



Tuition Equalization Grant (TEG) Program Guidelines for 2012-2013

Program Purpose

The purpose of the Tuition Equalization Grant (TEG) 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 and out-of-state National Merit Scholarship Finalists enrolled in approved private or independent Texas colleges or universities.

Student Eligibility Requirements

To receive an award through the TEG Program, a student must:

- Enroll at least ½-time under the Original TEG Program, or at least ¾-time under the 2006 Revised TEG Program, in a degree plan leading to a first associate’s degree, first baccalaureate degree, first master’s degree, or first doctoral degree
- Show financial need
- Maintain satisfactory academic progress (see SAP sections below)
- Be a resident of Texas as determined by the Core Questions, with the exception of National Merit Scholarship finalists who are receiving at least a \$1,000 competitive scholarship through the institution
- Be required to pay more tuition than is required at a comparable public college or university and be charged no less than the regular tuition required of all students enrolled at the institution
- Be registered with Selective Service, or be exempt
- Not be a recipient of any form of athletic scholarship during the semester(s) he/she is receiving TEG

Maximum Award Amounts

Maximum annual TEG award for 2012-2013 equals the least of:

- the student’s financial need,
- the tuition differential (explanation below); OR
- \$3,518.

Undergraduate students with exceptional need (defined as students with EFC’s less than or equal to \$1,000) may receive up to 150% of the basic award (\$5,277), not to exceed the student’s need or tuition differential.

Tuition Differential

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 should be compared to derive the tuition differential. Tuition differentials should be calculated to compare rates for residents and non-residents. Calculations for National Merit Scholarship finalists who are not Texas residents should be based on the non-resident 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 Coordinating Board to identify “comparable” institutions for the purpose of calculating tuition differentials. SACS levels are as follows:

Level I	Associate Degree	Level IV	Master’s Degree and Education Specialist
Level II	Baccalaureate Degree	Level V	Three or fewer Doctoral Degrees
Level III	Master’s Degree	Level VI	Four or more Doctoral Degrees

According to this approach:

1. Charges for the two independent 2-year institutions (Jacksonville and Lon Morris) should be compared to public community college charges (Level 1)
2. Southwestern Christian College, a level 2 institution that only awards TEG to Associate Degree students, should also compare its charges to those of public community colleges (Level 1)
3. Levels 2, 3, 5 and 6 independent institutions (other than Southwestern Christian College) should compare their charges to the average charges of public institutions at the same levels.

The following table shows average resident undergraduate and graduate tuition charges for public institutions at various SACS levels for the 2012-2013 academic year. Please use these numbers to derive the tuition differential for your students.

SACS Level	Undergraduate tuition for 30 hours	Undergraduate tuition for 24 hours	Undergraduate tuition for 18 hours		Graduate tuition for 20 hours
1 + SWCC	\$1,457	\$1,166	\$874		n/a
2	\$1,800	\$1,440	\$1,080		n/a
3	\$5,113	\$4,090	\$3,068		\$4,218
5	\$4,641	\$3,713	\$2,785		\$4,394
6	\$6,309	\$5,047	\$3,785		\$5,830

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

- Law student (resident): \$886 per semester hour
- Law student (non-resident): \$1,242 per semester hour

Program Definitions

To better clarify the specific program guidelines that follow, it is necessary to make the following differentiation:

Original TEG Program – refers to the TEG program as authorized by statute prior to amendments adopted by the 79th Texas State Legislature in 2005. Students who were offered their initial TEG prior to September 1, 2005, including students offered their initial TEG prior to September 1, 2005 for the 2005-2006 academic year are participants in the Original TEG Program.

2006 Revised TEG Program – refers to the TEG program as authorized in statute as amended by the 79th Texas State Legislature in 2005 and which applies to students who were or will be offered their initial TEG on or after September 1, 2005.

Original TEG Program – Satisfactory Academic Progress (SAP) and Required Proration

Satisfactory Academic Progress (SAP)

Students receiving awards through the Original TEG Program must meet the institution’s satisfactory academic progress policy for both qualitative and quantitative standards.

Prorated Award Amounts Due to Part-Time Enrollment

Original TEG Program award amounts for students who are enrolled part-time must be prorated. The amount awarded should be based on the appropriate percentage of the semester’s maximum award as determined by the institution.

2006 Revised TEG Program – Satisfactory Academic Progress, Hardship Provisions, and Required Proration

Satisfactory Academic Progress (SAP)

Students receiving awards through the 2006 Revised TEG Program must meet the following qualitative and quantitative SAP requirements:

		Undergraduates	Graduates
GPA	Initial	Institution's SAP Policy	Institution's SAP Policy
	Renewal	Minimum 2.5 cumulative GPA	Minimum 2.5 cumulative GPA
Completion Rate	Initial	Institution's SAP Policy	Institution's SAP Policy
	Renewal	75% completion of attempted hours for the year and completion of 24 hours for the year *	75% completion of attempted hours for the year and completion of 18 hours for the year *
Maximum Time Frame		Maximum time frame for receiving the grant is: <ul style="list-style-type: none"> the fifth anniversary of the initial award if the student is in a degree plan of 4 years or less; or the sixth anniversary of the initial award if the student is in a degree plan of more than 4 years. 	A graduate student may continue to receive an award as long as he/she meets the basic eligibility requirements and the minimum GPA/completion rate requirements noted above.

* Since the completion rate is for the year, students can regain their eligibility in the summer for a fall award.

Hardship Provisions

In the event of a hardship or for other good cause, an otherwise eligible student under the 2006 Revised TEG Program may be allowed to receive an award:

- while enrolled for an equivalent of less than $\frac{3}{4}$ -time,
- with a GPA below SAP requirements,
- with a completion rate below SAP requirements, or
- with the number of completed hours below SAP requirements.

Such conditions may include, but are not limited to:

- a severe illness or other debilitating condition that may affect the student's performance,
- an indication that the student is responsible for the care of a sick, injured, or needy person and the provision of care is affecting the student's performance, or
- enrolling below $\frac{3}{4}$ -time to complete the student's degree plan.

Each institution must adopt a hardship policy and have it available for public review upon request. All hardship decisions must be documented in the student's record and be available for submission to the Coordinating Board if requested.

Required Proration

Award amounts must be prorated if the student has an approved hardship and is enrolled less than $\frac{3}{4}$ -time (see hardship provisions above). The proration schedule is as follows:

	Enrolled at least $\frac{3}{4}$ -time	Enrolled $\frac{1}{2}$ -time	Enrolled less than $\frac{1}{2}$ -time
Student Hardship Approved	Maximum eligibility = 100% of a maximum award amount for the semester	Maximum eligibility = 50% of a maximum award amount for the semester	Maximum eligibility = 25% of a maximum award amount for the semester

Requesting TEG Funds

Funds request guidelines:

- Requests for funds may be made periodically by the institution as needed for current, immediate disbursements by submitting the prescribed Funds Request Form (FRF) to the Grants and Special Programs Office at THECB.
- The Grants and Special Programs Office will submit a voucher to the State Comptroller's Office requesting that funds be transmitted to institutions by EFT.
- The Grants and Special Programs Office will notify the institution by e-mail of the date and amount of the EFT deposit.
- Funds received by the institution must be disbursed to students or applied to students' accounts within five working days of receipt.

Reallocations:

- Institutions will submit a Progress Report according to the program schedule below, indicating amounts encumbered (awarded but not yet disbursed), amount to be released, and additional funds requested.
- Institutions have until February 20, 2013 or the first business day thereafter, to use all of their funds. Any funds that have not been disbursed or reported as encumbered via the Progress Report as of the close of business on this date will be swept by the Coordinating Board for reallocation to other institutions.

Program Schedule

If the specified date falls on a weekend, the first business day thereafter is the due date.

September 1, 2012	First day of the fiscal year – the earliest date institutions may submit Funds Requests to the CB and the first date the CB can submit vouchers to the State Comptroller's Office for the new year.
November 7, 2012	Completed TEG Need Survey due to the CB – collects student-by-student information for individuals eligible to receive TEG awards at the institution. Data is used as the basis for allocating TEG funds for the following academic year.
February 20, 2013	Deadline for submitting progress report and requesting all originally allocated funds. Institutions lose claim to any funds not requested by that date. Institutions with zero balances may request additional funding and receive a share of available funds.
April 1, 2013	Second reallocation if needed.
April 15, 2013	TEG audit reports for prior year are due.
June 15, 2013	Year End Report due – institutions will report student-by-student data.
December 1, 2013	Financial Aid Database Report due - includes student-by-student data to be reconciled to year-end report data.

G&SP Distribution List and Contact Information

Distribution List: Information concerning TEG processing, procedures, allocations, etc. will be communicated to institutions through the G&SP distribution list. To subscribe, go to <http://lists.state.tx.us/mailman/listinfo/txgnsp-l> .

Contact Information: Grants and Special Programs
512-427-6340 (Austin metro)
1-800-242-3062 (outside Austin metro)
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