

Tennessee Student Assistance Corporation

Tuesday, September 27, 2022

DECISION ITEM A Ned McWherter Scholars Program Rules

Staff Recommendation (1) Adopt Chapter 1640-01-09 as Rulemaking Hearing Rules.
(2) Authorize the Executive Director to make any necessary technical corrections to these rules including changes suggested by the Tennessee Attorney General.

Background Rules submitted for review include the following modifications:

1. Added, revised, or deleted definitions to provide clarity and consistency between statute, Rule, and other TSAC programs
2. Removed duplicative or unnecessary language already sufficiently articulated in statute
3. Added or edited common administrative provisions, such as application deadlines, Leave of Absence, Refund Policy, Award Made in Error, and Appeal and Exception Process, to be consistent with other TSAC programs
4. Reworded and reorganized existing provisions to provide better clarity around existing concepts and practices, such as eligible program of study and exceptions to minimum required enrollment levels to be consistent with other TSAC programs

A public Rulemaking Hearing was held on September 16, 2022. No members of the public attended and no comments were submitted. No modifications have been made to the draft rules since the hearing.

These rules will be implemented following approval by the Tennessee Attorney General and subsequent filing with the Secretary of State.

Supporting Document *Rules of the Tennessee Student Assistance Corporation, Chapter 1640-01-09, Ned McWherter Scholars Program.*

**RULES OF THE
TENNESSEE STUDENT ASSISTANCE CORPORATION
(TSAC)**

**CHAPTER 1640-01-09
NED MCWHERTER SCHOLARS**

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1640-01-09-.01 SUMMARY AND PURPOSE.

- (1) The State of Tennessee has created an Academic Scholars Program to be administered by the Tennessee Student Assistance Corporation (TSAC) for qualified applicants to attend postsecondary institutions in Tennessee in pursuit of an associate or baccalaureate degree. The scholarship will be awarded to assist in the cost of required tuition, fees, equipment, textbooks, supplies, and if applicable, room and board at the institution. The amount of the award shall be determined by the TSAC Board of Directors based on available State funding. The amount paid by TSAC from the program's endowment and appropriations must be matched on a dollar-for-dollar basis for each awardee by the respective institution the awardee attends. The scholarship is intended to provide an incentive for academically superior Tennessee students to attend a postsecondary education institution in Tennessee and is payable for up to four academic years for recipients who continue to be qualified.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.02 DEFINITIONS.

- (1) Continuous enrollment: The term is defined in T.C.A. § 49-4-902.
- (2) Eligible postsecondary institution: The term is defined in T.C.A. § 49-4-902.
- (3) Eligible program of study: The term is defined in T.C.A. § 49-4-902.
- (4) Full-time student: The term is defined in T.C.A. § 49-4-902.
- (5) High school grade point average: The term is defined in T.C.A. § 49-4-902.

Authority: T.C.A. §§ 49-4-201, 49-4-203, 49-4-204, and 49-4-902.

1640-01-09-.03 MINIMUM QUALIFICATIONS OF APPLICANTS.

- (1) To be eligible, an applicant must:
 - (a) Have earned a minimum high school grade point average, at the end of the semester prior to the semester of graduation, of at least 3.75 on a 4.0 scale.
 - (b) Have attained a composite score on the ACT or the SAT which places the student in the top three percent (3%) of test-takers nationally. The minimum score shall be estimated based upon the previous year's data and announced annually.
 - (c) Have graduated with a regular diploma from a high school in Tennessee that is approved

by the Tennessee State Department of Education, is accredited by the Southern Association of Colleges and Schools Commission on Colleges, or belongs to an agency whose accreditation process is approved by the State Board of Education. Exceptions to this requirement for graduates of a "home school" as defined in T.C.A. § 49-6-3050 may be granted by the Executive Director of TSAC.

- (d) Have applied for initial admission to an eligible postsecondary institution after high school graduation at the time the student first applies for the scholarship. The applicant must enroll at an eligible postsecondary institution within sixteen (16) months following graduation from high school. Exceptions to the requirement for timely initial enrollment may be made for students whose appeal to the TSAC Appeals Panel is approved for an exception to the sixteen (16) month requirement for the HOPE Scholarship as described in T.C.A. § 49-4-907.
- (e) Be a Tennessee resident pursuant to T.C.A. § 49-8-104.
- (f) Be a citizen, permanent resident, or eligible non-citizen of the United States.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.04 QUALIFYING PROGRAMS AND INSTITUTIONS OF HIGHER EDUCATION.

- (1) An eligible postsecondary institution must be located in Tennessee and be accredited by the Southern Association of Colleges and Schools Commission on Colleges to award academic associate or baccalaureate degrees.
- (2) The eligible postsecondary institution that the recipient attends must match the endowment portion of the scholarship award on a dollar-for-dollar basis. The portion of the scholarship matched by the eligible postsecondary institution must not include a work or service requirement.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.05 SCHOLARSHIP AMOUNT, LENGTH, AND INTERVALS OF PAYMENTS.

- (1) Except as provided in paragraph (3) below, a student must be enrolled as a full-time student to receive an award for a semester. The amount of the maximum award per semester shall be determined by the TSAC Board of Directors and published on TSAC's website. The amount awarded to a student in a semester shall be based on the number of credit hours attempted in the semester that are applicable to the student's eligible program of study.
- (2) A student who is enrolled in twelve (12) or more credit hours in the student's eligible program of study will receive the maximum award. A student enrolled in nine (9), ten (10), or eleven (11) credit hours in the student's eligible program of study will receive three-fourths (3/4) of the maximum award. A student enrolled in six (6), seven (7), or eight (8) credit hours in the student's eligible program of study will receive one-half (1/2) of the maximum award. A student enrolled in less than six (6) credit hours in the student's eligible program of study will receive one-fourth (1/4) of the maximum award.
- (3) Notwithstanding paragraph (1) above, a student who is not enrolled as a full-time student may still receive an award based on the number of credit hours attempted in the semester that are applicable to the student's eligible program of study as provided in paragraph (2), but only in the following circumstances:
 - (a) In the semester of graduation, if less than twelve (12) credit hours are required to complete the student's eligible program of study;
 - (b) In any semester in which the eligible postsecondary institution does not offer at least twelve (12) credit hours of coursework applicable to the student's eligible program of

study; or,

- (c) The student's eligible program of study requires enrollment in less than twelve (12) credit hours for a semester.
- (4) If the scholarship recipient also receives federal and/or state educational assistance for the same award period(s), the total scholarship and other aid may not exceed the cost of attendance.
- (5) The recipient must maintain continuous enrollment to remain eligible.
- (6) Recipients must achieve at least a 3.0 cumulative grade point average (GPA) each academic year to remain eligible.
 - (a) If a student ceases to be eligible for the Ned McWherter Scholars award due to failure to achieve the required cumulative GPA at the end of an academic year, the student may regain the award by maintaining continuous enrollment as a full-time student at an eligible postsecondary institution and attaining a cumulative GPA of 3.0 or higher. Eligibility shall be reviewed at the end of each academic year following the loss of the award. The student may regain the award one (1) time. A student who subsequently loses the award after regaining eligibility shall be permanently ineligible.
- (7) Recipients in a baccalaureate degree program are eligible for the scholarship for up to eight (8) semesters or twelve (12) quarters. Recipients in an associate degree program are eligible for up to four (4) semesters or six (6) quarters.
- (8) Scholarship recipients must use the Ned McWherter Scholars award for education-related expenses. Ned McWherter Scholars awards shall be first applied to tuition and fees, room and board, and the excess, if any, shall be distributed to the recipient provided the student remains eligible according to this rule. The funds will be sent by direct deposit to the eligible postsecondary institution and the institution will disburse the funds to the recipient. At institutions utilizing the quarter system, one-third of the annual award will be paid at the start of the fall, winter, and spring quarters. At semester institutions, one-half of the annual award will be paid at the start of the fall and spring terms.

Authority: T.C.A. §§ 49-4-201, 49-4-203, 49-4-204, and 49-4-209.

1640-01-09-.06 APPLICATION AND INITIAL AWARD PROCEDURES.

- (1) Each student must complete the following steps of the application process:
 - (a) Submit an application to TSAC by the established date published on TSAC's website. If the deadline occurs on a weekend or holiday, the deadline will be the next business day. The TSAC Executive Director is authorized to modify published application deadlines for well-documented extraordinary cause, if necessary to protect the public interest; and,
 - (b) Ensure a copy of the high school transcript containing all high school grades through the semester prior to graduation is submitted by the high school to TSAC.
- (2) In addition to meeting the requirements of Section .03 of these rules, recipients of freshmen awards will be selected by a ranking of the following criteria:
 - (a) High school GPA;
 - (b) The composite ACT score, or concordant equivalent SAT, from any single test date;
 - (c) Advanced courses completed; and,
 - (d) Service in leadership positions.

- (3) During the spring semester of the high school senior year, TSAC will notify applicants of their award status. Those notified that they are tentative awardees will have two (2) weeks from the notification date to notify TSAC that they will accept the award or will forfeit the award.
- (4) The number of recipients selected for awards in a year will be determined by the availability of funds for that year.
- (5) The eligible postsecondary institution shall ensure that the recipient is enrolled full-time for the period for which the award is given and, after the initial term of enrollment, that the recipient has maintained satisfactory academic progress in accordance with standards described in Rule 1640-01-09-.04(4) for the immediately preceding academic term attended by the recipient prior to releasing scholarship funds to the recipient. The electronic certification shall be completed by the institution each term of the award year.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.07 RENEWAL SCHOLARSHIPS.

- (1) Scholarship awards are renewed annually. Renewal applications must be submitted each year to continue in the program.
- (2) Upon proper and timely application, prior recipients will be eligible for a renewal scholarship each year while enrolled in the program until the recipient has received the award for a maximum total of twelve (12) quarters or eight (8) semesters in a baccalaureate degree program or a maximum of six (6) quarters or four (4) semesters in an associate degree program. Renewal recipients receive first priority for scholarship awards.
- (3) Students participating in the program may transfer to another eligible postsecondary institution. This transfer must be noted on the application. A transfer student retains their eligibility provided all other conditions are met. Recipients completing an associate degree may transfer to a four-year institution to pursue a baccalaureate degree.
- (4) All renewal awards are tentative until confirmation is received by TSAC from the eligible postsecondary institution attended that the student continues to meet all eligibility criteria.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.08 PERSONAL OR MEDICAL LEAVE OF ABSENCE.

- (1) A student may be granted a medical or personal leave of absence from attendance as a full-time student 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, 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, 49-4-203, and 49-4-204.

1640-01-09-.09 AWARD MADE IN ERROR.

- (1) If a student receives a Ned McWherter Scholars 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, 49-4-203, and 49-4-204.*

1640-01-09-.10 REFUND POLICY.

- (1) If a recipient of a Ned McWherter Scholars 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, 49-4-203, and 49-4-204.*

1640-01-09-.11 APPEAL AND EXCEPTION PROCESS.

- (1) TSAC staff will determine the initial eligibility of applicants according to the requirements in these rules. Applicants who believe that the initial eligibility determination was not made in accordance with the Act and these rules may appeal to the TSAC Appeals Panel described in Tenn. Comp. R. & Regs. 1640-01-19 for relief.
- (2) Except for appeals of initial eligibility determinations, each eligible postsecondary institution shall use its existing Institutional Review Panel (IRP) for purposes of reviewing and rendering decisions regarding appeals for the Ned McWherter Scholars program. The IRP shall use the same procedures and timelines as those that currently exist for the review of Tennessee Education Lottery Scholarship (TELS) appeals as outlined in Tenn. Comp. R. & Regs. 1640-01-19.
- (3) 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 Ned McWherter Scholars 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.

Authority: *T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.*

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1640-01-09-.01 SUMMARY AND PURPOSE.

- (1) The State of Tennessee has created an Academic Scholars Program to be administered by the Tennessee Student Assistance Corporation (TSAC) for qualified applicants to attend postsecondary institutions in Tennessee in pursuit of an associate or baccalaureate degree. The scholarship will be awarded to assist in the cost of required tuition, fees, equipment, textbooks, supplies, and if applicable, room and board at the institution. The amount of the award shall be determined by the TSAC Board of Directors based on available State funding. The amount paid by TSAC from the program's endowment and appropriations must be matched on a dollar-for-dollar basis for each awardee by the respective institution the awardee attends. The scholarship is intended to provide an incentive for academically superior Tennessee students to attend a postsecondary education institution in Tennessee, and is payable for up to four academic years for recipients who continue to be qualified.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.02 DEFINITIONS.

- (1) Continuous enrollment: The term is defined in T.C.A. § 49-4-902.
- (2) Eligible postsecondary institution: The term is defined in T.C.A. § 49-4-902.
- (3) Eligible program of study: The term is defined in T.C.A. § 49-4-902.
- (4) Full-time student: The term is defined in T.C.A. § 49-4-902.
- (5) High school grade point average: The term is defined in T.C.A. § 49-4-902.

Authority: T.C.A. §§ 49-4-201, 49-4-203, 49-4-204, and 49-4-902.

1640-01-09-.03~~2~~ MINIMUM QUALIFICATIONS OF APPLICANTS.

- (1) To be eligible, an applicant must:
 - (a) Have earned a minimum ~~cumulative~~ high school grade point average ~~in high school~~, at the end of the ~~seventh~~ prior to the semester of graduation, of at least 3.75 on a 4.0 scale. ~~The seventh semester is usually the semester before the semester in which one would graduate.~~
 - (b) Have attained a composite score on the ACT or the SAT which places the student in the top ~~five-three~~ three percent (3%) of test-takers nationally, ~~such~~ The minimum score ~~shall~~ to be estimated based upon the previous year's data and announced annually.

- (c) Have graduated with a regular diploma from a high school in Tennessee that is approved by the Tennessee State Department of Education, is accredited by the Southern Association of Colleges and Schools [Commission on Colleges](#), or belongs to an agency whose accreditation process is approved by the State Board of Education. Exceptions to this requirement for graduates of a “home school” as defined in T.C.A. § 49-6-3050 may be granted by the Executive Director of TSAC.
- (d) ~~Be an applicant~~ [Have applied](#) for initial admission to ~~college~~ [an eligible postsecondary institution](#) after high school graduation at the time ~~of the student's initial application first applies~~ for the scholarship. The applicant must enroll at an eligible postsecondary institution within sixteen (16) months following graduation from high school. [Exceptions to the requirement for timely initial enrollment may be made for students whose appeal to the TSAC Appeals Panel is approved for an exception to the sixteen \(16\) month requirement for the HOPE Scholarship as described in T.C.A. § 49-4-907.](#)
- (e) Be a Tennessee resident [pursuant to T.C.A. § 49-8-104](#), ~~as defined by rules promulgated by the Board of Regents.~~
- (f) Be a citizen, permanent resident, or eligible non-citizen of the United States.
- ~~(g) Make application to TSAC for the scholarship by established deadlines on TSAC-approved application forms.~~
- ~~(h) Request a copy of the high school transcript be mailed or emailed to TSAC by the high school from which the applicant graduated, or upon the applicant's graduation, as applicable. If the ACT and/or SAT scores have not previously been provided to TSAC, ensure at least one of these scores is sent to TSAC by the established deadline.~~

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.043 QUALIFYING PROGRAMS AND INSTITUTIONS OF HIGHER EDUCATION.

- (1) ~~The institution to be attended~~ [An eligible postsecondary institution](#) must be located in Tennessee and be ~~approved by the Tennessee Higher Education Commission (THEC) or~~ accredited by the Southern Association of Colleges and Schools [Commission on Colleges](#) to award academic associate or [baccalaureate](#) ~~undergraduate~~ degrees.
- (2) The [eligible](#) postsecondary ~~educational~~ institution that the recipient ~~will attend~~ [s](#) must ~~agree in writing to TSAC to provide the administrative and academic information necessary to administer the program. The institution must also agree in writing to~~ match the endowment portion of the scholarship award on a dollar-for-dollar basis. The portion of the scholarship matched by the [eligible](#) postsecondary institution must not include a work or service requirement.
- ~~(3) The program entered must lead to an associate or baccalaureate degree.~~

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.054 SCHOLARSHIP AMOUNT, LENGTH, AND INTERVALS OF PAYMENTS.

- (1) [Except as provided in paragraph \(3\) below, a student must be enrolled as a full-time student to receive an award for a semester.](#) The amount of the [maximum](#) award [per semester](#) shall be determined by the TSAC Board of Directors and published on TSAC's website. [The amount awarded to a student in a semester shall be based on the number of credit hours attempted in the semester that are applicable to the student's eligible program of study.](#)
- [\(2\) A student who is enrolled in twelve \(12\) or more credit hours in the student's eligible program](#)

of study will receive the maximum award. A student enrolled in nine (9), ten (10), or eleven (11) credit hours in the student's eligible program of study will receive three-fourths (3/4) of the maximum award. A student enrolled in six (6), seven (7), or eight (8) credit hours in the student's eligible program of study will receive one-half (1/2) of the maximum award. A student enrolled in less than six (6) credit hours in the student's eligible program of study will receive one-fourth (1/4) of the maximum award.

(3) Notwithstanding paragraph (1) above, a student who is not enrolled as a full-time student may still receive an award based on the number of credit hours attempted in the semester that are applicable to the student's eligible program of study as provided in paragraph (2), but only in the following circumstances:

(a) In the semester of graduation, if less than twelve (12) credit hours are required to complete the student's eligible program of study;

(b) In any semester in which the eligible postsecondary institution does not offer at least twelve (12) credit hours of coursework applicable to the student's eligible program of study; or,

(c) The student's eligible program of study requires enrollment in less than twelve (12) credit hours for a semester.

~~(2)~~(4) If the scholarship recipient also receives federal and/or state educational assistance for the same award period(s), the total scholarship and other aid may not exceed the cost of attendance.

~~(3)~~(5) The recipient must ~~attend-maintain continuous enrollment to remain eligible, on a full-time basis in courses that are creditable toward the recipient's graduation requirements during the time for which the recipient receives the scholarship, as determined by the written policies of the institution attended. At least two semesters of attendance, or the equivalent, is required each year to remain eligible. The cost for summer enrollment periods will not be covered by the scholarship.~~

~~(4)~~(6) Recipients must achieve at least a 3.0 cumulative grade point average (GPA) each academic year to remain eligible.

(a) If a student ceases to be eligible for the Ned McWherter Scholars award due to failure to achieve the required cumulative GPA at the end of an academic year, the student may regain the award by maintaining continuous, ~~full-time~~ enrollment as a full-time student at an eligible postsecondary institution and attaining a cumulative GPA of 3.0 or higher. Eligibility shall be reviewed at the end of each academic year following the loss of the award. The student may regain the award one (1) time. A student who subsequently loses the award after regaining eligibility shall be permanently ineligible.

(7) Recipients in a baccalaureate degree program are eligible for the scholarship for up to eight (8) semesters or twelve (12) quarters. Recipients in an associate degree program are eligible for up to four (4) semesters or six (6) quarters.

(8) Scholarship recipients must use the Ned McWherter Scholars award for education-related expenses. Ned McWherter Scholars awards shall be first applied to tuition and fees, room and board, and the excess, if any, shall be distributed to the recipient provided the student remains eligible according to ~~subsections (3) and (4) of this rule.~~ The funds will be sent by direct deposit to the eligible postsecondary institution~~school~~ and the institution~~school~~ will disburse the funds to the recipient. At institutions utilizing the quarter system, one-third of the annual award will be paid at the start of the fall, winter, and spring quarters. At semester institutions, one-half of the annual award will be paid at the start of the fall and spring terms.

Authority: T.C.A. §§ 49-4-201, 49-4-203, 49-4-204, and 49-4-209.

1640-01-09-.065 APPLICATION AND INITIAL AWARD PROCEDURES.

- (1) ~~By February 15, each applicant shall~~Each student must complete the following steps of the application process:
 - (a) Submit an application to TSAC by the established date published on TSAC's website. If the deadline occurs on a weekend or holiday, the deadline will be the next business day. The TSAC Executive Director is authorized to modify published application deadlines for well-documented extraordinary cause, if necessary to protect the public interest; and,
 - (b) Ensure a copy of the ~~applicant's~~ high school transcript ~~that contains~~ing all the high school grades through the ~~seventh~~ semester prior to graduation is submitted by the high school to TSAC.
- (2) In addition to meeting the requirements of Section .03 of these rules, ~~Recipients-recipients of for~~ freshmen awards will be selected by a ranking of the following criteria:
 - ~~(a) The applicant must meet the minimum standards described in Rule 1640-01-09-.02.~~
 - (a) High school GPA;
 - (b) The composite ACT score, or concordant equivalent SAT, from any single test date;~~The ACT and/or SAT score, including past scores of each test, the high school grades attained in each course, and the difficulty of the high school program taken will be compared to those of other applicants.~~
 - (c) Advanced courses completed; and,
 - (d) Service in leadership positions.
 - ~~(b) Other relevant factors will be considered that tend to indicate the success the applicant may have in the program and the applicant's future contributions to society. The awards will be made with due regard for broad participation by recipients from across the state who are representative of various ethnic and racial characteristics and by members of each sex.~~
- ~~(3) Recipients will be recommended by a four-person committee chaired and appointed by the Executive Director of THEC / TSAC. The Executive Director of THEC / TSAC, or designee, shall serve on the committee. Other members shall include one representative each of public four-year institutions, private four-year institutions, and community colleges. The selection of these three representatives shall provide for rotation among eligible institutions, according to procedures established by the Executive Director of THEC / TSAC.~~
- ~~(4)~~(3) During the spring semester of the high school senior year, TSAC will notify applicants of their award status. Those ~~who are~~ notified that they are tentative awardees will have two (2) weeks from the notification date to notify TSAC that they will accept the award or ~~that the award will be forfeited~~ will forfeit the award.
- ~~(5)~~(4) The number of recipients selected for awards in ~~any one~~ year will be determined by the availability of funds for that year.
- ~~(6)~~(5) The eligible postsecondary institution shall ensure that the recipient is enrolled full-time for the period for which the award is given and, after the initial term of enrollment, that the recipient has maintained satisfactory academic progress in accordance with standards described in Rule 1640-01-09-.04(4) for the immediately preceding academic term attended by the recipient prior to releasing scholarship funds to the recipient. The electronic certification shall be completed by the institution each term of the award year.
- ~~(7) If the deadline under this section occurs on a weekend or holiday, the deadline will be the next~~

~~business day.~~

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.076 RENEWAL SCHOLARSHIPS.

- (1) Scholarship awards are renewed annually. ~~made to recipients for one year at a time. After the initial application, r~~Renewal applications must be submitted each year to continue in the program.
- ~~(2) Renewal recipients shall receive first priority for scholarship awards, assuming sufficient funding.~~
- ~~(3)~~(2) Scholarships will be continued for recipients who continue to meet Rule 1640-01-09-.02 standards and maintain satisfactory progress in accordance with the standards described in Rule 1640-01-09-.04(4). Upon proper and timely application, ~~such~~ prior recipients will be eligible for a renewal scholarship each year while enrolled in the program until the recipient has received the award for a maximum total of twelve (12) quarters or eight (8) semesters in a baccalaureate degree program or a maximum of six (6) quarters or four (4) semesters in an associate degree program ~~in awards~~. Renewal recipients receive first priority for scholarship awards.
- ~~(4)~~(3) Students participating in the program may transfer to another eligible postsecondary institution. This transfer must be noted on the application. A transfer student retains their eligibility provided all other conditions are met. Recipients completing an associate degree may transfer to a four-year institution to pursue a baccalaureate degree.
- ~~(5) Renewal applications, as approved by TSAC, must be submitted by February 15 that immediately precedes the year for which the scholarship is sought. If the deadline occurs on a weekend or holiday, the application deadline will be the next business day.~~
- ~~(6)~~(4) All renewal awards are tentative until confirmation is received by TSAC from the educational eligible postsecondary institution ~~being~~ attended that the student continues to meet all eligibility criteria ~~to meet the stipulations in subparagraph (3) of this Rule after the spring term.~~

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.

1640-01-09-.08 PERSONAL OR MEDICAL LEAVE OF ABSENCE.

- (1) A student may be granted a medical (or personal) leave of absence from attendance as a full-time student 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, 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, 49-4-203, and 49-4-204.

1640-01-09-.09 AWARD MADE IN ERROR.

- (1) If a student receives a Ned McWherter Scholars 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, 49-4-203, and 49-4-204.

1640-01-09-.10 REFUND POLICY.

- (1) If a recipient of a Ned McWherter Scholars 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, 49-4-203, and 49-4-204.

~~1640-01-09-.07 APPEALS PROCEDURES.~~

- ~~(1) All student appeals must be submitted to the TSAC Tennessee Education Lottery Scholarship (TELS) Appeals Panel. Except where exigent circumstances exist, the TELS Appeals Panel shall render a decision no later than fourteen (14) calendar days after receipt of the appeal. The ruling of the TELS Appeals Panel shall be the last administrative remedy.~~
- ~~(2) The TELS Appeals Panel shall have no authority to make an exception to the high school or collegiate GPA requirements.~~

~~Authority:~~ ~~T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.~~

1640-01-09-.11 APPEAL AND EXCEPTION PROCESS.

- (1) TSAC staff will determine the initial eligibility of applicants according to the requirements in these rules. Applicants who believe that the initial eligibility determination was not made in accordance with the Act and these rules may appeal to the TSAC Appeals Panel described in Tenn. Comp. R. & Regs. 1640-01-19 for relief.
- (2) Except for appeals of initial eligibility determinations, each eligible postsecondary institution shall use its existing Institutional Review Panel (IRP) for purposes of reviewing and rendering decisions regarding appeals for the Ned McWherter Scholars program. The IRP shall use the same procedures and timelines as those that currently exist for the review of Tennessee Education Lottery Scholarship (TELS) appeals as outlined in Tenn. Comp. R. & Regs. 1640-01-19.
- (3) 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 Ned McWherter Scholars 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.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204.