

Tennessee Student Assistance Corporation

Tuesday, September 27, 2022

DECISION ITEM C Dependent Children Scholarship Rules

Staff Recommendation (1) Adopt Chapter 1640-01-14 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 1640-01-14, Dependent Children Scholarship Rules.*

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

**DEPENDENT CHILDREN SCHOLARSHIP
CHAPTER 1640-01-14**

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1640-01-14-.01 INTRODUCTION.

These rules implement the Dependent Children Scholarship Act authorized in T.C.A. §49-4-704 (hereinafter called the Act). The Act provided for a scholarship to certain dependent children who are Tennessee residents and were living with or receiving regular support from a law enforcement officer, a fireman, or an emergency medical service technician in Tennessee at the time of the employee's death or total and permanent disability.

Authority: T.C.A. §§49-4-204 and 49-4-704.

1640-01-14-.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: A measure of the level of enrollment or attendance of a "full-time student" as defined in T.C.A. § 49-4-902.
- (5) Satisfactory academic progress: Progress in a course of study in accordance with the standards and practices used for Title IV programs by the eligible postsecondary institution at which the student is currently enrolled.

Authority: T.C.A. §§49-4-204 and 49-4-704.

1640-01-14-.03 GENERAL.

- (1) The awards are available only to full-time undergraduate students who maintain continuous enrollment and are in good standing and making satisfactory academic progress at the institution in which the student is enrolled according to the institution's published standards or, if a freshman, admitted to the institution for enrollment.
- (2) Duration of the award will be determined by the guidelines established in T.C.A. § 49-4-704.
- (3) Scholarships normally will not be available for summer enrollment periods. However, the Tennessee Student Assistance Corporation (TSAC) may award such scholarships if sufficient funds are available.

Authority: T.C.A. §§49-4-204 and 49-4-704.

1640-01-14-.04 APPLICATION AND AWARD PROCEDURES.

- (1) The priority deadline for applications for annual awards will be determined by the TSAC Executive Director and posted on the agency's website. If the deadline occurs on a weekend or holiday, then the application deadline will be the next business day.

- (2) The TSAC Executive Director is authorized to modify published application deadlines for well-documented extraordinary cause, if necessary to protect the public interest.
- (3) Students must submit an application to TSAC accompanied by evidence sufficient to meet the eligibility requirements of T.C.A. §49-4-704. The applicant must complete a Free Application for Federal Student Aid each academic year that the applicant wishes to be considered for the scholarship and have the data submitted to TSAC.
- (4) The amount of a Dependent Children Scholarship award shall be based on the number of credit hours attempted in a semester that are applicable to the student's eligible program of study. After a review of an eligible applicant's financial aid need analysis and the financial aid awarded through other sources, an award will be made not to exceed the cost of attendance for coursework in the student's eligible program of study as determined by the institution. Except as provided by other educational aid, the award shall include tuition and other required fees, an allowance for books, supplies, and room and board as reflected in the cost of attendance determined by the institution for other students in the same financial aid category. The amount of the award will depend on the availability of funds. If funds are insufficient to provide scholarships to all eligible applicants, non-need-based awards will be limited to tuition and other required fees.
- (5) Payment will be made at the beginning of each academic term after certification by the institution that the student is attending full-time in an eligible program of study, has maintained continuous enrollment, and is making satisfactory academic progress as determined by the institution.
- (6) A student may attend less than full-time and receive a Dependent Children Scholarship award in the following circumstances:
 - (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; or
 - (d) If the student's eligible program of study requires less than full-time enrollment for a semester.

Authority: T.C.A. §§49-4-203, 49-4-204, 49-4-209, and 49-4-704.

1640-01-14-.05 PERSONAL OR MEDICAL LEAVE OF ABSENCE.

- (1) A student may be granted a medical or personal leave of absence from 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, 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. §§49-4-203, 49-4-204, 49-4-209, and 49-4-704.

1640-01-14-.06 AWARD MADE IN ERROR.

- (1) If a student receives a Dependent Children 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. §§49-4-203 and 49-4-704.

1640-01-14-.07 REFUND POLICY.

- (1) If a recipient of a Dependent Children 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. §§49-4-203 and 49-4-704.

1640-01-14-.08 APPEAL AND EXCEPTION PROCESS.

- (1) TSAC staff will determine the initial eligibility of applicants according to the requirements in the Act and 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 Dependent Children Scholarship 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 Dependent Children 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.

Authority: T.C.A. §§49-4-204 and 49-4-704.

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1640-01-14-.01 INTRODUCTION.

These rules implement the Dependent Children Scholarship Act authorized in T.C.A. §49-4-704 (hereinafter called the Act). The Act provided for a scholarship to certain dependent children who are Tennessee residents and were living with or receiving regular support from a law enforcement officer, a fireman, or an emergency medical service technician in Tennessee at the time of the employee's death or total and permanent disability.

Authority: *T.C.A. §§49-4-204 and 49-4-704.*

1640-01-14-.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: A measure of the level of enrollment or attendance of a "full-time student" as defined in T.C.A. § 49-4-902.
- (5) Satisfactory academic progress: Progress in a course of study in accordance with the standards and practices used for Title IV programs by the eligible postsecondary institution at which the student is currently enrolled.

Authority: *T.C.A. §§49-4-204 and 49-4-704.*

1640-01-14-.03~~2~~ GENERAL.

- ~~(1) Close attention should be given to the definitions in sub part (b) of the Act. The entire Act was written with such specificity that much of it is not duplicated in these regulations. Therefore, both the Act and these regulations should be consulted for a full administrative reference.~~
- (~~2~~1) The awards are available only to full-time undergraduate students who maintain continuous enrollment and are in good standing and making satisfactory academic progress at the institution in which ~~he/she~~ the student is enrolled according to the institution's published standards or, if a freshman, accepted by admitted to the institution for enrollment ~~as a regular student.~~
- (~~3~~2) Duration of the award will be determined by the guidelines established in T.C.A. § 49-4-704. ~~The award is for up to four academic years (the equivalent of eight semesters) or the period required for the completion of the appropriate course of study, whichever is less. Provided, however, a scholarship recipient enrolled in an undergraduate degree program which requires more than four years for completion may apply to TSAC during the fourth year for an extension of the award to a fifth year. Unless a waiver is granted by the Executive Director of TSAC for sufficient cause,~~

~~the periods of attendance for which awards are made must be consecutive academic years, i.e., nine-month terms or the equivalent.~~

- (4) ~~Scholarships normally will not be available for summer enrollment periods. However, the Tennessee Student Assistance Corporation (TSAC) the program administrator may award such scholarships if sufficient funds are available, the total number of terms of scholarships is not increased, and the proportion of the recipient's cost of education for his/her total program borne by this scholarship is not increased.~~
- (5) ~~The institution that the recipient attends must be one offering postsecondary vocational or undergraduate education and approved by TSAC to enroll students receiving Tennessee Student Assistance Awards during the period of time in which the recipient will be enrolled.~~

Authority: T.C.A. §§49-4-204 and 49-4-704.

1640-01-14-043 APPLICATION AND AWARD PROCEDURES.

- (1) ~~Since the Act requires that the applicant's eligibility for other aid be established before this scholarship is determined, t~~The priority deadline for applications for Fall annual awards will be determined by the TSAC Executive Director and posted on the agency's website. If the deadline occurs on a weekend or holiday, then the application deadline will be the next business day. ~~is the immediately preceding July 15th.~~
- (2) The TSAC Executive Director is authorized to modify published application deadlines for well-documented extraordinary cause, if necessary to protect the public interest.
- (3) ~~Students must submit an application to TSAC accompanied by evidence sufficient to meet the eligibility requirements of T.C.A. §49-4-704. who wish to apply for the Dependent Children Scholarship must write a letter to TSAC and request assistance. The letter of application must include evidence satisfactory to TSAC that the law enforcement officer, fireman, or emergency medical service technician was killed or totally and permanently disabled while performing duties within the scope of such employment. The application must also include certification by the Financial Aid Office at the institution the applicant plans to attend that the student has been accepted for admission, the cost of attendance, and the amount of financial assistance from other sources.~~The applicant must complete a Free Application for Federal Student Aid each academic year that the applicant wishes to be considered for the scholarship and have the data submitted to TSAC.
- (4) The amount of a Dependent Children Scholarship award shall be based on the number of credit hours attempted in a semester that are applicable to the student's eligible program of study. After a review of an eligible applicant's financial aid need analysis and the financial aid awarded through other sources, an award will be made not to exceed the educational costs of attendance for coursework in the student's eligible program of study as determined by the institution ~~allowed by the Act.~~ Except as provided by other educational aid, the award shall include tuition and other required fees, an allowance for books, supplies, and room and board as reflected in the cost of attendance determined by the institution for other students in the same financial aid category. The amount of the award will depend on the availability of funds. If funds are insufficient to provide scholarships to all eligible applicants, non-need-based awards will be limited to tuition and other required fees.
- (5) Payment will be made at the beginning of each academic term after certification by the institution that the student is attending full-time in an eligible program of study, has maintained continuous enrollment, and is making satisfactory academic progress as determined by the institution. ~~If the school participates in Automated Clearing House, the funds will be sent by direct deposit to the school and the school will be directed to deliver the funds to the recipient.~~
- (6) A student may attend less than full-time and receive a Dependent Children Scholarship award in the following circumstances:
- (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; or
- (d) If the student's eligible program of study requires less than full-time enrollment for a semester.

Authority: T.C.A. §§49-4-203, 49-4-204, 49-4-209, and 49-4-704.

1640-01-14-.05 PERSONAL OR MEDICAL LEAVE OF ABSENCE.

- (1) A student may be granted a medical or personal leave of absence from 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, 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. §§49-4-203, 49-4-204, 49-4-209, and 49-4-704.

1640-01-14-.06 AWARD MADE IN ERROR.

- (1) If a student receives a Dependent Children 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.
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Authority: T.C.A. §§49-4-203 and 49-4-704.

1640-01-14-.07 REFUND POLICY.

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Authority: T.C.A. §§49-4-203 and 49-4-704.

1640-01-14-.084 APPEALS AND EXCEPTION PROCEDURES.

- (1) ~~TSAC staff will determine the initial eligibility of applicants according to the requirements in the Act and these rules. Generally, the rulings of the program's administrator shall apply. (2) Those Students Applicants who believe that the initial eligibility determination an agency ruling was his/her rulings were not made in accordance with the published regulations and the Act and these rules may appeal to the TSAC Executive Director 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 Dependent Children Scholarship 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) ~~If the Executive Director does not rule in the favor of the complainant, the complainant may request a hearing before the TSAC Appeals Committee. 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 Dependent Children Scholarship program as those that are currently in place for TELS as outlined in Tenn. Comp. R. & Regs. 1640-01-19. The rulingA decision of the TSAC Appeals PanelCommittee made on the merits of the appeal shall beis the finalast administrative remedy available to the student.~~

Authority: ~~T.C.A. §§ 49-4-204 and 49-4-704.~~

~~1640-01-14-.05 PRECEDENCE OF THE ACT.~~

~~These regulations are subordinate to the Act and are intended to facilitate its implementation. Any portion of these regulations which are adjudicated as contrary to law are to be considered null and void. All other portions of these rules shall be severed therefrom and considered in full force.~~

Authority: ~~T.C.A. § 49-4-204.~~