



You've Got Questions – We've Got Answers!

THECB, Grants and Special Programs Answers to recently asked questions: February 20, 2013

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State Priority Deadline

Q: Are all institutions required to publicize and use the March 15 priority deadline for the state programs beginning with the 2013-14 application period?

A: Though all institutions are encouraged to use the March 15 priority deadline to give students a common date across the state, it is only required at the General Academic Teaching Institutions (public universities, Lamar-Orange, and Lamar-Port Arthur). March 15 will continue to be the date used to determine priority 1 eligible students for the Top 10 Percent Scholarship Program for all participating institutions – including the community colleges.

Q: How are other institutions defining what it means to meet the March 15 priority deadline?

A: Institutions have the flexibility to determine what it means to meet the March 15th deadline at their institution (i.e., FAFSA results received, all requirements met and ready for packaging, etc.) for all state programs other than the Top 10 Percent Scholarship Program.

Q: We have decided that a student has to have all application document tracking requirements satisfied by March 15th to meet the state priority deadline at our institution. Can we apply this to the Top 10 Percent Program as well?

A: No. Though March 15th is the date which determines priority 1 status for Top 10 Percent applicants, institutions do not have the flexibility to determine what it means to meet the deadline for this program – this is defined in rule. In order to meet the March 15th deadline for Top 10 Percent consideration, the student must submit the Free Application for Federal Student Aid (FAFSA) in time to generate the CPS results in a non-rejected status by March 15, or submit the Texas Application for State Financial Aid (TASFA) to the financial aid office by March 15.

BOT and CAL

Q: Are BOT and CAL loans considered private education loans under the Truth-In-Lending Act (TILA) rules and are they subject to the Preferred Lender Arrangement (PLA) rules?

A: In the federal context, there are only two types of loans – federal and non-federal. BOT and CAL are not federal loans. As such, participating institutions face a dilemma on how and when to tell students what their financing options are through these programs, if at all. Since the TILA and PLA rules are federal rules and not state rules, the CB will not provide guidance concerning the application of the federal language by the institutions.

Q: If our BOT allocation is insufficient to award all eligible students enrolled at our institution a loan through this program, are we required to prioritize according to financial need?

A: Yes. Section 56.459 states the following:

(f) If in any academic year the amount of money in the Texas B-On-time student loan account is insufficient to provide the loans to all eligible persons in amounts specified by this section, the coordinating board shall determine the amount of available money and shall allocate that amount to eligible institutions in proportion to the number of full-time equivalent undergraduate students enrolled at each institution. Each institution shall use the money allocated to award Texas B-On-time loans to eligible students enrolled at the institution selected according to financial need.

TEXAS Grant Program

Q: Is it still a requirement for TEXAS Grant that a student must graduate from an accredited high school in Texas? And, if so, how do we determine if the high school from which the student graduated is accredited?

A: Yes. Graduating from an accredited public or private high school in Texas continues to be a requirement for TEXAS Grant eligibility (56.304).

The Texas Education Agency (TEA) maintains an on-line list of accredited high schools in Texas (<http://www.tea.state.tx.us/>). This listing shows secondary schools in Texas that are accredited, pending accreditation, accredited but on probation, and whose previous accreditation has been revoked. If a student's high school from which he/she graduated is not on the list, or is pending accreditation or the previous accreditation has been revoked, he/she does not meet this eligibility criterion for TEXAS Grant. If clarification is needed concerning the accreditation status of a high school, TEA should be contacted (512.463.5899).

Q: We have a student who has answered "yes" to the drug question on the statement of student eligibility. What are the guidelines for determining his eligibility since he answered "yes"?

A: The section of statute (56.304) addressing this requirement is below. If you have questions concerning a specific student's situation as it relates to the statute, you should ask your institution's legal counsel for clarification and guidance.

(b) A person is not eligible to receive a TEXAS grant if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion; or

(2) been pardoned, had the record of the offense expunged from the person's record, or otherwise has been released from the resulting ineligibility to receive a grant under this subchapter.

Designated Tuition Set-Aside Program

Q: Can I award a student a grant funded from our designated tuition set-aside authorized by HB3015 if her need has been met with other resources?

A: Need (as determined by the Federal Methodology) is an eligibility requirement for programs funded through the designated tuition set-asides authorized by HB3015. If a student's need has been met with other resources, the student would not be eligible for a HB3015 program unless adjustments are made in the other programs to create an unmet need. The verbiage from the sections in statute (56.011 and 56.012) which address this issue are below:

(b) To be eligible for assistance under this section, a student must establish financial need in accordance with rules and procedures established by the Texas Higher Education Coordinating Board. Priority shall be given to students who meet the coordinating board definition of financial need and whose cost for tuition and required fees is not met through other non-loan financial assistance programs.

Tuition Equalization Grant (TEG) Program

Q: I work at a public institution. I have been asked by our Audit Services Department to find out about the Tuition Equalization Grant (TEG) Program. I have not had any experience with this program and don't know if it is something we should be getting for our students. Is this a program in which our institution should be participating?

A: The TEG Program is only available at eligible private/independent institutions in Texas. Its purpose is to promote the best use of existing educational resources and facilities within this state by providing need-based grants to Texas residents and out-of-state national Merit Scholarship finalists enrolled in approved private or independent Texas colleges or universities. Therefore, as a public institution, you are not eligible to participate.

Q: Should our institution be using the March 15 priority deadline for TEG?

A: Though all institutions are encouraged to use the March 15 priority deadline to give students a common date across the state, it is only required at the General Academic Teaching Institutions (public universities, Lamar-Orange, and Lamar-Port Arthur).

Teaching or Research Assistant Waivers

Q: If a nonresident student begins the semester with a teaching assistantship, then ceases working, should the student's out of state tuition waiver be removed for the semester?

A: As long as your institution is following the statute below concerning waivers for teaching and research assistants, you can determine at your institution how you will handle the situation if the student ceases employment in mid semester.

Sec. 54.212. TEACHING OR RESEARCH ASSISTANT. A teaching assistant or research assistant of any institution of higher education and the spouse and children of such a teaching assistant or research assistant are entitled to register in a state institution of higher education by paying the tuition fees and other fees or charges required for Texas residents under Section 54.051 of this code, without regard to the length of time the assistant has resided in Texas, if the assistant is employed at least one-half time in a teaching or research assistant position which relates to the assistant's degree program under rules and regulations established by the employer institution.

Texas Application for State Financial Aid (TASFA)

Q: Should our verification procedures for TASFA applicants be consistent with the procedures for FAFSA applicants?

A: Yes, consistency is important. You should follow the same basic process for the verification of TASFA applications as you do for FAFSA applications. Since the TASFA application does not go through the federal edits for verification determination, you should have a policy documenting your institution's verification requirements for TASFA applications and what information on the application will be subject to verification (i.e., standard V1 requirements, aggregate V5 requirements, etc.). Many institutions choose to verify 100% of TASFA applications since the information on the TASFA is not subject to the federal edits for verification determination and selection.

Undocumented Students

Q: We have undocumented students who have been given SS#'s for work permits. These students are not eligible to complete the FAFSA since they are not citizens or eligible non-citizens. Are they still eligible for state aid consideration?

A: A new federal policy was issued in June addressing the eligibility of certain undocumented individuals for deferred removal action from the United States – known as Deferred Action for Childhood Arrivals. This policy allows certain individuals, who meet specific guidelines, to request consideration of deferred action from U.S. Citizenship and Immigration Services (USCIS). Individuals who receive deferred actions will not be placed into removal proceedings or removed from the United States for a specified period of time unless terminated. Individuals receiving deferred action may be eligible for employment authorization.

Deferred Action does not impact the state's residency statutes or their implementation. It lessens the worry of eligible students about deportation and helps some of them to work. The state laws still govern residency for state higher education, and therefore eligibility for the state financial aid programs.