

**RULES  
OF  
THE TENNESSEE STUDENT ASSISTANCE CORPORATION (TSAC)  
  
CHAPTER 1640-01-26  
TENNESSEE PROMISE SCHOLARSHIP PROGRAM**

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**1640-01-26-.01 DEFINITIONS.**

- (1) Academic requirement: The term is defined in T.C.A. § 49-4-902.
- (2) Academic year: This term is defined in T.C.A. § 49-4-902.
- (3) Board of Directors: The board of directors of the Tennessee Student Assistance Corporation.
- (4) Certificate or diploma: The term is defined in T.C.A. § 49-4-902.
- (5) Continuous enrollment: The term is defined in T.C.A. § 49-4-708.
- (6) Cumulative grade point average: The grade point average as calculated by the eligible postsecondary institution.
- ~~(7) Early high school graduate: A student who graduates from an eligible high school in less than the eight (8) semesters or four (4) years that is typical for most students, or who completes a home school program or obtains a GED or HiSET prior to the spring semester of what would normally have been the senior year of high school for the student.~~
- ~~(8)(7)~~ Eligible high school: The term is defined in T.C.A. § 49-4-902.
- ~~(9)(8)~~ Eligible postsecondary institution: The term is defined in T.C.A. § 49-4-708.
- ~~(10)(9)~~ Eligible program of study: The term is defined in T.C.A. § 49-4-708.
- ~~(11) Expected family contribution (EFC): A measure of parental and/or student ability to contribute toward payment of educational expenses as determined by the FAFSA.~~
- ~~(12)(10)~~ FAFSA: The term is defined in T.C.A. § 49-4-902.
- ~~(13)(11)~~ FAFSA verification: The process used by a postsecondary institution to verify the accuracy of information submitted on a student's FAFSA. For purposes of these rules, such process shall apply to verification documents required by the U.S. Department of Education regardless of how the student is selected.

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(Rule 1640-01-26-.01, continued)

- ~~(14)~~(12) Full-time: A measure of the level of enrollment or attendance of a "full-time student" under T.C.A. §49-4-708.
- ~~(15)~~(13) GED®: The term is defined in T.C.A. §49-4-902.
- ~~(16)~~(14) Gift aid: The term is defined in T.C.A. §49-4-708.
- ~~(17)~~(15) HiSET: The term is defined in T.C.A. §49-4-902.
- ~~(18)~~(16) Home school student: The term is defined in T.C.A. §49-4-708.
- ~~(19)~~(17) Immediate family member: Spouse, parents, grandparents, legal guardians, children, or siblings.
- ~~(20)~~(18) Initial fall term: The fall semester following high school graduation as described in T.C.A. §49-4-708. ~~For an early high school graduate, this means the fall term following what would normally have been the spring semester of the early graduate's senior year, had the early graduate proceeded through high school in a typical manner.~~
- ~~(21)~~(19) Mentor: An individual who is assigned by a Partnering Organization to assist Tennessee Promise Scholarship program participants in the college application and financial aid process. Mentors may serve in a volunteer or employed capacity at the discretion of the Partnering Organization. Volunteer mentors shall be at least twenty-one (21) years of age.
- ~~(22)~~(20) Nonacademic requirement: This term is defined in T.C.A. §49-4-902.
- ~~(23)~~(21) Parent: The parent or legal guardian of a student.
- ~~(24)~~(22) Partnering Organization: A not-for-profit organization selected by TSAC to administer specific responsibilities of the Tennessee Promise Scholarship program as specified in this Rule.
- ~~(25)~~(23) Tennessee resident: A resident of Tennessee as defined by T.C.A. §49-8-104.
- ~~(26)~~(24) Satisfactory academic progress: Progress in a course of study in accordance with the standards and practices used for Title IV programs by the TCAT at which the student is currently enrolled.
- ~~(27)~~(25) Semester: The term is defined in T.C.A. §49-4-902.
- ~~(26)~~ Student Aid Index: A measure of parental and/or student ability to contribute toward payment of educational expenses as determined by the FAFSA.
- ~~(28)~~(27) TCAT: Tennessee College of Applied Technology.
- ~~(29)~~(28) Tennessee Promise Scholarship: A last-dollar scholarship to be applied to a participating student's tuition and mandatory fees after other gift aid for which a student is eligible is applied first to tuition and mandatory fees.
- ~~(30)~~(29) Tennessee Promise Scholarship program: A scholarship program which provides last-dollar financial aid, mentoring, and community service opportunities for Tennessee students upon graduation from high school or home school, or attainment of a GED or HiSET.
- ~~(34)~~(30) Terminating event: The occurrence of an event described in T.C.A. §49-4-708(c)(8).
- ~~(32)~~(31) Title IV: The term is defined in T.C.A. §49-4-902.

(Rule 1640-01-26-.01, continued)

~~(33)~~(32) TSAC: Tennessee Student Assistance Corporation.

~~(34)~~(33) Tuition and mandatory fees: Tuition and mandatory fees required for the enrollment or attendance of a student at an eligible postsecondary institution that are charged to all students, and shall not include fees charged for TN eCampus, online courses, specific programs of study, books, or supplies, even if such fees are considered necessary for enrollment.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, 49-4-708, and 49-4-902. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Amendments filed December 19, 2014; effective March 19, 2015. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed February 22, 2016; effective May 22, 2016. Amendments filed October 31, 2018; effective January 29, 2019. Amendments filed August 7, 2023; effective November 5, 2023.

**1640-01-26-.02 SCHOLARSHIP AWARD AMOUNTS AND CLASSIFICATIONS.**

- (1) The Tennessee Promise Scholarship program is intended to provide financial assistance to offset tuition and mandatory fees associated with pursuing postsecondary education after other gift aid has been credited to tuition and mandatory fees.
- (2) Award amounts for the program shall be determined in accordance with T.C.A. § 49-4-708 and shall be set in the General Appropriations Act.
- (3) In the event that funds are insufficient to fully fund the Tennessee Promise Scholarship program, TSAC may reduce the award amount in accordance with these rules.
- (4) To receive a Tennessee Promise Scholarship award, a student must be enrolled and attending full-time except in the following circumstances, which shall not count toward the five (5) semester limit established by T.C.A. § 49-4-708:
  - (a) The semester of graduation, if full-time enrollment is not required to complete the student's eligible program of study;
  - (b) When the student receives an approved leave of absence from full-time enrollment;
  - (c) In any semester in which the eligible postsecondary institution does not offer at least twelve (12) semester hours of coursework applicable to the student's eligible program of study;
  - (d) If the student's eligible program of study requires less than full-time enrollment for a semester; or
  - ~~(e) —A summer semester.  
These exceptions shall not count toward the five (5) semester limit established by T.C.A. § 49-4-708.~~
- (5) Except for approved medical or personal leaves of absence, award recipients must maintain continuous enrollment and the required cumulative grade point average or satisfactory academic progress at an eligible postsecondary institution as provided in Tenn. Comp. R. & Regs. 1640-01-26-.04.
- (6) All tuition waivers and discounts for which a student or parent qualifies shall first be deducted from the student's tuition and mandatory fees before gift aid is credited.
- (7) Gift aid from sources other than the Tennessee Promise Scholarship shall be credited first to tuition and mandatory fees to reduce the student's Tennessee Promise Scholarship award. If

(Rule 1640-01-26-.02, continued)

other gift aid exceeds tuition and mandatory fees then the student shall not be eligible for the Tennessee Promise Scholarship award but shall remain eligible for all other services available through the Tennessee Promise Scholarship program, provided the student maintains all academic and nonacademic requirements.

- (8) The receipt of a Tennessee Promise Scholarship is contingent upon admission to and enrollment in an eligible postsecondary institution. Qualifying for the Tennessee Promise Scholarship does not guarantee admission to an eligible postsecondary institution.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Amendment filed December 19, 2014; effective March 19, 2015. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed October 31, 2018; effective January 29, 2019. Amendments filed August 7, 2023; effective November 5, 2023.

#### 1640-01-26-.03 APPLICATION PROCESS.

- (1) Students are required to be Tennessee residents at the time they complete the Tennessee Promise Scholarship application for the initial year of enrollment.
- (2) Students participating in the Tennessee Promise Scholarship program shall file a FAFSA, or renewal FAFSA, in-for each year of program participation. The FAFSA must be submitted by mail or electronically as directed in the FAFSA instructions.
- (3) FAFSA filing and application deadlines shall be determined by the TSAC Executive Director and published on TSAC's website. If the deadline for the Tennessee Promise Scholarship application occurs on a weekend or holiday, then the deadline will be the next business day. It is the responsibility of the student to submit the application and the FAFSA in a timely manner to ensure each is received by the published deadlines.
- (4) The TSAC Executive Director is authorized to modify published deadlines for well- documented extraordinary cause, where necessary to protect the public interest.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Emergency rules filed February 13, 2017; effective through August 12, 2017. The emergency rules expired on August 13, 2017 and reverted back to their previous status. Amendments filed July 17, 2017; effective October 15, 2017. Amendments filed August 7, 2023; effective November 5, 2023.

#### 1640-01-26-.04 ELIGIBILITY – TENNESSEE PROMISE SCHOLARSHIP PROGRAM.

- (1) To be eligible to receive a Tennessee Promise Scholarship a student shall:
  - (a) Meet the requirements of T.C.A. § 49-4-708 and § 49-4-904;
  - (b) Graduate from an eligible high school, graduate high school as a dependent child of a military parent as outlined in T.C.A. § 49-4-926, complete high school as a home school student, or obtain a GED or HiSET, provided that the student obtains a GED or HiSET prior to the student reaching nineteen (19) years of age;
  - (c) Attend full-time an eligible postsecondary institution in no later than the initial fall term following high school graduation, except that a student enrolling in a certificate or diploma program at a TCAT may enroll in the summer prior to the initial fall term;

(Rule 1640-01-26-.07, continued)

- (d) Maintain a minimum cumulative grade point average of 2.0, as determined by the eligible postsecondary institution, at the end of each academic year if enrolled in an associate degree program; or maintain satisfactory academic progress as determined by the TCAT. Grades for coursework taken in a spring or summer semester prior to the initial fall term shall not be included in the cumulative grade point average until the end of the academic year that includes the initial fall term.
- (e) Not have earned an associate degree prior to enrolling in the initial academic term following graduation from a high school or home school program;
- (f) Prior to initial ~~fall~~ term ~~of~~ enrollment in an eligible postsecondary institution, attend one (1) meeting as assigned by the Partnering Organization;
- (g) Complete and report eight (8) hours of community service for each semester while participating in the Tennessee Promise Scholarship program;
- (h) Submit all necessary documentation to allow the postsecondary institution to complete FAFSA verification. FAFSA verification shall be completed regardless of eligibility for federal or state grants; and
- (i) Complete the FAFSA and have been assigned an EFCSAI by the U.S. Department of Education each academic year.

(2) Notwithstanding the provisions of subsection (1) of this section above, a high school graduate may attend an eligible postsecondary institution no later than the initial fall term without receiving the Tennessee Promise Scholarship and receive the scholarship for the initial term if the student meets all initial eligibility requirements of this chapter.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Repeal and new rule filed December 19, 2014; effective March 19, 2015. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed February 22, 2016; effective May 22, 2016. Emergency rules filed February 13, 2017; effective through August 12, 2017. The emergency rules expired on August 13, 2017 and reverted back to their previous status. Amendments filed July 17, 2017; effective October 15, 2017. Amendments filed October 31, 2018; effective January 29, 2019. Amendments filed August 7, 2023; effective November 5, 2023.

#### **~~1640-01-26-.05 – ELIGIBILITY – EARLY HIGH SCHOOL GRADUATION.~~**

- ~~(1) Notwithstanding any provision of Tenn. Comp. R. & Regs. 1640-01-26-.04 to the contrary, an early high school graduate is not required to wait to enroll in the initial fall term. An early high school graduate may enroll in any semester prior to the initial fall term at an eligible postsecondary institution and be eligible for the Tennessee Promise Scholarship if the student meets all other applicable eligibility requirements set forth in Tenn. Comp. R. & Regs. 1640-01-26-.04.~~
- ~~(2) An early high school graduate may attend a postsecondary institution prior to the initial fall term without receiving the Tennessee Promise Scholarship and maintain eligibility for the scholarship for the initial fall term if the early graduate meets all initial eligibility requirements set forth in Tenn. Comp. R. & Regs. 1640-01-26-.04.~~

~~**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed October 31, 2018; effective January 29, 2019. Amendments filed August 7, 2023; effective November 5, 2023.~~

(Rule 1640-01-26-.07, continued)

**1640-01-26-056 PERSONAL OR MEDICAL LEAVE OF ABSENCE.**

- (1) A student may be granted a medical or personal leave of absence from timely enrollment in the initial fall term, full-time attendance, or continuous enrollment at an eligible postsecondary institution if all other applicable eligibility criteria are met. Each eligible postsecondary institution shall adopt procedures for considering student requests for leaves of absence. Allowable medical or personal reasons include, but are not limited to, illness of the student, illness or death of an immediate family member, pregnancy, extreme financial hardship of the student or student's immediate family, fulfillment of a religious commitment encouraged of members of that faith, attendance in an eligible program of study which only begins in the spring or summer term or when openings are unavailable for the initial fall term, full-time attendance at an eligible four-year postsecondary institution while waiting for admission to an eligible postsecondary program, fulfillment of required military service, a student's participation in an internship or co-op program that is required or encouraged as part of the academic program in which the student is enrolled, or other extraordinary circumstances beyond the student's control where attendance by the student creates a substantial hardship. In the event an institution denies a student's request for a medical or personal leave of absence, the student may appeal the decision in accordance with these rules.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed August 7, 2023; effective November 5, 2023.

**1640-01-26-067 COMMUNITY SERVICE PROGRAM REQUIREMENTS.**

- (1) A student participating in the Tennessee Promise Scholarship program shall perform and report eight (8) hours of community service for each semester the scholarship is received.  
A student participating
- (2) Community service reporting deadlines shall be determined by the TSAC Executive Director and published on TSAC's website. If the deadline occurs on a weekend or holiday, then the application deadline will be the next business day. It is the responsibility of the student to report community service in a timely manner to ensure it is received by the published deadlines. The TSAC Executive Director is authorized to modify published deadlines for well-documented extraordinary cause, where necessary to protect the public interest.
- (3) A student who is granted a leave of absence may complete the community service during the leave of absence or in the first academic term following the period for which the leave of absence was granted. Community service performed in the first academic term following the leave of absence shall be in addition to any other community service required in the same academic term.
- (4) Upon completion of the community service, each student shall verify to the Partnering Organization a description of service performed, the date(s) the service was performed, the total hours of service provided, and the name, phone number, and email address of the organization for which the service was provided.
- (5) Community Service generally benefits the community-at-large or its institutions but shall not include:
  - (a) Service performed prior to the opening of the Tennessee Promise Scholarship application during the student's year of graduation;
  - (b) Service resulting in payment or remuneration of any kind; or

(Rule 1640-01-26-.07, continued)

- (c) Service performed for family members or individual citizens.
- (6) Community service may be performed with or under the direction of a faith-based organization, but shall not include religious teaching, proselytizing, or participation in religious services.
- (7) Community service in excess of eight (8) hours performed in any semester shall not be carried over into subsequent semesters. Unless the student is on an approved leave of absence, failure to complete and report the eight (8) hours of community service prior to an academic semester will result in the immediate termination of eligibility for the Tennessee Promise Scholarship. Community service performed during an approved leave of absence shall count towards fulfillment of the community service requirement in the first semester following the leave of absence.
- (8) A student who knowingly provides false verification of community service shall be ineligible to receive additional benefits under the Tennessee Promise Scholarship program.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Repeal and new rule filed December 19, 2014; effective March 19, 2015. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed February 22, 2016; effective May 22, 2016. Emergency rules filed February 13, 2017; effective through August 12, 2017. The emergency rules expired on August 13, 2017 and reverted back to their previous status. Amendments filed July 17, 2017; effective October 15, 2017. Amendments filed October 31, 2018; effective January 29, 2019. Amendments filed August 7, 2023; effective November 5, 2023.

#### 1640-01-26-.078 SELECTION OF PARTNERING ORGANIZATIONS.

- (1) To participate in the Tennessee Promise Scholarship program, a Partnering Organization shall be recommended by the mayor or executive of each county in which the Partnering Organization participates and approved by the Board of Directors.
- (2) An approved Partnering Organization may continue to serve in such capacity unless it is no longer recommended by a county mayor or executive or approved by the Board of Directors. Final approval to serve as a Partnering Organization shall be given at the discretion of the Board of Directors and based on the Partnering Organization's satisfactory performance and compliance with these rules.
- (3) A negative recommendation by one county mayor or executive shall not automatically disqualify the Partnering Organization from participating in other counties but will be considered in the Board of Directors' evaluation of the Partnering Organization's continued participation in the Program.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 12, 2014; effective November 12, 2014.

#### 1640-01-26-.089 PARTNERING ORGANIZATION REQUIREMENTS.

- (1) Partnering Organizations that participate in the Tennessee Promise Scholarship program shall meet the following requirements:
  - (a) Be established as a not-for-profit organization, except that a postsecondary institution that receives funding under the Tennessee Promise Scholarship program shall not be permitted to participate as a Partnering Organization;

(Rule 1640-01-26-.09, continued)

- (b) Operate as a college access and success program serving Tennessee residents at an eligible postsecondary institution;
- (c) Adhere to rules promulgated by TSAC for the administration of this program;
- (d) Provide a mentoring program with an appropriate mentor to eligible student applicant ratio. This ratio may be modified in proportion to the number of students who remain eligible for the program. The minimum age and ratio requirements shall not apply to full- or part-time paid mentors or counselors that work directly with students;
- (e) For Partnering Organizations utilizing volunteer mentors, select volunteer mentors for the following academic year and provide one (1) mandatory training meeting prior to assigning mentors to program participants. This meeting may be offered on multiple dates and should provide an overview of the Tennessee Promise Scholarship program and appropriate mentor-student relationships;
- (f) Provide one (1) meeting for all Tennessee Promise Scholarship program participants prior to initial enrollment in an eligible postsecondary institution. This meeting may be offered on multiple dates and should provide an overview of the Tennessee Promise Scholarship program;
- (g) Provide opportunities for the student to receive the training when a student cannot attend a scheduled mandatory meeting due to extenuating circumstances;
- (h) Provide a minimum of one (1) contact monthly with each assigned Tennessee Promise Scholarship program participant beginning in the month of the application deadline. Contact shall be maintained throughout the student's participation in the Program. Contacts may include meetings, phone calls, emails, or text messages;
- (i) Organize a local advisory council to serve as an advocate for the Program. The advisory council shall be comprised of a minimum of five (5) members, with at least one (1) member representative from each the local education agency, the county mayor's or executive's office, and a local postsecondary institution. Organizations that have been in existence for a minimum of three (3) years may use existing boards or boards of trustees as the local advisory council if the board or board of trustees is substantially similar to the requirements of this subsection;
- (j) Obtain a certified background check on all mentors prior to service as a mentor. A mentor shall not be eligible to participate in the Tennessee Promise Scholarship program if convicted of any felony or offense listed at T.C.A. §§ 39-13-527, 39-13-532, 39-17-417, and 40-35-501(i)(2). For purposes of this section, "conviction" includes entry of a plea of guilty or nolo contendere or entry of an order granting pre-trial or judicial diversion;
- (k) Submit to audits on a periodic basis as determined by TSAC;
- (l) Enter into an Agreement with TSAC regarding program requirements, performance metrics and Partnering Organization obligations; and
- (m) Obtain an insurance policy that, at a minimum, limits-covers liability of the Partnering Organization against physical and sexual abuse or misconduct directed toward participants of the Program by its officers, directors, employees, and volunteers.

**Authority:** T.C.A. §§ 39-13-527, 39-13-532, 39-17-417, 40-35-501, 49-4-201, 49-4-204, and 49-4-708.

**Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Repeal and new rule filed December

(Rule 1640-01-26-.09, continued)

19, 2014; effective March 19, 2015. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Emergency rules filed February 13, 2017; effective through August 12, 2017. The emergency rules expired on August 13, 2017 and reverted back to their previous status. Amendments filed July 17, 2017; effective October 15, 2017. Amendments filed October 31, 2018; effective January 29, 2019. Amendments filed August 7, 2023; effective November 5, 2023.

#### 1640-01-26-.~~09~~**10** PARTNERING ORGANIZATIONS – SERVICE IN COUNTIES.

- (1) A Partnering Organization that agrees to provide Tennessee Promise Scholarship program services in a county shall make the program available to all eligible high school, home school, and GED/HiSET students in that county. The Partnering Organization shall continue to work with each student from that county until a loss of eligibility occurs or through a terminating event, regardless of which eligible postsecondary institution the student attends. Partnering Organizations may work with students from high schools or counties outside their assigned counties as agreed upon between the Partnering Organizations.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed October 31, 2018; effective January 29, 2019.

#### 1640-01-26-.~~10~~**11** TERMINATING EVENTS.

- (1) A student shall receive the Tennessee Promise Scholarship until reaching a terminating event as outlined in T.C.A. § 49-4-708.
- (2) A student reaches the terminating event of ~~earning a certificate, diploma, or associate degree~~ under T.C.A. § 49-4-708 in any semester in which the student completes all academic course requirements of the student's declared eligible program of study. Failure of the student to complete institutional requirements related to the process of conferring the credential, but unrelated to the completion of the required courses will not allow the student to continue to be eligible for the scholarship in subsequent semesters.
- (3) Notwithstanding paragraph (2) above, a student may continue to receive the Tennessee Promise Scholarship for a sequential certificate, diploma, or associate degree following completion of a certificate or diploma which directly leads to the certificate, diploma, or associate degree program.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed August 7, 2023; effective November 5, 2023.

#### 1640-01-26-.~~11~~**12** TENNESSEE PROMISE SCHOLARSHIP REFORMS.

- (1) In the event funds are insufficient to fully fund the cost of Tennessee Promise scholarships, TSAC is authorized to take one or more of the following actions:
  - (a) Establish a maximum award amount,
  - (b) Establish additional eligibility criteria for new applicants entering the program,
  - (c) Administer the program on a first-come, first-served basis.

(Rule 1640-01-26-.12, continued)

- (2) Any action taken by TSAC as described in subsection (1) of this ~~Rule section~~ shall require approval by TSAC's Board of Directors and notification shall be provided to the chairs of the Senate and House Education Committees of the Tennessee General Assembly.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Amendments filed August 7, 2023; effective November 5, 2023.

#### 1640-01-26-.123 CERTIFICATION OF ELIGIBILITY.

- (1) Each Partnering Organization shall determine student eligibility based on attendance at mandatory meetings and fulfillment of community service requirements as required in these rules and shall certify such eligibility to TSAC.
- (2) TSAC will create a master certification roster of students for each institution. The master list will contain students who have met all requirements for the Tennessee Promise Scholarship.
- (3) The eligible postsecondary institution shall certify each student's eligibility for a financial award from the Tennessee Promise Scholarship based on continuing eligibility requirements established in these rules. The award amount reported to TSAC shall be the amount of tuition and mandatory fees remaining after other gift aid has first been applied to the student's tuition and mandatory fees.
- (4) Once the eligible postsecondary institution has certified the student's eligibility for a financial award, the certification information shall be electronically transmitted to TSAC.
- (5) TSAC shall process a payment request directly to the eligible postsecondary institution on behalf of all Tennessee Promise Scholarship recipients who are eligible for a financial award. No funds shall be disbursed directly to the Partnering Organizations or to the students.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Emergency rule filed August 4, 2015; effective through January 31, 2016. Amendments filed February 9, 2016; effective May 9, 2016. Amendments filed August 7, 2023; effective November 5, 2023.

#### 1640-01-26-.134 EVALUATION OF THE TENNESSEE PROMISE SCHOLARSHIP.

- (1) TSAC, along with the Tennessee Higher Education Commission, shall review the Tennessee Promise Scholarship program annually. The review shall include, at a minimum, the number of recipients, total cost of the program, student persistence, hours of community service completed, and scholarship retention. These findings shall be reported to the education committee members of the Senate and House of Representatives of the Tennessee General Assembly.
- (2) TSAC shall convene a meeting of its Special Advisory Committee at least annually to review the effectiveness and best practices of the Tennessee Promise Scholarship program.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014.

**1640-01-26-145 AWARD MADE IN ERROR.**

- (1) If a student receives a Tennessee Promise Scholarship award and it is later determined that the award or some portion of the award was made in error, the student or the postsecondary institution may be required to repay the amount awarded in error.
- (2) If TSAC determines that the error was through no fault of the student, the student will not be required to repay the amount of the payment made in error.
- (3) Repayment from the student will be required if TSAC determines that fraud was committed by, or the error was the fault of, the student. When repayment is required, the student may not receive additional student aid from TSAC until repayment is made.
- (4) Repayment from the eligible postsecondary institution will be required if TSAC determines that the error was the fault of the institution.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Amendments filed August 7, 2023; effective November 5, 2023.

**1640-01-26-156 REFUND POLICY.**

- (1) If a recipient of a Tennessee Promise Scholarship award fails to complete a semester for any reason, the eligible postsecondary institution shall apply its refund policy to determine whether a refund may be required and whether funds must be returned to TSAC. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be returned to the student and the amount to be refunded to TSAC. Additionally, the eligible postsecondary institution shall notify TSAC of the refund, which shall be noted on the student's record. The eligible postsecondary institution shall also be responsible for obtaining repayment from the student if necessary. The student shall be ineligible for student aid from TSAC until the refund is paid.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Amendments filed August 7, 2023; effective November 5, 2023.

**1640-01-26-167 TRANSFER STUDENTS.**

- (1) A student who meets all academic and nonacademic requirements of the Tennessee Promise Scholarship may transfer from one eligible postsecondary institution to another eligible postsecondary institution and maintain the scholarship until reaching a terminating event as outlined in T.C.A. § 49-4-708.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, and 49-4-708. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Emergency rules filed February 13, 2017; effective through August 12, 2017. The emergency rules expired on August 13, 2017 and reverted back to their previous status. Amendments filed July 17, 2017; effective October 15, 2017. Amendments filed August 7, 2023; effective November 5, 2023.

**1640-01-26-178 APPEAL AND EXCEPTION PROCESS.**

- (1) Each eligible postsecondary institution shall use its existing Institutional Review Panel (IRP) for purposes of reviewing and rendering decisions regarding appeals for the Tennessee Promise Scholarship program. The IRP shall use the same procedures and timelines as

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those that currently exist for the review of Tennessee Education Lottery Scholarship (TELS) appeals as outlined in Tenn. Comp. R. & Regs. 1640-01-19.

- (2) TSAC shall use the existing TSAC Appeals Panel to consider appeals and render decisions for those students who appeal a decision made by the IRP and for appeals made directly to TSAC. The same guidelines shall exist for appeals of the Tennessee Promise Scholarship program as those that are currently in place for TELS as outlined in Tenn. Comp. R. & Regs. 1640-01-19. A decision of the TSAC Appeals Panel made on the merits of the appeal is the final administrative remedy available to the student.
- (3) A student may not appeal to the TSAC Appeals Panel the Partnering Organization's decision on the timeliness of the student's completion of the mandatory meeting or community service requirements. The Partnering Organization shall be the final authority on the timeliness of a student's completion of the mandatory meeting and community service requirements.

**Authority:** T.C.A. §§ 49-4-201, 49-4-204, 49-4-708, and 49-4-924. **Administrative History:** Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed August 14, 2014; effective November 12, 2014. Amendments filed August 7, 2023; effective November 5, 2023.