Texas Public Educational Grant (TPEG) Program

Q: Since the Institutional TPEG Packaging Guidelines previously submitted to the Coordinating Board for approval expired in August, 2013, do we need to submit anything to the Coordinating Board for this purpose?

A: Though your institution’s TPEG Guidelines no longer have to be submitted to the Coordinating Board for approval, Section 11, Article III, of the General Appropriations Act (GAA) requires institutions to file copies of their guidelines with the Coordinating Board and the Comptroller’s Office. Guidelines should be submitted to:

<table>
<thead>
<tr>
<th>Coordinating Board</th>
<th>Comptroller’s Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms. Renee Jones, Program Technician</td>
<td>Mr. Drey Lord, Appropriations Control Officer</td>
</tr>
<tr>
<td>Grants and Special Programs</td>
<td>Fiscal Integrity</td>
</tr>
<tr>
<td><a href="mailto:Renee.jones@thecb.state.tx.us">Renee.jones@thecb.state.tx.us</a></td>
<td><a href="mailto:Drey.lord@cpa.state.tx.us">Drey.lord@cpa.state.tx.us</a></td>
</tr>
<tr>
<td>512.427.6329</td>
<td>512.475.0897</td>
</tr>
</tbody>
</table>

Q: If we submit our guidelines, but then have a change to the guidelines after submission, can we resubmit them again a month or two later?

A: Absolutely. If your institution’s TPEG guidelines change, simply forward a copy of the updated guidelines to the CB and the Comptroller’s Office.

Q: Section 11, Article III, of the General Appropriations Act (GAA) specifically addresses the general academic teaching institutions, health centers, health science centers, and technical colleges when requiring copies of the TPEG guidelines to be submitted to the CB and Comptroller’s Offices. Are community colleges required to comply?

A: Though community colleges are not specifically listed, we are erring on the side of caution and asking all public institutions to comply.

Q: What format should be used to explain our packaging guidelines for TPEG? Would a memo suffice?

A: The guidelines you submit can be as general or as specific as you determine to be appropriate. The CB is not responsible for approving the guidelines submitted.

Net Price Calculator (NPC)

Q: Is there a template for participating institutions to use when uploading award data into the NPC?

A: Yes. After logging into the admin site for the NPC (http://www.collegeforalltexans.com/apps/CollegeMoney/admin/), go to the "awards data import" tab under "administrator setup" to find the template and instructions for importing the data into the NPC.

Q: The NPC template indicates 3 housing codes – P, C, and O. What do these designations represent?
A: The three housing code designations indicated on the awards table template represent the following:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>P</td>
<td>C</td>
<td>O</td>
</tr>
<tr>
<td>Living with Parent(s)</td>
<td>Living On-Campus</td>
<td>Living Off-Campus</td>
</tr>
</tbody>
</table>

Q: Can you please explain the difference in the residency codes on the awards table template?

A: Please refer to the following chart for a description of the residency codes in the NPC:

<table>
<thead>
<tr>
<th>Residency Code</th>
<th>Private Institutions</th>
<th>Public 4-Year Institutions</th>
<th>Public 2-Year Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>All</td>
<td>In-State</td>
<td>In-State and Out-of-District</td>
</tr>
<tr>
<td>2</td>
<td>N/A</td>
<td>Out-of-State</td>
<td>Out-of-State and Out-of-District</td>
</tr>
<tr>
<td>3</td>
<td>N/A</td>
<td>N/A</td>
<td>In-District</td>
</tr>
</tbody>
</table>

Q: Can you please elaborate what information should be populated in the data fields (blue area) for the various housing and residency codes within the EFC ranges on the template?

A: The following award information should be populated in the assigned data fields on the template:

<table>
<thead>
<tr>
<th>Loan Low</th>
<th>Loan High</th>
<th>Grant/Scholarship Low</th>
<th>Grant Scholarship High</th>
<th>Median Grant/Scholarship</th>
</tr>
</thead>
<tbody>
<tr>
<td>The smallest loan award for the EFC range.</td>
<td>The largest loan award for the EFC range.</td>
<td>The smallest grant/scholarship award for the EFC range.</td>
<td>The largest grant/scholarship award for the EFC range.</td>
<td>The median or middle grant/scholarship award for the EFC range.</td>
</tr>
</tbody>
</table>

Q: Where do we enter our student budget information into the NPC?

A: Institutions do not have to enter their student budget information into the NPC. The NPC budget information is uploaded directly into the NPC from the College Student Budget (CSB) system on a daily basis. If a change or update is made to the budget information in the CSB, the change will be updated in the NPC via a daily script that runs every morning.

Q: According to a session I attended at the SFA Conference, the federal definition of net price only includes grants and scholarships. The award table information for the state’s NPC asks for loan information as well. Should we leave those data fields blank?

A: You are correct – the federal definition of net prices does not include loans. For that reason, the state’s NPC calculates two separate net costs – one which includes only gift aid, and a second that also includes self-help aid. By doing so, we meet the requirement as defined by the feds and supply additional information that we feel is helpful.

Top 10 Percent Scholarship Program

Q: We have a student who is participating in an internship during the spring semester. Even though the internship is considered full-time, the course associated with the internship is only 3 SCH’s. This hour deficiency will directly affect the student’s ability to complete the 30 SCH requirement for a renewal award in 2014/15. Can this be a consideration for a professional judgment call?

A: The hardship provisions for the Top 10 Percent Scholarship Program may be used to allow a renewal award to an
otherwise eligible student who did not meet the GPA, completion rate, and/or number of completed hours required for renewal consideration. Your institution should have a hardship policy addressing the hardship provisions of the program to guide you with this process/decision. If a professional judgment decision is made, the reason and decision must be documented and kept with the student’s record for review if requested.

**B-On-Time (BOT) Loan Program**

**Q:** With the upcoming changes to the BOT program, do we still have to give priority to renewal students? My current allocation will not leave much, if any, for initial awards through the program.

**A:** While you are not required to give priority to renewal students, it would be a good practice to do so. Funding will continue to be limited and any renewal student not awarded will not be guaranteed funds as in the past. Beginning in 14/15, you have more flexibility in award amount determination as long as the award does not exceed the annual maximum. So, conceivably, you can make smaller awards to stretch the available funding as far as possible. **I am trying to find out what my institution’s default and forgiveness rates are for BOT. Where can I view this information?**

**A:** The methodology for calculating the default and forgiveness rates has not yet been finalized. This will be a topic of discussion at the next Financial Aid Advisory Committee Meeting in June. As soon as a decision is made on how these rates will be calculated, the information will be shared with each institution. If you want to know your institution’s inception-to-date rates calculated on an historical level going back to the beginning of the program, you can contact the Loan Program Operations (LPO) area of the CB.

**Q:** I work at a 4-year public university. Why is our estimated allocation less than the amount we contributed through our designated tuition set-asides?

**A:** Even though the public universities are required to contribute to the funding for the BOT program through designated tuition set-asides, the Legislature appropriates the maximum amount we are allowed to allocate each biennium. Beginning with FY15, the amount each public university is allocated will be directly proportionate to its share (based on set-aside contributions) of the available appropriations.

**Q:** I noticed that the following statement was eliminated from the BOT rules: “If program funds are not sufficient to provide Texas B-On-Time Loans to all qualified students, priority must be given to students with demonstrated financial need.” Does this mean that we have to award on a “first-completed, first-awarded” basis no matter what the student’s need is, or can we continue to give priority to the students with the highest need?

**A:** The intent of the rule change, as well as the other policy changes, is to allow institutions more flexibility in awarding. It does not prevent you from establishing your own awarding/packaging policy.

**HHLoans**

**Q:** We have a new counselor in our office for whom I need to request access to HHLoans. Who can help give her the permissions she needs?

**A:** You can contact Albert Contreras in Loan Program Operations (LPO) at albert.contreras@thecb.state.tx.us.

**Exemption and Waiver Programs**

**Q:** When are the requirements of SB1210 effective?

**A:** The requirements of SB1210 are effective for awards beginning fall 2014.
Q: I have a question concerning the requirements of SB1210. We check SAP on an annual basis instead of semesterly. Our SAP policy requires a cumulative 2.0. If a student receives an applicable exemption as a new student in the fall, but does not have a 2.0 going into the spring, can he/she receive the exemption in the spring?

A: The requirements of SB1210 specifically affect continuation awards through the applicable exemption and waiver programs. If the spring award is considered a continuation award by your institution, it would be subject to the provisions of SB1210.

It is important to note that the GPA requirement of SB1210 is directly tied to the minimum GPA required in your institution’s SAP policy, and the maximum hours requirement of SB1210 is directly tied to TEC 54.014. The other components of your institution’s SAP policy (e.g., pace/progression, maximum time frame, etc.) are irrelevant to the requirements of SB1210.

Q: Are all waiver programs exempt from the new requirements of SB1210?

A: No. The provisions of SB1210 apply to programs included in Chapter 54, Subchapter D (Sections 54.2001–54.368) of the Texas Education Code. In addition, if a waiver program within Subchapter D allows a nonresident to pay the resident rate, it is exempted from the requirements. If the student’s tuition is not waived all the way down to the resident rate, the waiver is not exempt from the requirements.

We are trying to figure out the logistics of SB1210 and how it relates to our students. Since we do not have baccalaureate degree programs, how does the maximum hours limitation affect our students since it is tied to TEC 54.014?

A: The limitation of eligibility (maximum hours limitation) imposed by SB1210 for applicable programs is directly tied to TEC 54.014. As such, it only affects students in undergraduate degree programs of 120 SCH’s or more, or baccalaureate degree programs. If you do not have students in baccalaureate degree programs, the maximum hours limitation will not affect the eligibility of students at your institution. (Refer to July 11, 2014 Q&A)

The following table provides clarification concerning the programs affected by the legislation:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Programs</th>
<th>Residency</th>
<th>Classification</th>
<th>Program Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum GPA (GPA from Financial Aid SAP Policy)</td>
<td>Exemptions and Waivers</td>
<td>Residents and Nonresidents</td>
<td>Undergraduates and Graduates</td>
<td>All Levels</td>
</tr>
<tr>
<td>Limitation of Eligibility (Excess Hours – TEC 54.014)</td>
<td>Exemptions Only</td>
<td>Residents Only</td>
<td>Undergraduates Only</td>
<td>Baccalaureate Programs Only Undergraduate Only</td>
</tr>
</tbody>
</table>

The following programs are exempt from these requirements:

- Exemptions/waivers not authorized through TEC Chapter 54, Subchapter D (Sections 54.2001-54.368)
- Dual credit exemption (TEC 54.216; TEC 130.008)
- Foster care exemption (TEC 54.366)
- Exemption for ex-prisoners of war (TEC 54.342)
- Hazlewood exemption for children or spouses of veterans killed in action, missing in action, or who died as a result of a service-related illness or injury; (TEC 54.341(a-2)(1)(A), (B), (C), or (D) or (TEC 54.341(b)(1)(A), (B), (C), or (D)). **NOTE:** SB1210 restrictions DO apply to veterans and spouses/children of disabled veterans.
- Waivers that allow nonresidents to pay the resident rate
Q: Can you provide more clarification on how SB1210 affects the Bordering States Waiver? I have read that waivers that allow nonresidents to pay the resident rate are exempt from the requirements of SB1210, but the table of exemption and waiver programs states that the Border States Waiver is subject to the GPA requirement.

A: The Bordering States Waiver is based on reciprocity (what a Texas resident would have to pay at a comparable institution in the other state). Therefore, the amount of the tuition the student is required to pay may not be equal to the resident rate – it may be more. If it is not equal to the resident rate, then the GPA requirement would apply. If it is equal to the resident rate, then the waiver is exempt from the GPA requirement.

Q: If we have a student who received an exemption in 2013/14 (which will be subject to the requirements of SB1210 in 2014/15), and he is scheduled to receive the same exemption in fall 2014, will he be ineligible for the award if his GPA is less than the minimum GPA required by our SAP policy?

A: Yes. Since the award would be considered a continuation award in fall 2014, the student would be ineligible for the exemption in fall 2014.

Q: Are we allowed to approve an award for a student who is not meeting the requirements of SB1210 based on a hardship situation?

A: Yes. Institutions may approve awards to students not meeting the requirements of SB1210 based on the institution's hardship policy. Hardship situations and decisions should be documented for future reference.

Q: We have received conflicting information concerning SB1210 as it relates to the Hazlewood Exemption Program. Can you please clarify how the new requirements affect Hazlewood recipients?

A: The Texas Veterans Commission (TVC) is now responsible for the administration of the Hazlewood Exemption Program. You should contact TVC for clarification at hazlewood@tvctexas.gov or by calling 512.463.3168 or 877.898.3833.
**TEXAS Grant Program**

Q: If we have an otherwise eligible RY TEXAS Grant recipient who is falling under the restrictions of TEC 54.014 (Tuition Rate for Excess Hours), can he receive a TEXAS Grant while paying the higher tuition charge? And, if so, are we obligated to match the award with non-loan aid up to the amount of higher tuition and fees?

A: Yes, an otherwise eligible student can receive a TEXAS Grant award while falling under the restrictions of TEC 54.014 assuming he is within the maximum time frame allowed for eligibility. Even though he is required to pay a higher tuition rate due to his excess hours, he is still classified as a Texas resident. If a student in this situation receives a TEXAS Grant award, the institution is required to match the award with non-loan aid up to the amount of tuition and fees or need, whichever comes first.

Q: When determining the maximum time frame for the TEXAS Grant program, do we go by the student’s degree plan, or are there certain degree programs that are considered 5-year degree programs by the state?

A: Few degree programs are officially considered 5-year undergraduate degree programs by the state. They include Architecture (CIP Code 04.0201) and Engineering (CIP Code Category 14).

Q: If we have a student that was home-schooled, do they have to submit the Texas Private High School Certification Form to show eligibility for a TEXAS Grant?

A: No. Home-schooled students are not eligible for TEXAS Grant consideration as initial applicants enrolling within 16 months of high school completion. To be eligible as an incoming student, the student must have graduated from an accredited public or private high school in Texas.

**Selective Service Registration**

Q: We are a public university. Can you tell me if we are required to confirm Selective Service Registration for eligible recipients of the Academic Common Market Waiver, the Foreign Service Officer Waiver, and or the Military in Texas Waiver?

A: As a public university, your tuition is considered state revenue. As such, TEC 51.9095 requires anyone receiving state revenues to meet Selective Service Registration (SSR) requirements. If a student receives a waiver of any tuition at your institution, he/she must be registered with Selective Service or be exempt to be eligible for the waiver.

**Competitive Scholarship Waiver**

Q: Can a student that has at least a $1,000 competitive scholarship in the fall or spring receive the waiver in the summer?

A: The scholarship(s) can be awarded/received in the fall, spring, or summer for the resident rate to be assessed as long as the time period relevant for the waiver is indicated in the award notice. If the notice indicates the award is applicable to the entire year, the waiver can be approved to cover the entire year – even if the scholarship is awarded/disbursed all in one semester/term of the year.

Q: According to TEC 54.213 (c), the competitive scholarship waiver expires August 1, 2014. Am I reading this correctly?

A: The expiration date pertains to 54.213 (c) only. It does not affect the other subsections of 54.213.
Audits and Desk Reviews

Q: Our institution has been chosen for an upcoming desk review by the Coordinating Board. What exactly is a desk review and what should we expect?

A: The desk review process is new and is being implemented as a result of the Sunset Commission’s recommendations. It is defined in statute as “An administrative review by the Board that is based on information reported by an institution of higher education or private or independent institution of higher education, including supplemental information required by the Board for the purposes of compliance monitoring, except that the term does not include information or accompanying notes gathered by the Board during a site visit”. In keeping with statutory intent, a desk review is a level of monitoring that is greater than checking data for errors or inconsistencies but less than a site visit. If something of significance is found during the desk review, a more thorough audit may be performed. Staff at the institution will be asked to be available by phone during the week chosen for the desk review. Information for the review will be provided electronically by the institution to the person performing the review.

Record Retention Schedule

Q: How long are we required to keep documents?

A: The retention schedule for the state grant programs is the fiscal year end + 5 years. The retention schedule for the state loan programs is after loan repayment/file closed + 5 years.

Tuition Rebate Program

Q: Are developmental education hours counted when determining a student’s eligibility for the $1,000 tuition rebate?

A: No. Developmental education hours are not counted when determining a student’s eligibility for the rebate.

Defaulted Student Loans and State Eligibility

Q: Are students who have defaulted on student loans eligible for state aid?

A: Other than the Hazlewood Exemption Program, there are currently no rules prohibiting students who have defaulted on a student loan from being awarded state aid.