbursed until the promissory note is signed by the borrower (and co-signer, when applicable) and the Financial Aid Administrator certifies the loan using the following two methods:

- Certify the loan through the HelmNet loan portal; OR
- Submit a Commonline Loan Certification File using the MOVEit DMZ secure file transfer portal.

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.

NEW RULE

19 TAC, Section 22.2

TIMELY DISTRIBUTION OF FUNDS

- Institutions have 3 business days after receiving the funds to apply the funds to a recipient’s account
- Institutions have 6 business days after receiving the funds to return undisbursed funds
- Institutions have 45 calendar days from the date a student becomes ineligible to return disbursed funds
- Institutions have 120 calendar days to return funds after a student has notified the institution of his or her decision to cancel the award

ALERT: The following steps of the CAL application process must be complete before an institution can certify:

- Borrower’s promissory note and self-certification must be signed
- When applicable, the cosigner’s promissory note must be signed
REPAYMENT

CAL loans have a 6-month grace period from the date the student ceases to be enrolled at least half-time at an eligible institution. Repayment begins after the expiration of the 6-month grace period (See 19 TAC, Section 22.53). All loans have a minimum monthly repayment amount of $50. There is a maximum repayment period of 10 years for loans with a principal balance under $30,000, and a maximum repayment period of 20 years for loans with a principal balance of $30,000 or more. If the balance is greater than $30,000 at the time the account initially enters repayment, the monthly payment amount must be enough to pay off the entire debt in no more than 20 years. The CAL will not be sold to another lender.

IMPORTANT NOTE: Postponements of loan repayment and income-sensitive or graduated repayment schedules are available on HHloans under Forms.
The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE (19 TAC, SECTION 22.127)
The Texas College Work-Study (TCWS) program is authorized by TEC, Chapter 56, Subchapter E, Section 56.073. Rules establishing procedures to administer the subchapter can be found in Title 19 of the TAC, Chapter 22, Subchapter G. The purpose of the TCWS program is to provide employment to eligible students with financial need. These positions are funded by a combination of state appropriations and funds from employers.

STATE PRIORITY DEADLINE (TEC, SECTION 56.008 and 19 TAC, SECTION 21.10)
The THECB provides a uniform priority deadline for applications that qualify for financial assistance in an academic year. General Academic Teaching Institutions (GATIs) in Texas must publicize and use March 15 as the state priority deadline for identifying eligible students to be given priority in receiving awards through the state financial aid programs. All other public institutions are encouraged to use this state priority deadline. Institutions have the flexibility to define what it means to meet the priority deadline at their institution. Institutions are encouraged to adopt a policy and procedure to ensure students are awarded consistently for this program.

ELIGIBLE INSTITUTIONS (19 TAC, SECTION 22.129)
Any public, private, or independent institution of higher education as defined in TEC, Section 61.003, except theological or religious seminary institutions, is eligible to participate in the TCWS program.
ELIGIBILITY

ELIGIBILITY REQUIREMENTS (19 TAC, SECTION 22.130)

TO RECEIVE A TCWS AWARD, A STUDENT MUST:

✓ Be classified by the institution as a Texas resident
✓ Be registered with Selective Service or be exempt
✓ Demonstrate financial need
✓ Be enrolled at least 1/2 time in a plan leading to a degree or certification
✓ Not be a recipient of an athletic scholarship (i.e. the student is obliged to play an intercollegiate sport as a result of receiving the scholarship) during any semester TCWS is awarded
✓ Not be enrolled in a seminary or other program leading to ordination or licensure to preach for a religious sect or to be a member of a religious order

ELIGIBLE EMPLOYERS (19 TAC, SECTION 22.131)

Participating institutions may enter into agreements with outside employers to participate in the TCWS program. To be eligible to participate, an employer must:

- Provide part-time employment to an eligible student in non-partisan and non-sectarian activities.
- Provide employment that is related to the student’s academic interests, when possible.
- Use TCWS program positions only to supplement and not to supplant positions normally filled by persons not eligible to participate in the program.

AWARDING

A TCWS award cannot exceed the student’s calculated need, which includes state and employer matching funds.

Each participating institution must ensure that at least 20 percent, but no more than 50 percent, of the employment positions provided through the TCWS program in an academic year are off-campus through an eligible employer (See 19 TAC, Section 22.131). This provision became effective beginning with the 2016-17 academic year.

📍 For Example: If an institution’s TCWS funding covers 10 positions, the institution would need to ensure that at least 2 (minimum), but no more than 5 (maximum), are off-campus to meet the rule requirement.

10 Positions X 20% = 2 Positions Off-Campus
10 Positions X 50% = 5 Positions Off-Campus

RESIDENCY ELIGIBILITY

If a nonresident student is eligible to pay resident tuition, he/she is not eligible to receive TCWS since eligibility requires that the participant be a Texas Resident.

An otherwise eligible affidavit student (classified as a Texas resident) who can provide the appropriate documentation proving eligibility to be employed in the United States, may secure employment through the TCWS program. This includes Deferred Action for Childhood Arrivals (DACA) recipients.

GRADUATE STUDENT ELIGIBILITY

Eligible graduate students must be enrolled at least half-time; which is defined by the state as 4.5 hours. To meet program eligibility requirements, the institution must comply with the state’s definition of half-time enrollment for a graduate student recipient, even if the institution’s definition is different.
OVER AWARDS (19 TAC, SECTION 22.132)

If an award has been disbursed and a student receives other assistance that exceeds the student’s financial need, the institution is not required to adjust the award unless the sum of the excess resources is greater than $300.

SUMMER AWARDS (19 TAC, SECTION 22.133)

Unless given specific permission by the THECB to use funds for summer awards, institutions must use the TCWS allocation for employment during the 9-month academic year (fall and spring terms). However, institutions may use reallocated funds for summer awards, if funds are expended by August 31 of the fiscal year.

REQUIRED MATCHING (19 TAC, SECTION 22.131)

Participating for-profit employers must:
- Provide at least 50 percent of an employed student's wages and 100 percent of other employee benefits for the employed student.

Participating non-profit employers must:
- Provide at least 25 percent of an employed student's wages and 100 percent of other employee benefits for the employed student from sources other than federal college work-study program funds, unless institutions are eligible for a waiver of matching funds. Institutions that are eligible for Title III funds from the U.S. Department of Education (ED) are exempt from the TCWS requirement, that nonprofit employers provide 25% of an employed student's wages. To qualify for this exemption, institutions must submit a current copy of the Title III eligibility letter to the THECB.

PROCESSING FUNDS

REQUESTING PROGRAM FUNDS

At the start of the fiscal year, each participating institution’s full allocation of funds will be disbursed. Funds for public universities, Health-Related Institutions (HRIs) and technical institutes will be transferred to each institution’s cost center at the Comptroller’s Office. Funds for community colleges and private/independent institutions will be sent to each institution’s designated bank or other fiduciary institution, via direct deposit or Automated Clearing House (ACH).

RETURNING PROGRAM FUNDS

A Return of Funds Form must be submitted and approved, before any funds are returned to the THECB. This form is available on the Student Financial Aid Programs Information Website.

TIMELY DISTRIBUTION OF FUNDS

- Institutions have 45 calendar days from the date a student becomes ineligible to return disbursed funds
- Institutions have 120 calendar days to return funds after a student has notified the institution of their decision to cancel the award
AUTHORITY TO TRANSFER FUNDS

Institutions participating in a combination of TCWS, TEXAS Grant, TEOG, and TEG may transfer up to 10% of the institution’s total annual program allocation or $20,000 (whichever is less) between programs in a given fiscal year. The transfer of funds must be encumbered by the institution by February 20th.

<table>
<thead>
<tr>
<th>PROGRAM FROM</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEXAS Grant</td>
<td>TCWS</td>
</tr>
<tr>
<td>TEOG</td>
<td>TCWS</td>
</tr>
<tr>
<td>TEG</td>
<td>TCWS</td>
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<tr>
<td>TCWS</td>
<td>TEXAS Grant</td>
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<tr>
<td></td>
<td>TEOG</td>
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<td>TEG</td>
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</tbody>
</table>

Funds can only be transferred from a grant to TCWS or vice versa, never from a grant to a grant.

STUDENTS ELIGIBLE FOR TCWS MAY ALSO BE ELIGIBLE FOR THE WSMP AT PARTICIPATING INSTITUTIONS

The WSMP provides funding to institutions to employ eligible college students to mentor, tutor, and/or advise students at participating institutions of higher education and/or local school districts (See TEC, Section 56.079). The WSMP is a unique program within the Texas College Work-Study Program, and is often administered by offices other than Financial Aid (e.g., Department of Curriculum & Instruction, Office of Diversity, Inclusion, & Outreach, Office of Community Engagement, or Student Life).

To administer the WSMP, participating institutions may enter into an agreement with school districts or nonprofit organizations. Institutions must file a memorandum of understanding (MOU) detailing the roles and responsibilities of all participating employers with the THECB. Institutions participating in WSMP are allocated funds from THECB.

Institutions participating in WSMP must provide a 10% match for the funds awarded. The matching requirement may be waived for institutions serving low-income/disadvantaged students and/or institutions that are eligible for Title III funds from the ED. Matching funds can include money for work-study mentor travel, administrative costs, and training for mentors and staff.

For more information on how to administer the program or apply to participate, contact College Readiness and Success by email at CRI@thecb.state.tx.us.
### APPENDIX 1: ADDITIONAL RESOURCES

#### CONTACT FINANCIAL AID SERVICES

**By phone:** (844) 792-2640

Contact us by completing an [online inquiry form](#) and use one of the following contact reasons below:

<table>
<thead>
<tr>
<th>Contact Reason - Exemptions/Waiver Programs</th>
<th>Contact Reason - State and Federal Grants and Scholarships</th>
</tr>
</thead>
<tbody>
<tr>
<td>• All state exemption and waiver programs including EAE</td>
<td>• TEXAS Grant</td>
</tr>
<tr>
<td>• CAL</td>
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<td>• BOT</td>
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<td>• TASSP</td>
<td>• TEOG</td>
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<td>• TEG</td>
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<tr>
<td></td>
<td>• Top 10% Scholarship</td>
</tr>
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<td>• Bilingual Education Scholarship Program</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact Reason - Student Loan- School Info Request</th>
<th>Contact Reason - Work-Study Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CAL</td>
<td>• TCWS</td>
</tr>
<tr>
<td>• BOT</td>
<td>• TCWS Mentorship</td>
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<tr>
<td>• TASSP</td>
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</table>

#### OTHER RESOURCES FOR INSTITUTIONS

<table>
<thead>
<tr>
<th>General program information for institutions</th>
<th>Student Financial Aid Programs Information Website</th>
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</thead>
<tbody>
<tr>
<td>General loan information</td>
<td>HHloans</td>
</tr>
<tr>
<td>Texas Program Statutes</td>
<td>Texas Education Code</td>
</tr>
<tr>
<td>Texas Program Rules</td>
<td>Texas Administrative Code</td>
</tr>
<tr>
<td>Information concerning programs, procedures, allocations, and other topics will be communicated to institutions through the GovDelivery system. To receive these communications, interested individuals must subscribe.</td>
<td>GovDelivery</td>
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</tbody>
</table>

#### AVAILABLE FORMS

<table>
<thead>
<tr>
<th>TEXAS Grant, TEOG, TEG, TCWS</th>
<th>Authority to Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18 Educational Aide Exemption Applications</td>
<td>EAE 2017-18 Application</td>
</tr>
<tr>
<td>Top 10% Scholarship</td>
<td>Funds Request File Instructions</td>
</tr>
<tr>
<td>This form must be used for the return of all state grant, scholarship, Educational Aide Exemption, and loan programs funds.</td>
<td>Return of Funds Form</td>
</tr>
</tbody>
</table>

#### CALENDAR

Institutional Calendar