RULES
OF THE
TENNESSEE STUDENT ASSISTANCE CORPORATION

CHAPTER 1640-01-26
TENNESSEE PROMISE SCHOLARSHIP PROGRAM

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1640-01-26-.01 DEFINITIONS.

(1) Academic Requirement: A requirement of a specified grade point average or satisfactory academic progress that determines the continuing eligibility for postsecondary financial assistance from the Tennessee Promise Scholarship.

(2) Academic Year: Three (3) consecutive semesters beginning with a fall semester and including the immediately following spring and summer semesters.

(3) Board of Directors: The board of directors of the Tennessee Student Assistance Corporation.

(4) Board of Regents: The board of regents of the state university and community college system of Tennessee.

(5) Certificate or Diploma: A credential, other than a degree, the receipt of which indicates satisfactory completion of training in a program of study offered by an eligible postsecondary institution.

(6) Continuous Enrollment: The term is defined in T.C.A. 49-4-708.

(7) Cumulative Grade Point Average: The grade point average as calculated by the eligible postsecondary institution.

(8) Degree: A two-year associate degree conferred on students by an eligible postsecondary institution.

(9) Eligible High School: The term is defined in T.C.A. § 49-4-902.

(10) Eligible Postsecondary Institution: The term is defined in T.C.A. § 49-4-708.

(11) Eligible Postsecondary Program: The term is defined in T.C.A. § 49-4-708.

(12) Entering Freshman: A student who enrolls in an eligible postsecondary institution as a participant in the Tennessee Promise Scholarship program in the fall term immediately following high school graduation, completion of a home school program, or attainment of a

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

GED or HiSET diploma. Exceptions to this enrollment requirement may be made for students enrolled in a TCAT, for students enrolled in a four-year postsecondary institution but not immediately admitted into an eligible postsecondary program, or for personal or medical leaves of absence as outlined in these rules.

(13) FAFSA: The term is defined in T.C.A. § 49-4-902.

(14) Full-Time Student: The term is defined in T.C.A. § 49-4-708.

(15) GED: The term is defined in T.C.A. § 49-4-902.

(16) Gift Aid: The term is defined in T.C.A. § 49-4-708.

(17) HiSET: The term is defined in T.C.A. § 49-4-902.

(18) Home School Student: The term is defined in T.C.A. § 49-4-708.

(19) Immediate Family Member: Spouse, parents, children, or siblings.

(20) 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.

(21) Parent: The parent or legal guardian of a student.

(22) Partnering Organization: A not-for-profit organization selected by TSAC to administer the Tennessee Promise Scholarship program.

(23) Resident: A resident of Tennessee as defined by regulations promulgated by the Tennessee Board of Regents.

(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.

(25) Semester: The term is defined in T.C.A. § 49-4-902.

(26) Semester Hour: The credit hour used by a postsecondary institution, if the institution is on a semester system, or its equivalent, if the institution is on a system other than a semester system. "Semester hour" includes each semester hour attempted, whether remedial or for credit toward a degree, but shall not include any semester hour attempted before graduating from high school or earning a GED® or HiSET.

(27) TCAT: Tennessee College of Applied Technology.

(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.

(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.

(30) Tennessee Promise Scholarship Student: The term is defined in T.C.A. § 49-4-708.

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

(31) Terminating Event: The occurrence of an event described in T.C.A. § 49-4-708(c)(8).

(32) Title IV: The term is defined in T.C.A. § 49-4-902.

(33) TSAC: Tennessee Student Assistance Corporation.

(34) 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 the Regents Online Degree Program, 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.*

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 award program, TSAC may reduce the award amount in accordance with these rules.

(4) Recipients of a Tennessee Promise Scholarship award as provided by these rules must be enrolled and attending full time in an eligible postsecondary institution. A student may enroll less than full time in the semester of graduation if full-time enrollment is not required to complete the program of study, and for semesters in which the student receives an approved leave of absence.

(5) Except for approved medical or personal leaves of absence, award recipients must be continuously enrolled and maintain the required 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 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 non-academic 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, 49-4-708, and 2015 Tenn. Pub Acts Ch. 186.* ***Administrative History:*** *Emergency rule filed August 14, 2014; effective through February 10, 2015. Original rule filed*

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

1640-01-26-.03 APPLICATION PROCESS.

(1) Students participating in the Tennessee Promise Scholarship program shall file a FAFSA, or renewal FAFSA, in each year of program participation. The FAFSA must be submitted by mail or electronically as directed in the FAFSA instructions.

(2) Students enrolled in a community college, public four-year postsecondary institution, or private institution shall file the FAFSA or renewal FAFSA according to the following deadlines:

(a) No later than February 15 for fall enrollment, or

(b) No later than November 1 for spring and summer enrollment.

(3) Students enrolled in a TCAT shall file the FAFSA or renewal FAFSA according to the following deadlines:

(a) No later than February 15 for summer and fall enrollment, or

(b) No later than November 1 for spring enrollment.

(4) Students are required to complete the Tennessee Promise Scholarship award application for the initial year of enrollment no later than November 1 of their senior year of high school. For each successive year of participation students shall submit a renewal application no later than July 1 prior to the successive academic year giving notice to TSAC of their intent to participate in the Tennessee Promise Scholarship program. If either deadline occurs on a weekend or state holiday, then the application deadline will be the next business day.

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 July 31, 2016.*

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

(1) To be eligible to receive a Tennessee Promise Scholarship a student shall:

(a) Be a Tennessee resident;

(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 diploma, provided that the student obtains a GED or HiSET diploma prior to the student reaching nineteen (19) years of age;

(c) Attend full time in an eligible postsecondary institution in the fall term immediately following graduation from an eligible high school or home school, or attainment of the GED or HiSET diploma; except that a student enrolling in a certificate or diploma program at a TCAT may enroll in the summer prior to the fall term;

(d) Maintain continuous enrollment as a full-time student at an eligible postsecondary institution unless granted a medical or personal leave of absence;

(e) 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

(Rule 1640-01-24-.04, continued)

associate degree program, or maintain satisfactory academic progress as determined by the TCAT;

(f) Comply with United States Selective Service System requirements for registration, if such requirements are applicable to the student;

(g) Be in compliance with federal drug-free rules and laws for receiving financial assistance;

(h) Not be in default on a federal Title IV educational loan or Tennessee educational loan;

(i) Not owe a refund on a federal Title IV student financial aid program or a Tennessee student financial aid program;

(j) Not be incarcerated;

(k) Not have earned an associate degree prior to enrolling in the initial academic term following graduation from a high school or home school program;

(l) Prior to initial fall enrollment in a postsecondary institution, attend one mandatory meeting related to financial aid and FAFSA completion, and the college application process; and a second mandatory meeting related to college orientation. Participants may, but are not required to, attend additional meetings as offered by a Partnering Organization;

(m) Complete eight (8) hours of community service for each semester while participating in the Tennessee Promise Scholarship program; and

(n) Submit all necessary documentation to allow the postsecondary institution to complete FAFSA verification by August 1 if enrolled at a two-year or four-year eligible institution or by October 1 if enrolled at a TCAT. Verification shall be completed regardless of eligibility for federal or state grants.

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.*

1640-01-26-.05 ELIGIBILITY - EARLY HIGH SCHOOL GRADUATION.

(1) A student who graduates early from an eligible high school, or completes an eligible home school program or obtains a GED or HiSET diploma prior to the spring semester preceding the initial fall enrollment may immediately enroll in an eligible postsecondary institution. Such student shall not be eligible for the Tennessee Promise Scholarship until the subsequent fall semester, but shall otherwise meet all initial eligibility requirements, and upon receipt of a Tennessee Promise Scholarship meet all continuing eligibility requirements as outlined in these rules.

(2) Notwithstanding the provisions of this section, a student may be eligible for a Tennessee Promise Scholarship at a TCAT prior to the subsequent fall term if eligible for an exception as provided in these rules.

(3) During all academic terms in which a student is enrolled in a postsecondary institution prior to the fall term following graduation from an eligible high school, the student shall:

(Rule 1640-01-26-.05, continued)

(a) Enroll in an eligible postsecondary institution or a regionally accredited postsecondary institution located outside this state;

(b) Attend all mandatory meetings provided by the Partnering Organization;

(c) Not be required to participate in community service, except that the student must complete the amount of community service required by Tenn. Comp. R. & Regs. 1640-01-26-.07(1) before the subsequent fall semester; and

(d) Have no minimum requirement for credit hours or academic performance.

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.*

1640-01-26-.06 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 semester, full-time attendance, or continuous enrollment at an eligible postsecondary institution as long as all other applicable eligibility criteria are met. Allowable medical or personal reasons may include illness of the student; illness or death of an immediate family member; 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 initial active duty for training as a National Guard or Reserve member or for National Guard or Reserve mobilization; attendance in a program of study at a TCAT which only begins in the spring or summer academic term or when openings are unavailable for the fall academic term; full-time attendance at an eligible four-year postsecondary institution while waiting for admission to an eligible postsecondary program; 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.

(2) A student granted a medical or personal leave of absence shall enroll full time in an eligible postsecondary institution in the first semester following the end of the leave of absence and shall retain the Tennessee Promise Scholarship until a terminating event occurs. A leave of absence of six (6) months or less shall not count against the five semester limit at an eligible postsecondary institution, and a leave of absence may extend beyond six (6) months for military, religious, or other extraordinary circumstances as described in this rule.

Authority: *T.C.A. §§ 49-4-201, 49-4-204, 49-4-708, and 2015 Tenn. Pub. Acts Ch. 186.* ***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.*

1640-01-26-.07 COMMUNITY SERVICE PROGRAM REQUIREMENTS.

(1) A student participating in the Tennessee Promise Scholarship program shall perform eight (8) hours of community service for each semester the scholarship is received. Service shall be performed prior to the beginning of each academic semester, including the initial fall semester, in which the Promise Scholarship is received according to the following deadlines:

(a) August 1 for students attending the fall academic term.

(b) December 1 for students attending the spring academic term.

(Rule 1640-01-24-.07, continued)

(c) May 1 for students attending the summer academic term.

(2) A student who is granted a leave of absence which precludes the performance of community service shall complete the community service in the first academic term following the period for which the leave of absence was granted. Such community service shall be in addition to any other community service required in the same academic term.

(3) 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 and address of the organization for which the service was provided.

(4) Community Service shall not include:

(a) Service performed prior to the January preceding the initial academic term;

(b) Service resulting in payment or remuneration of any kind; or

(c) Service that directly benefits family members.

(5) Community service may be performed with or under the direction of a faith-based organization, but shall not include religious persuasion or proselytizing.

(6) 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 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.

(7) 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.*

1640-01-26-.08 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.

(Rule 1640-01-24-.08, continued)

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-.09 PARTERING 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.

(b) Operate as a college access and success program serving Tennessee residents at an eligible postsecondary institution.

(c) Demonstrate annually to TSAC that funding exists within the Partnering Organization's budget to provide all services under the Tennessee Promise Scholarship program for a minimum of one (1) year. No funds under this program shall be provided for the direct or indirect benefit of a Partnering Organization.

(d) Adhere to rules promulgated by TSAC for the administration of this program.

(e) Provide a mentoring program with a ratio of one (1) volunteer mentor to no more than ten (10) eligible student applications. This ratio shall apply to eligible student applications and may be reduced in proportion to the number of students who drop from participation in 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.

(f) Select volunteer mentors prior to December 1 for the following academic year and provide one (1) mandatory training meeting for all paid and volunteer mentors prior to January 31. This meeting may be offered on multiple dates prior to the January 31 deadline. This meeting shall cover at least the following topics:

1. Program overview,

2. Appropriate mentor-student relationships,

3. Financial aid,

4. FAFSA completion,

5. College applications and admissions, and

6. Community service requirements.

(g) Provide one (1) mandatory meeting for all Tennessee Promise Scholarship program participants prior to March 1 preceding the initial enrollment in an eligible postsecondary institution. This meeting may be offered on multiple dates prior to the March 1 deadline, and shall provide training on the following topics:

1. An overview of the Tennessee Promise Scholarship program,

(Rule 1640-01-24-.09, continued)

2. Appropriate relationships with mentors,

3. Financial aid opportunities,

4. FAFSA completion, and

5. The college application process.

(h) Provide one (1) mandatory meeting for all Tennessee Promise Scholarship program participants after March 1 and prior to May 31 preceding the initial enrollment in an eligible postsecondary institution. This meeting may be offered on multiple dates prior to the May 31 deadline and shall provide training on topics related to college orientation, making the transition from high school to college, and community service requirements.

(i) Where a student cannot attend either mandatory meeting due to required attendance at a school-sponsored activity, required attendance at a religious-based activity, documented illness of the student, or other extenuating circumstances, the Partnering Organization shall provide opportunities for the student to receive the training prior to the March 1 or May 31 deadline, or as soon thereafter as practicable.

(j) Provide a minimum of one (1) mentor contact monthly with each assigned Tennessee Promise Scholarship program participant beginning February 1 of the senior year of high school. Contact shall be maintained throughout the student's participation in the Program.

(k) 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.

(l) 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.

(m) Submit to audits on a periodic basis as determined by TSAC.

(n) Enter into a memorandum of understanding with TSAC regarding program requirements and Partnering Organization obligations and provide requested information to TSAC as required in the memorandum of understanding.

(o) Provide electronic notification to TSAC when Tennessee Promise participants have completed their mandatory meetings and community service requirements. Reporting of community service performed in the previous academic term shall be provided to TSAC for each student no later than:

1. August 15 for students attending the fall academic term.

2. December 15 for students attending the spring academic term.

(Rule 1640-01-24-.09, continued)

3. May 15 for students attending the summer academic term.

(p) Provide performance metrics as outlined in the memorandum of understanding entered into with TSAC.

(q) Obtain an insurance policy that, at a minimum, limits 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 19, 2014; effective March 19, 2015. Emergency rule filed August 4, 2015; effective through January 31, 2016.*

1640-01-26-.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 students from that county 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.*

1640-01-26-.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.

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.*

1640-01-26-.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.

(2) Any action taken by TSAC as described in subsection (1) 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.*

1640-01-26-.13 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. 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.

(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.*

1640-01-26-.14 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-.15 AWARD MADE IN ERROR.

(1) Repayment from the student shall not be required if TSAC determines that the error was through no fault of the student.

(2) Repayment from the student shall be required if TSAC determines that fraud was committed or the error was due to the fault of the student. When repayment is required, the student may not receive additional student aid from TSAC until repayment is made.

(3) Repayment from the postsecondary institution will be required if TSAC determines that the error was due to the fault of the postsecondary institution.

(Rule 1640-01-26-.15, continued)

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-.16 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 funds returned to TSAC. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be returned to the student or 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. 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.*

1640-01-26-.17 TRANSFER STUDENTS.

(1) A student who meets all academic and non-academic requirements of the Tennessee Promise Scholarship may transfer from one eligible postsecondary institution to another eligible postsecondary institution and maintain the scholarship, provided the student is able to complete the diploma or associate degree in the amount of time remaining before 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.*

1640-01-26-.18 APPEAL AND EXCEPTION PROCESS.

(1) Each eligible postsecondary institution shall use their 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 those that currently exist for the review of Tennessee Education Lottery Scholarship (TELS) appeals as outlined in Tenn. Comp. R. & Reg. 1640-01-19.

(2) TSAC shall use the existing TELS Appeals Panel to consider appeals and render decisions for those students who appeal a decision made by the IRP. 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 & Reg.1640-01-19.

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 filled August 14, 2014; effective November 12, 2014.*