

Proposed Rules
of
Tennessee Student Assistance Corporation

Chapter 1640-1-19
Tennessee Education Lottery Scholarship Program

Presented herein are amended rules of the Tennessee Student Assistance Corporation submitted pursuant to Tenn. Code Ann. § 4-5-202 in lieu of a rulemaking hearing. It is the intent of the Tennessee Student Assistance Corporation to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within thirty (30) days of the publication date of the issue to the Tennessee Administrative Register in which the proposed amendments are published. Such petition to be effective must be filed in Suite 1950 of Parkway Towers located at 404 James Robertson Parkway, Nashville, Tennessee 37243 and in the Department of State, Administrative Procedures Division, Eighth Floor, William R. Snodgrass Tower, 312 Eighth Avenue North, Nashville, Tennessee 37243 and must be signed by twenty-five (25) persons who will be affected by the rule, or submitted by a municipality which will be affected by the rule, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly.

For a copy of these proposed rules, contact Lora Daniels, Tennessee Student Assistance Corporation, Suite 1950, Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee 37243, telephone 615-741-1346.

The text of the revised rules is as follows:

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1640-1-19-.01 Definitions

- (1) Academic Year: Three consecutive semesters that begins with the fall semester and ends with the summer semester.
- (2) ACT: The ACT Assessment administered by ACT, Inc., exclusive of the essay and optional subject area battery tests.
- (3) Adjusted Gross Income Attributable to the Student or Student's Adjusted Gross Income:
 - (a) The adjusted gross income of the student's parent or parents as reported on the student's Free Application for Federal Student Aid (FAFSA) and used by the Corporation in determinations of eligibility for federal or state financial aid, if the student is a dependent of a parent or parents as defined by FAFSA; or
 - (b) The adjusted gross income of the student and, if applicable, the student's spouse as reported on the student's FAFSA and used by the Corporation in determinations of eligibility for federal or state financial aid, if the student is independent of parents as defined by FAFSA.
- (4) Alternative Study Program: Program of study including, but not limited to student exchange programs, practicum, co-op programs and internships, that includes travel outside the State of Tennessee that is sponsored or offered by:
 - (a) an eligible postsecondary institution; or
 - (b) an eligible postsecondary institution in conjunction with either another eligible postsecondary institution or a postsecondary institution that is accredited by a regional accrediting association.
- (5) ASPIRE Award: An award to a student for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution who qualifies for a Tennessee HOPE scholarship and whose adjusted gross income attributable to the student does not exceed thirty-six thousand dollars (\$36,000).
- (6) Award Year: Three consecutive semesters that begins with the fall semester and ends with the summer semester.
- (7) Board of Regents: The Board of Regents of the State University and Community College System of Tennessee.
- (8) 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 a Tennessee Technology Center operated by the Board of Regents.
- (9) Continuing Education: Courses and programs that do not lead to a certificate, diploma or degree that are designed for personal development and are an extension of the traditional on-campus learning process.
- (10) Continuous Enrollment: A student is enrolled in the fall and spring semesters of a single academic year. Enrollment in summer semester or inter-session terms is not required.
- (11) Corporation: Tennessee Student Assistance Corporation.

- (12) **Cost of Attendance:** The expenses, both direct and indirect, incurred by a student and the student's family to finance the cost of receiving a postsecondary education as determined in accordance with the standards and practices used for Title IV programs by the institution at which the student is enrolled.
- (13) **Credit Hours Attempted:** The number of semester hours for which a degree-seeking or diploma/certificate-seeking student attending a postsecondary institution is enrolled as of the institutionally defined census date shall be considered credit hours attempted, regardless of whether a grade has been assigned. This standard shall apply to any change to a non-credit status, notwithstanding anything in Rule 1640-1-19-.22.
- (14) **Degree:** A two-year associate degree or four-year bachelor's degree conferred on students by a postsecondary educational institution upon completion of a unified program of study at the undergraduate level.
- (15) **Distance Learning:** An educational process that is characterized by the separation, in time or place, between instructor and student. It may include credit hours offered principally through the use of television, audio, or computer transmission, such as open broadcast, closed circuit, cable, or satellite transmission; audio or computer conferencing; video cassettes or discs, or correspondence.
- (16) **Dual Enrollment:** An arrangement between a high school and a postsecondary institution wherein a high school student enrolls in postsecondary classes and earns units of credit that count toward high school graduation requirements and hours or units of postsecondary credit.
- (17) **Eligible High School:**
 - (a) Tennessee public secondary school; or
 - (b) Any private secondary school that is located in Tennessee and:
 1. is approved by the State Board of Education as a category 1, 2, or 3 secondary school; or
 2. is a candidate for full accreditation status by an accrediting agency approved by the State Board of Education by June 8, 2004 for the purpose of application for Tennessee Hope scholarships for the 2004-05 academic year by students who graduated after January 1, 2003 and prior to December 1, 2004.
 - (c) A secondary school operated by the United State Department of Defense on a military base that is located in whole or in part in Tennessee;
 - (d) An out-of-state public secondary school located in a county bordering Tennessee that Tennessee residents are authorized to attend under T.C.A. § 49-6-3108; or
 - (e) An out-of-state boarding school accredited by a regional accrediting association that is attended by a bona fide Tennessee resident.
- (18) **Eligible Postsecondary Institution:** An eligible independent postsecondary institution or an eligible public postsecondary institution.
- (19) **Eligible Independent Postsecondary Institution:**
 - (a) An institution created by testamentary trust for which the state acts by statute as trustee and for which the governor is authorized to appoint commissioners with the advice and consent of the senate and that offers courses leading to undergraduate degrees; or

- (b) A Southern Association of Colleges and Schools accredited private postsecondary institution whose main campus is located in Tennessee; or
 - (c) A private, four-year postsecondary institution that:
 - 1. Has been chartered in Tennessee as a not-for-profit entity for at least thirty (30) consecutive years;
 - 2. Has had its primary campus domiciled in Tennessee for at least thirty (30) consecutive years;
 - 3. Is accredited by an accrediting agency that is recognized by the United States Department of Education and the Council on Higher Education Accreditation;
 - 4. Awards associate or baccalaureate degrees; and
 - 5. As of May 1, 2005, has an articulation agreement with an institution of the state university and community college system or the University of Tennessee system.
- (20) Eligible Public Postsecondary Institution:
- (a) An institution operated by the Board of Regents; or
 - (b) An institution in the University of Tennessee system.
- (21) Entering Freshman: A student entering a postsecondary institution who has not attempted any semester hours at any postsecondary institution after graduating from high school, completing high school in a home school program, or obtaining a GED.
- (22) FAFSA: Free Application for Federal Student Aid or the Renewal FAFSA as authorized by the U. S. Department of Education to indicate eligibility for federal and state financial aid programs.
- (23) Foster Child: A child who was in the custody of the Tennessee Department of Children's Services:
- (a) For at least one (1) year after reaching fourteen (14) years of age;
 - (b) For at least one (1) year after reaching fourteen (14) years of age and placed for adoption by the Department of Children's Services or one of its adoption contract agencies and the adoption was finalized; or
 - (c) For at least one (1) year and placed in permanent guardianship by the Department of Children's Services after reaching fourteen (14) years of age.
- (24) Full-Time Student: A student attending a postsecondary educational institution and enrolled for at least twelve (12) semester hours during a semester of attendance.
- (25) General Assembly Merit Scholarship: An award to a student for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution awarded for academic excellence to supplement the Tennessee HOPE scholarship.
- (26) GED: A general educational development credential awarded by a state-approved institution or organization.
- (27) Grade Point Average: The numbered grade average calculated using a 4.0 scale, calculated to the hundredth decimal.

- (28) Home School Student: A student who completed high school in a Tennessee home school program meeting the requirements of §49-6-3050. For two (2) years immediately preceding completion of high school as a home school student, such student shall have been a student in a home school associated with a church-related school as defined by §49-50-801 and registered with the Tennessee local school district which the student would otherwise attend as required by §49-6-3050(a)(2)(C)(i) or an independent home school student whose parent or guardian has given notice to the local director of a Tennessee school district under § 49-6-3050(b)(1) of intent to conduct a home school.
- (29) Home Institution: The eligible postsecondary institution in which the student is enrolled and is in a matriculating status working toward a degree, diploma, or certificate.
- (30) Host Institution: The eligible postsecondary institution the student is temporarily attending as a transient student.
- (31) Immediate Family Member: Spouse, parents, children or siblings.
- (32) Incarcerated: Currently confined to a local, state, or federal correctional institution, as well as work release or educational release facilities.
- (33) Joint Enrollment: An arrangement between a high school and a postsecondary institution wherein a student enrolls in postsecondary classes while attending high school, but for which the student will receive credit from only one of the two institutions.
- (34) Junior: A student who has attempted at least forty-eight (48) semester hours, but less than seventy-two (72) semester hours.
- (35) Matriculated Status: The student is a recognized candidate for an appropriate degree, diploma, or certificate at an eligible postsecondary educational institution.
- (36) Non-Traditional student: A student who is at least twenty-five (25) years of age as of the first day of class upon enrolling in an eligible postsecondary institution as an entering freshman.
- (37) Parent: A parent or guardian.
- (38) Part-time Student: A student attending a postsecondary educational institution and enrolled for at least six (6) semester hours, but less than twelve (12) semester hours, during a semester of attendance.
- (39) Regional Accrediting Association: Approved accrediting agencies are as follows:
 - (a) The Southern Association of Colleges and Schools;
 - (b) The New England Association of Schools and Colleges;
 - (c) The Middle States Association of Colleges and Schools;
 - (d) The North Central Association of Colleges and Schools;
 - (e) The Northwestern Association of Schools and Colleges; and
 - (f) The Western Association of Schools and Colleges.
- (40) SAT: The SAT I administered by the College Board., exclusive of the essay and optional subject area battery tests.
- (41) Satisfactory Academic Progress: Progress in a course of study in accordance with the standards and practices used for Title IV programs by the postsecondary institution at which the student is currently enrolled.

- (42) Semester: Fall, spring, or summer semester at a postsecondary institution, if the institution is on a semester system, or the equivalent, if the institution is on a system other than a semester system.
- (43) 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, developmental or for credit toward a degree, but shall not include any semester hour attempted before graduating from high school or earning a GED.
- (44) Study Abroad Program: Programs of study for which college credit is earned that include travel outside the United States.
- (45) TELS (Tennessee Education Lottery Scholarship) Award: Any scholarship and/or grant provided for by these rules that a student is eligible to receive, excluding the Tennessee Dual Enrollment Grant.
- (46) Tennessee Dual Enrollment Grant: A grant for study at an eligible postsecondary institution that is funded from net proceeds of the state lottery and awarded to students who are attending high school and who are also enrolled in courses at eligible postsecondary institutions that count toward high school graduation requirements and hours or units of postsecondary credit.
- (47) Tennessee HOPE Access Grant: A grant to freshman students for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution that is one-half the amount of a Tennessee HOPE Scholarship and the need based supplemental award, which is funded from net proceeds of the state lottery.
- (48) Tennessee HOPE Foster Child Tuition Grant: A grant in addition to the Tennessee HOPE Scholarship to a foster child to only be used towards the costs of tuition, maintenance fees, student activity fees and required registration or matriculation fees at the eligible public postsecondary institution the student attends.
- (49) Tennessee HOPE Scholarship: A scholarship for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution that is funded from net proceeds of the state lottery.
- (50) Test Date: Date designated by the ACT, Inc., or the College Board for administration of the ACT or SAT at national test centers designated by the respective testing entities. This shall also include the administration of either test on other dates as approved by the respective testing entities to accommodate an individual student's documented disability or other hardship.
- (51) Title IV: Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C.A. § 1070, et seq.
- (52) Transient Student: A visiting student enrolled in another institution who is granted temporary admission for the purpose of completing work to transfer back to the home institution and who expects to return to the institution in which he or she was previously enrolled.
- (53) Undergraduate Student: A student attending an eligible postsecondary institution and enrolled in a program leading to a diploma/certificate, an associate degree, or a bachelor's degree.
- (54) Unweighted Grade Point Average: Grade point average on a 4.0 scale calculated without additional points awarded for advanced placement, honors, or other similar courses.

- (55) Weighted Grade Point Average: Grade point average on a 4.0 scale calculated with additional quality points added to the unweighted grade point average for advanced placement, honors, and dual enrollment courses as those courses are defined by the high school. The corporation shall calculate the weighted grade point average by adding 0.5 quality point to the grade of any honors or dual-enrollment course and by adding 1.0 quality point to the grade of any advanced placement, international baccalaureate or advance honors course.
- (56) Wilder-Naifeh Technical Skills Grant: A grant for study in pursuit of a certificate or diploma at a Tennessee Technology Center operated by the Tennessee Board of Regents that is funded from net proceeds of the state lottery.

Authority: T.C.A. §§ 49-4-902, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.02 Scholarship Award Amounts and Classifications

- (1) The Tennessee Education Lottery Scholarship program is intended to provide financial awards to offset costs associated with pursuing postsecondary education.
- (2) Award levels for a full-time student in the 2005-2006 academic year are as follows:
 - (a) Tennessee HOPE Scholarship:
 - 1. One thousand six hundred fifty dollars (\$1,650) per semester, maximum three thousand three hundred dollars (\$3,300) at four year institutions; and
 - 2. Eight hundred twenty-five dollars (\$825) per semester, maximum one thousand six hundred fifty dollars (\$1,650) at two year institutions.
 - (b) Tennessee ASPIRE Award:
 - 1. Seven hundred fifty dollars (\$750) supplement to base award per semester, maximum one thousand five hundred dollars (\$1,500).
 - (c) General Assembly Merit Scholarship:
 - 1. Five hundred dollars (\$500) supplement to base award per semester, maximum one thousand dollars (\$1,000).
 - (d) Tennessee HOPE Access Grant (one half each of the Tennessee HOPE scholarship and ASPIRE award):
 - 1. One thousand two hundred dollars (\$1,200) per semester, maximum two thousand four hundred dollars (\$2,400) at four year institutions; and
 - 2. Seven hundred eighty-eight dollars (\$788) per semester, maximum one thousand five hundred seventy-five dollars (\$1,575) at two year institutions.
 - (e) Wilder-Naifeh Technical Skills Grant:
 - 1. One thousand three hundred dollars (\$1,300) maximum at Tennessee Technology Centers.
 - (f) Tennessee Dual Enrollment Grant:

1. One hundred dollars (\$100) per semester hour (or equivalent contact hours at technology centers) for a maximum award of three hundred dollars (\$300) per semester and six hundred dollars \$600 per academic year.
- (3) Award amounts for subsequent years shall be determined in accordance with §4-51-111 and shall be set in the general appropriations act.
- (4) Recipients of any TELS award as provided by these rules may enroll as a full-time or part-time student at any eligible postsecondary institution. The amount of the award for part-time students shall be based on the hours attempted. Students enrolled in six, seven or eight hours will receive half of the award of full-time students. Students enrolled in nine, ten or eleven hours will receive three quarters of the award of a full-time student.
- (5) Except for approved medical or personal leaves of absence as provided in Rule 1640-1-19-.20 or emergency military duty as provided in Rule 1640-1-19-.21, award recipients must be continuously enrolled in an eligible postsecondary institution.
- (6) In the event that net lottery proceeds are insufficient to fully fund the TELS award program, the Corporation shall determine the appropriate manner in which the various awards shall be reduced.
- (7) Receipt of student financial aid from sources other than TELS that are applied to educational expenses will not operate to reduce the student's TELS award as long as the student's total aid does not exceed the total cost of attendance. In the event that a student's total aid exceeds the cost of attendance, the eligible postsecondary institution shall, to the extent it does not violate applicable federal regulations, use its institutional policy in reducing the student's total aid package.
- (8) The receipt of a Tennessee HOPE scholarship, Tennessee HOPE Access grant, Tennessee ASPIRE award, Tennessee HOPE Foster Child Grant, General Assembly Merit Scholarship or Tennessee Dual Enrollment grant is contingent upon admission to an eligible postsecondary institution. Academically qualifying for any of these awards program does not guarantee admission to an eligible postsecondary institution.

Authority: T.C.A. §§ 49-4-903, 49-4-912, 49-4-914, 49-4-915, 49-4-916, 49-4-919, 49-4-920, 49-4-921, 49-4-922, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.03 Application Process

- (1) The FAFSA shall be the application for all first year TELS awards and the FAFSA, or Renewal FAFSA, shall be the means by which eligible students reapply for TELS awards after their initial year of eligibility. The FAFSA must be submitted by mail or electronically as directed in the FAFSA instructions. Regardless of the adjusted gross income attributable to the student, he or she is required to complete the FAFSA for each academic year in order to apply for and receive a TELS award.
- (2) Students must have a FAFSA received by the U.S. Department of Education on or before September 1 for fall enrollment and February 1 for spring and summer enrollment in determining awards for that academic year. Students enrolling in a Tennessee Technology Center shall have a FAFSA received by the U. S. Department of Education on or before July 1 for the summer trimester, November 1 for the fall trimester and March 1 for the spring trimester. It shall be the responsibility of the student to ensure that the FAFSA is timely submitted to ensure it is received by the above deadlines.
- (3) Students shall apply for the Tennessee Dual Enrollment during their junior and senior years prior to high school graduation by submitting the Dual Enrollment Grant Fee Waiver

Application to the postsecondary institution to which the student is seeking admission. The student must renew the Dual Enrollment Grant application each postsecondary academic term.

- (a) The application deadline shall be set by the high school and postsecondary institution participating in the Dual Enrollment Grant program, but shall be no later than the eligible postsecondary institution's census date for that semester.

Authority: T.C.A. § 49-4-924 and Public Chapter 481, Acts of 2005.

1640-1-19-.04 General Eligibility

- (1) To be eligible for a TELS award a student shall:
 - (a) Be a Tennessee resident, as defined by Chapter 0240-2-2, Classifying Students In-State and Out-of-State, as promulgated by the Board of Regents, for one year as of September 1 of the academic year of enrollment in an eligible postsecondary institution; students enrolling in a Tennessee Technology Center must be a Tennessee resident one year prior to date of term enrollment;
 - (b) Make application for a TELS award by submitting the FAFSA or Renewal FAFSA as required by Rule 1640-1-19-.03;
 - (c) Be admitted to an eligible postsecondary institution;
 - (d) Comply with United States Selective Service System requirements for registration, if such requirements are applicable to the student;
 - (e) Be in compliance with federal drug-free rules and laws for receiving financial assistance;
 - (f) Meet each qualification relating to the relevant TELS award and applicable to the student;
 - (g) Not be in default on a federal Title IV educational loan or Tennessee educational loan;
 - (h) Not owe a refund on a federal Title IV student financial aid program or a Tennessee student financial aid program; and
 - (i) Not be incarcerated.

Authority: T.C.A. §§ 49-4-904, 49-4-905, and 49-4-924.

1640-1-19-.05 Eligibility – Tennessee Hope Scholarship

- (1) In addition to the general eligibility requirements of Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE scholarship as an entering freshman, students graduating from an eligible high school, graduating from another high school located in Tennessee, completing of a Tennessee home school program, obtaining a GED, or choosing to seek enrollment in a postsecondary institution in lieu of completing high school requirements after December 1, 2004, shall, no later than 16 months following completion of the respective high school requirements be required to:

- (a) Apply for a Tennessee HOPE scholarship as provided by Rule 1640-1-19-.03 and enroll in an eligible postsecondary institution; and
 - 1. Achieve a final overall unweighted high school grade point average of at least 3.0; or
 - 2. Attain a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a postsecondary institution; or
 - 3. Pass the GED tests with an average score of at least 525, and attain a composite ACT score of at least 21 on any single ACT test date, or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a post secondary institution.
- (2) In addition to the general eligibility requirements of Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE scholarship as an entering freshman, students graduating from an eligible high school after December 1, 2003, but prior to December 1, 2004, must also meet the applicable additional requirements outlined below:
 - (a) Apply for a Tennessee HOPE scholarship as provided in Rule 1640-1-19-.03 and enroll in an eligible postsecondary institution; and
 - 1. Achieve a final overall unweighted high school grade point average of at least 3.0; or-
 - 2. Attain a composite ACT score of at least 19 on any single ACT test date, or a combined SAT score of at least 890 on any single SAT test date taken prior to enrolling in a post secondary institution.
- (3) In addition to the general eligibility requirements of Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE scholarship as an entering freshman, students completing a Tennessee home school program, obtaining a GED, graduating from a Tennessee high school that is not an eligible high school or choosing to seek enrollment in a postsecondary institution in lieu of completing high school requirements after December 1, 2003, but prior to December 1, 2004, shall, no later than 16 months following the completion of the home school program, graduation, or the last class taken toward high school requirements shall be required to:
 - (a) Apply for a Tennessee HOPE scholarship as provided in Rule 1640-1-19-.03 and enroll in an eligible postsecondary institution; and
 - 1. Attain a composite ACT score of at least 21 on any single ACT test date, or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a post secondary institution, if such student completed high school in a Tennessee home school program or graduated from a high school located in Tennessee that is not an eligible high school; or
 - 2. Pass the GED tests with an average score of at least 525, and attain a composite ACT score of at least 19 on any single ACT test date, or a combined SAT score of at least 890 on any single SAT test date taken prior to enrolling in a post secondary institution.
- (4) In addition to the general eligibility requirements of Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE scholarship, students completing high school requirements after January 1, 2003, but prior to December 1, 2003, must also meet the applicable additional requirements outlined below:

- (a) Students graduating from an eligible high school shall, no later than the fall semester immediately following graduation, be required to:
 - 1. Apply for a Tennessee HOPE scholarship as provided by Rule 1640-1-19-.03 and enroll in an eligible postsecondary institution; and
 - (i) Achieve a final overall unweighted high school grade point average of at least 3.0; or
 - (ii) Attain a composite ACT score of at least 19 on any single ACT test date or a combined SAT score of at least 890 on any single SAT test date taken prior to enrolling in a postsecondary institution.
- (b) Students completing high school in a Tennessee home school program, ~~or~~ graduating from a high school located in Tennessee that is not an eligible high school, or choosing to seek enrollment in a postsecondary institution in lieu of completing high school requirements shall, no later than the fall semester immediately following graduation, completion of the home school program, or the last class taken toward high school requirements shall be required to:
 - 1. Apply for a Tennessee HOPE scholarship as provided by Rule 1640-1-19-.03 and enroll in an eligible postsecondary institution; and
 - (i) Attain a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a postsecondary institution.
- (c) Student obtaining a GED shall pass the GED tests with an average score of at least 525 and shall, no later than the fall semester immediately following obtaining a GED, be required to :
 - 1. Apply for a Tennessee HOPE scholarship as provided by Rule 1640-1-19-.03 and enrolling in an eligible postsecondary institution; and
 - (i) Attain a composite ACT score of at least 19 on any single ACT test date or a combined SAT score of at least 890 on any single SAT test date taken prior to enrolling in a postsecondary institution.
- (d) All students meeting the requirements of subparagraph (4)(a), (b), or (c) of this rule, shall also meet each of the following criteria:
 - 1. Attend an eligible postsecondary institution or a postsecondary institution located outside of Tennessee that is accredited by a regional accrediting association during the 2003-2004 academic year without a Tennessee HOPE scholarship and complete at least twenty-four (24) semester hours at such institution with a cumulative grade point average of 2.75; and
 - 2. Maintain satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the postsecondary institution in which the student enrolled.
- (5) Students entering active duty in the United States Armed Services within two years after graduating from an eligible high school, graduating from a high school located in Tennessee that is not an eligible high school, completing high school in a Tennessee home school

program or obtaining a GED, and otherwise meets the criteria outlined in this rule may apply for a TELS award if the student:

- (a) Applies within seven years of the student's date of entry into military service, or within one year of the student's honorable discharge from military service, whichever comes first; and
 - (b) After graduation from high school, did not attend a postsecondary institution prior to entering military service.
- (6) Students who are a Tennessee citizen and a dependent child of a member of the U. S. armed forces or the Tennessee National Guard whose home of record is Tennessee and who is engaged in active military service, or Department of Defense employee shall be eligible for a Tennessee Hope Scholarship as an entering freshman, if such students meet all eligibility requirements except that the students;
- (a) Did not reside in Tennessee for one (1) year immediately preceding the date of application for the Tennessee HOPE scholarship; and
 - (b) Are a natural, adoptive, or stepchild, under 21, and claimed as a dependent on the federal income tax return of military parent; and
 - (c) Did not graduate from an eligible high school as defined in 1640-1-19-.01(17), an ineligible high school, home school, or obtain a GED; and
 - (d) Graduated from a high school located outside Tennessee. Such high school shall be considered eligible if the school was;
 - 1. Operated by the United States; or
 - 2. Accredited by the appropriate regional accrediting association for the state in which the school is located; or
 - 3. Accredited by an accrediting association recognized by the foreign nation in which the school is located.
- (7) Beginning with the Fall 2005 semester a non-traditional student who is an entering freshman, as those terms are defined in these rules, may become eligible for a Tennessee HOPE scholarship. In addition to the general eligibility requirements of Rule 1640-1-19-.04, the non-traditional student must have an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000) and attend an eligible postsecondary institution as a full- or part-time student, as those terms are defined in these rules, and attempt at least twenty-four (24) semester hours. If the student achieves a 2.75 grade point average at the end of the semester in which twenty-four (24) hours are attempted, the student shall be eligible for a Tennessee HOPE scholarship in subsequent semesters if the following additional requirements are met:
- (a) Applies for the Tennessee HOPE scholarship as provided in Rule 1649-1-19-.03;
 - (b) Has an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000);
 - (c) Is continuously enrolled in an eligible postsecondary institution as a full- or part-time student, as those terms are defined in these rules;
 - (d) Meets the applicable retention requirements of Rule 1640-1-19-.12; and

- (e) Maintains satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs at the postsecondary institution attended.
- (8) A non-traditional student who does not meet the grade point average requirement of paragraph (7) of this rule, shall be eligible for a Tennessee HOPE scholarship if the student achieves a cumulative grade point average of at least 3.0 at the end of any semester in which eligibility is reviewed under Rule 1640-1-19-.12, provided the student continues to meet the provisions of paragraph (7)(a), (b), (c), and (e) of this rule.
- (9) A non-traditional student shall not be eligible for either the ASPIRE award or the General Assembly Merit Scholarship award.

Authority: T.C.A. §§ 49-4-905, 49-4-907, 49-4-908, 49-4-909, 49-4-910, 49-4-918, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.06 Eligibility – Tennessee ASPIRE award

Except as provided in 1640-1-19-.05(9), any student eligible for the Tennessee HOPE scholarship with an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000) will receive ASPIRE award in addition to the base award. The adjusted gross income attributable to the student shall be reviewed each academic year to determine continuing eligibility for the ASPIRE award. Notwithstanding the provisions of Rule 1640-1-19-.12 to the contrary, a student otherwise eligible for the Tennessee HOPE scholarship and meeting the requirements of this rule shall receive the ASPIRE award regardless of the student's eligibility for this grant in any prior year. A student eligible for both the ASPIRE award and the General Assembly Merit Scholarship shall be awarded the ASPIRE award, but shall not simultaneously receive both awards.

Authority: T.C.A. §§ 49-4-915, 49-4-917, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.07 Eligibility – General Assembly Merit Scholarship

- (1) Any student eligible for the Tennessee HOPE scholarship and enrolled in a program leading to an associate or baccalaureate degree will also receive a General Assembly Merit Scholarship if the following criteria are met:
 - (a) Students graduating from an eligible high school after December 1, 2003, shall:
 - 1. Apply for the General Assembly Merit scholarship as provided in Rule 1640-1-19-.03;
 - 2. Attain a composite ACT score of at least 29 on any single ACT test date or a combined SAT score of at least 1280 on any single SAT test date taken prior to enrolling in a postsecondary institution; and
 - 3. Achieve a final overall weighted high school grade point average of at least 3.75;
 - (b) Students completing high school in a Tennessee home school program after December 1, 2003, or graduating from a high school located in Tennessee that is not an eligible high school after December 1, 2003, shall:

1. Attain a composite ACT score of at least 29 on any single ACT test date or a combined SAT score of at least 1280 on any single SAT test date taken prior to enrolling in a postsecondary institution;
 2. During the course of a home school program or while attending high school, enroll in at least four (4) courses totaling at least twelve (12) semester hours at an eligible postsecondary institution. Such courses shall meet or be equivalent to courses meeting the minimum degree requirements of the Board of Regents, other than the minimum degree requirements pertaining to physical education; and
 3. Achieve a cumulative grade point average of at least 3.0 for all courses attempted at any eligible postsecondary institution during the course of a home school program or while attending high school.
- (c) Students graduating from an eligible high school after January 1, 2003, but prior to December 1, 2003, and seeking an associate or baccalaureate degree shall have:
1. Achieved a final overall unweighted high school grade point average of at least 3.75; and
 2. Attained a composite ACT score of at least 29 on any single ACT test date or a combined SAT score of at least 1280 on any single SAT test date;
 3. Enrolled in either an eligible postsecondary institution or a postsecondary institution located outside of Tennessee that is accredited by a regional accrediting association during the 2003-2004 academic year and attempt at least twenty-four (24) semester hours at such institution with a cumulative grade point average of 2.75;
 4. Maintained satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the eligible postsecondary institution in which the student enrolled; and
- (2) Students eligible for both the ASPIRE award and the General Assembly Merit Scholarship shall be awarded the ASPIRE award, but shall not simultaneously be awarded both.
- (3) Failure to retain the General Assembly Merit Scholarship for any reason shall result in the permanent loss of the award. Additionally, if a student loses the General Assembly Merit Scholarship for any reason other than failure to maintain the required cumulative grade point average, then the student shall not be able to regain either the Tennessee HOPE scholarship or the General Assembly Merit Scholarship.

Authority: T.C.A. §§ 49-4-916, 49-4-917, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-10-.08 Eligibility – Tennessee Hope Access Grant

- (1) In addition to the general eligibility requirements in Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE access grant a student shall:
 - (a) Have an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000);
 - (b) Apply for a Tennessee HOPE access grant as provided in Rule 1640-1-19-.03;

- (c) Graduate from an eligible high school after December 1, 2003, upon having completed curriculum requirements of the high school for graduation;
- (d) Achieve a final overall unweighted high school grade point average of at least 2.75; and
- (e) Attain a composite ACT score of at least 18 on any single ACT test date or a combined SAT score of at least 860 on any single SAT test date taken prior to enrolling in a postsecondary institution.

Authority: §§ 49-4-920 and 49-4-924.

1640-1-19-09 Eligibility – Tennessee HOPE Foster Child Grant

- (1) In addition to the general eligibility requirements in Rule 1640-1-19.04 and the applicable requirements of Rule 1640-1-19.05(1), to be eligible for a Tennessee HOPE Foster Child Grant, a student shall present the Corporation with official certification from the Department of Children’s Services that the student meets the eligibility requirement for the tuition grant.
- (2) The Tennessee HOPE foster child tuition grant shall be awarded in addition to any other TELS award that a student is eligible to receive. The Tennessee HOPE foster child tuition grant shall be applied only toward the costs of tuition, maintenance fees, student activity fees and required registration or matriculation fees at the eligible public postsecondary institution the student attends.
- (3) Any student eligible for the Tennessee HOPE foster child tuition grant shall apply for all available financial aid, including, but not limited to, the Tennessee HOPE scholarship or Tennessee HOPE access grant, if eligible, and funds provided through the Federal Foster Care Independence Act of 1999, if applicable. Any of the additional sources of financial aid for which the student is eligible shall first be applied to the student’s room and board, which shall not exceed the maximum cost of room and board provided through the facilities of the eligible public postsecondary institution that the student is attending, then to additional items making up the institution’s cost of attendance not covered by the Tennessee HOPE foster child tuition grant.
- (4) Subject to meeting retention standards provided by these rules for a TELS award, the student shall be eligible for the Tennessee HOPE foster child tuition grant:
 - (a) For a period of no more than four (4) years after the date of graduation from high school or equivalent; and
 - (b) For a period of six (6) years after admittance to an eligible public postsecondary institution, if, except as provided by Rule 1640-1-19-.20 or 1640-1-19-.21, the student maintains satisfactory progress in a course of study in accordance with the standards and practices used for Title IV programs by the postsecondary institution in which the student is currently enrolled.
- (5) Nothing in these rules shall be construed to limit the participation of a youth in or formerly in the custody of the state in any other program of financial assistance for postsecondary education.

Authority: Public Chapter 481, Acts of 2005.

1640-1-19-.10 Eligibility – Wilder-Naifeh Technical Skills Grant

- (1) In addition to the general eligibility requirements in Rule 1640-1-19-.04, to be eligible for a Wilder-Naifeh technical skills grant a student seeking a diploma or certificate at a Tennessee Technology Center operated by the Board of Regents shall:
 - (a) Be admitted to the institution in a program of study leading to a certificate or diploma; and
 - (b) Have not, at any time, been the recipient of a Tennessee HOPE scholarship or completed a certificate or diploma with a Wilder-Naifeh Technical Skills Grant.
- (2) No minimum number of hours of enrollment is required for eligibility for a Wilder-Naifeh technical skills grant.
- (3) An eligible student may receive a Wilder-Naifeh technical skills grant for all course work required by the institution for a program of study leading to a certificate or diploma. Wilder-Naifeh technical skills grants may not be used for continuing education courses.

Authority: T.C.A. §§ 49-4-921 and 49-4-924.

1640-1-19-.11 Eligibility – Tennessee Dual Enrollment Grant

- (1) In addition to the general eligibility requirements of Rule 1640-1-19-.04, to be eligible for a Tennessee Dual Enrollment grant a student shall be enrolled in a Tennessee high school or home school program, admitted to, and concurrently enrolled in, an eligible postsecondary institution and make application to the eligible postsecondary institution on the application form developed by the Corporation.
- (2) The student must have completed all of the academic requirements of the 10th grade (high school sophomore) and be classified as an 11th grader (high school junior) or 12th grader (high school senior) by the student's high school or home school program.
- (3) The student must not have already received a high school diploma or General Education Development (GED) diploma.
- (4) A student's participation in the Tennessee Dual Enrollment Grant program is limited to the remaining amount of time normally required to complete the high school diploma, from the time of initial participation in the program. The grant is available for the regular Fall and Spring semesters, and for Summer semesters prior to graduation from high school for those students who did not exceed the maximum award during the regular school year.

Authority: Public Chapter 481, Acts of 2005.

1640-1-19-.12 Retention of Awards – General Requirements

- (1) To retain a TELS award authorized by this chapter, a student at an eligible postsecondary institution shall continue to meet all applicable requirements for the scholarship and shall reapply by completing the FAFSA or Renewal FAFSA pursuant to Rule 1640-1-19-.03 for the applicable award for each academic year.
- (2) Eligibility shall also be reviewed at the end of the semester in which the student has attempted a total of twenty-four (24), forty-eight (48), seventy-two (72), or ninety-six (96) semester

hours. At the end of the semester in which the student has attempted a total of twenty-four (24) semester hours, the student shall have achieved a cumulative grade point average of at least 2.75 to continue to receive the TELS award. At the end of the semester in which the student has attempted a total of forty-eight (48), seventy-two (72), or ninety-six (96) semester hours, the student shall achieve a cumulative grade point average of at least 3.0 to continue to receive the TELS award.

- (3) Except as provided in paragraph (4) of this rule and Rules 1640-1-19-.20 and 1640-1-19-.21 which outline appropriate justification for medical and personal leaves of absence, a student may receive a Tennessee HOPE scholarship until the first of the following events:
 - (a) The student has earned a baccalaureate degree;
 - (b) The student has attempted at any postsecondary institution a total of one hundred twenty (120) semester hours;
 - (c) Five years have passed from the date of the student's initial enrollment at any postsecondary institution.
- (4) The attempted credit hour limitation includes remedial and developmental studies and all regular college credit courses attempted after high school graduation. If a student enters the semester with less than one hundred twenty (120) semester hours attempted and will surpass the one hundred twenty (120) semester hours limit, he or she is eligible for payment for the full number of hours enrolled for that semester. If the student is enrolled in a specific undergraduate degree program that is designed to be more than one hundred twenty (120) semester hours in length, the student is eligible for a total of one hundred thirty-six (136) semester hours attempted, or the number of hours required for graduation, whichever is less. The student shall achieve a cumulative grade point average of 3.0 at the end of the semester in which the student has attempted one hundred twenty (120) semester hours to continue to receive the scholarship. The student is eligible for payment for the full number of hours enrolled in the final semester. Regardless of the number of hours attempted, once the student has earned a bachelor's degree, he or she is ineligible for additional TELS awards.
- (5) A student who meets all other requirements for fourth or fifth year eligibility except that he or she is classified at the professional level rather than as an undergraduate, and has not been awarded a baccalaureate degree, is eligible if he or she was accepted into the professional level program of study that is an extension of the student's bachelor's degree program. Such student is eligible for a total of one hundred thirty-six (136) semester hours, or the number of hours required for the degree, whichever is less.
- (6) If a student ceases to be eligible for any TELS award, except the General Assembly Merit Scholarship, due to failure to achieve the cumulative grade point average required at the end of the semester in which the student has attempted twenty-four (24), forty-eight (48), seventy-two (72), ninety-six (96), or one hundred twenty (120) semester hours, the student may regain the applicable award or awards by:
 - (a) Continuing to meet all applicable non-academic requirements for the applicable award or awards,
 - (b) Maintaining continuous enrollment at an eligible postsecondary institution without the applicable award or awards,
 - (c) Achieving a cumulative grade point average of at least 3.0 at the end of any semester in which eligibility would have been reviewed, had the student not lost the award or awards,

- (d) Reapplying for the scholarship as provided in Rule 1640-1-19-.03.
- (7) The provisions of paragraph (6) of this rule shall also apply to any student who:
 - (a) Completed high school requirements after December 1, 2003, who, for whatever reason, did not receive a TELS award, notwithstanding the fact that the student met the applicable initial eligibility requirements of Rule 1640-1-19-.05(1), (2) or (3); or
 - (b) Completed high school requirements after January 1, 2003 and prior to December 1, 2003, who completed at least twenty-four (24) semester hours during the 2003-2004 academic year with a cumulative grade point average under 2.75, but met all other applicable initial eligibility requirements of Rule 1640-1-19-.05(4), and is otherwise eligible for the award.
- (8) No retroactive awards shall be made for semester hours attempted in order to regain the scholarship.
- (9) A student can utilize the option outlined in paragraph (6) of this rule only one time. A student who, after regaining the award or awards pursuant to paragraph (6) of this rule, subsequently fails to retain any TELS award due to failure to achieve the cumulative grade point average at a regular credit hour checkpoint shall not be eligible to regain the TELS award or become eligible for another TELS award.
- (10) Except as provided by Rule 1640-1-19-.20 or 1640-1-19-.21, a student receiving a TELS award provided by this chapter shall maintain continuous enrollment at an eligible postsecondary institution and maintain satisfactory progress in a course of study in accordance with the standards and practices used for Title IV programs by the postsecondary institution in which the student is currently enrolled.

Authority: T.C.A. §§ 49-4-909, 49-4-911, 49-4-912, 49-4-913, 49-4-920, 49-4-921, 49-9-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.13 Retention of Awards – Tennessee Hope Access Grant

- (1) In addition to the general requirements for retention of award in Rule 1640-1-19-.12:
 - (a) A Tennessee HOPE access grant shall be awarded to an eligible student only until the end of the semester in which the student has attempted a total of twenty-four (24) semester hours. A student who is eligible for a Tennessee HOPE scholarship shall be ineligible for a Tennessee HOPE access grant.
 - (b) If a student receiving a Tennessee HOPE access grant has achieved a cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted twenty-four (24) semester hours, the student shall be eligible for a Tennessee HOPE scholarship. The student will also receive the ASPIRE award referenced in Rule 1640-1-19-.06, if the adjusted gross income attributable to the student at the time of review does not exceed thirty-six thousand dollars (\$36,000).
 - (c) If a student ceases to be eligible due to failure to achieve the cumulative grade point average required at the end of the semester in which the student has attempted twenty-four (24) semester hours, the student may be eligible to regain the HOPE Scholarship by following the procedure outlined in Rule 1640-1-19-.12(6).
 - (d) A student may receive a Tennessee HOPE scholarship after having received a Tennessee HOPE access grant until the first of the following events:

1. The student has earned a baccalaureate degree;
2. The student has attempted at any postsecondary institution a total of one hundred twenty (120) semester hours, or if the student is enrolled in an undergraduate degree program required to be more than one hundred twenty (120) semester hours in length, that student is eligible for a total of one hundred thirty-six (136) semester hours attempted, or the number of hours required for graduation, whichever is less; or
3. Five years from the date of the student's initial enrollment at any postsecondary institution have passed.

Authority: T.C.A. §§ 49-4-920, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.14 Retention of Awards – Tennessee Dual Enrollment Grant

- (1) To be eligible for a dual enrollment grant for a semester beyond the first semester of receipt, the student shall continue to meet all eligibility requirements for the grant and shall achieve a cumulative grade point average of 2.75 for all postsecondary courses attempted under a dual enrollment grant.
- (2) The dual enrollment cumulative grade point average used to determine eligibility for a renewal of a dual enrollment grant must be calculated by the institution the student is attending, utilizing its institutional grading policy and must be based on all dual enrollment credit hours attempted, except as otherwise provided in this rule.
- (3) Remedial and developmental studies, distance education courses and independent studies courses are eligible for payment with a Tennessee dual enrollment grant and shall be included in the calculation of the postsecondary cumulative grade point average.
- (4) Courses in which a student enrolls as an audit student for which no college credit will be received cannot be paid with a dual enrollment grant.
- (5) Students who obtain a grade change shall notify the financial aid office within thirty (30) calendar days of the grade change and request reinstatement of his/her award on a form developed by the institution for this purpose. If the grade change makes the student eligible for a dual enrollment grant, the student can be awarded retroactively in the current award year. If the grade change affects the student's eligibility from the previous award year, the award may be adjusted in the current award year.
- (6) A student enrolled in a matriculating status at an eligible postsecondary institution shall qualify for award payment for distance learning courses if all other eligibility requirements are met.
- (7) The grant will pay only for lower division (courses numbered 100-200 or 1000-2000) postsecondary credit for general education courses and courses in the disciplines. The grant will not pay for upper division courses (numbered 300-400 or 3000-4000).

Authority: Public Chapter 481, Acts of 2005.

1640-1-19-.15 Tennessee Education Lottery Scholarship Award Process

- (1) On or before June 15 of each year, all Tennessee high schools and home school programs shall utilize available services provided by the corporation or other partnering agencies to submit the name, social security number, grade point averages, and highest composite

ACT/SAT scores for academically eligible students, cumulative at least through the seventh semester.

- (2) On or before September 1 of each year, all Tennessee high schools shall revise and submit to the Corporation the information required of each in the paragraph 1 of this rule, cumulative through the eighth semester.
- (3) Eligible postsecondary institutions that enroll students receiving scholarships or grants shall assist in providing and certifying student information necessary for administering, receiving, and evaluating such programs.

Authority: T.C.A. §§ 49-4-903 and 49-4-924.

1640-1-19-.16 Continuation of Tennessee Education Lottery Scholarship Award

- (1) All students receiving a TELS award shall reapply for the award by filing a FAFSA or Renewal FAFSA as provided in Rule 1640-1-19-.03 for each subsequent year.
- (2) During the certification process, all eligible postsecondary institutions shall certify the number of credit hours attempted and the cumulative grade point average of all students receiving a TELS award at the end of the semester at which the student has attempted twenty-four (24), forty-eight (48), seventy-two (72), ninety-six (96), or one hundred twenty (120) semester hours.

Authority: §§ 49-4-903, 49-4-911, and 49-4-924.

1640-1-19-.17 Award Made in Error

If a student receives a TELS award and it is later determined that all or a portion of the award was made in error, the student shall be required to reimburse the eligible postsecondary institution for the amount of the award made in error. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be refunded. Additionally, the eligible postsecondary institution shall notify the Corporation of the charge back, 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 will be ineligible for student aid from the Corporation until the refund is paid.

Authority: T.C.A. § 49-4-924.

1640-1-19-.18 Refund Policy

If a recipient of a TELS award or a Tennessee dual enrollment grant 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/or funds returned to the Corporation. 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 the Corporation. Additionally, the eligible postsecondary institution shall notify the Corporation of the charge back, 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 the Corporation until the refund is paid.

Authority: T.C.A. § 49-4-924

1640-1-19-.19 Converting from Full-time to Part-time Enrollment

- (1) Students enrolled in a full-time status, as of institutionally defined census date, may not convert to part-time status within the same semester and receive a scholarship award for the succeeding semesters unless the student requests and the institution approves the change to part-time status.
- (2) An institution may allow a change from full-time to part-time status within the same semester only when there are documented medical or personal grounds. Such medical or personal grounds shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship of the student or student's immediate family, or other extraordinary circumstances beyond the student's control where continued full-time attendance by the student creates a substantial hardship.
- (3) Each eligible postsecondary institution shall adopt procedures for considering student requests for change from full-time to part-time status within the semester. In the event an institution denies a student's request to change from full-time status to part-time status within a semester, the student may appeal the decision pursuant to Rule 1640-1-19-.26.
- (4) In the event that the decision to deny the change of status is upheld through the appeals process, the student shall be ineligible to regain the TELS award or become eligible for another TELS award.
- (5) In the event the change to part-time status is approved, the eligible postsecondary institution shall apply its refund policy to determine whether a refund may be required and/or funds returned to the Corporation. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be returned to the Corporation. Additionally, the eligible postsecondary institution shall notify the Corporation of the charge back, which shall be noted on the student's record.
- (6) For the purposes of this rule, only courses that are included in the calculation of the grade point average pursuant to Rule 1640-1-19-.22 are to be considered in determining full-time status.

Authority: T.C.A. §§ 49-4-911, 49-4-912, and 49-4-924.

1640-1-19-.20 Personal or Medical Leave of Absence

- (1) A student may be granted medical or personal leaves of absence from attendance at an eligible postsecondary institution and resume receiving an award(s) upon resumption of the student's attendance at an eligible postsecondary institution so long as all other applicable eligibility criteria are met. Each eligible postsecondary institution shall adopt procedures for considering student requests for leaves of absence. An eligible postsecondary institution may grant leaves of absence only for medical or personal reasons. In addition to the reasons outlined in Rule 1640-1-.18, allowable medical or personal reasons shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship of the student or student's immediate family, to fulfill a religious commitment expected of all students of that faith, or other extraordinary circumstances beyond the student's control where continued attendance by the student creates a substantial hardship. Acceptable reasons shall also include a student's participation in an internship or co-op program that is required or encouraged as part the academic program in which he/she is enrolled. 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 Rule 1640-1-19-.26.

- (2) A student granted a medical or personal leave of absence who resumes their education at an eligible postsecondary institution shall retain TELS award eligibility until the first of the following events:
 - (a) The student has earned a baccalaureate degree;
 - (b) The student has attempted at any postsecondary institution a total of one hundred twenty (120) semester hours, or if the student is enrolled in an undergraduate degree program required to be more than one hundred twenty (120) semester hours in length, that student is eligible for a total of one hundred thirty-six (136) semester hours attempted, or the number of hours required for graduation, whichever is less; or
 - (c) The sum of the number of calendar years the student attended a postsecondary institution prior to the leave of absence and the number of calendar years of attendance after the leave of absence equals five calendar years.

Authority: T.C.A. §§ 49-4-903, 49-4-919, and 49-4-924.

1640-1-19-.21 Military Mobilization of Eligible Students

- (1) Members of the United States Armed Services, National Guard, or Armed Forces Reserves receiving a TELS award who are mobilized for active duty during a semester that is already in progress shall be granted a personal leave of absence by the eligible postsecondary institution the student is attending and shall not have their TELS award eligibility negatively impacted.
- (2) If, as a result of being mobilized, a student elects to completely withdraw from an eligible postsecondary institution, then the hours attempted during the semester will not be taken into consideration for purposes of determining future TELS award eligibility.
- (3) If due to a military mobilization the student elects to receive an “incomplete” in any or all courses, the provisions of Rule 1640-1-19-.22(13) shall apply.
- (4) Upon re-enrollment within one year following mobilization, the student’s TELS award eligibility will resume as if no break in enrollment had occurred and shall retain TELS award eligibility until the first of the following events:
 - (a) The student has earned a baccalaureate degree;
 - (b) The student has attempted at any postsecondary institution a total of one hundred twenty (120) semester hours, or if the student is enrolled in an undergraduate degree program required to be more than one hundred twenty (120) semester hours in length, that student is eligible for a total of one hundred thirty-six (136) semester hours attempted, or the number of hours required for graduation, whichever is less; or
 - (c) The sum of the number of calendar years the student attended a postsecondary institution prior to the leave of absence and the number of calendar years of attendance after the leave of absence equals five calendar years.
- (5) An eligible postsecondary institution shall be authorized to consider a request for a leave of absence from a student whose spouse, child, father or mother is mobilized for active duty as a valid basis for a personal leave of absence. This request shall be made in accordance with the provisions of this rule. If the request is granted the student shall receive the same accommodations described above.

Authority: T.C.A. §§ 49-4-903, 49-4-919, and 49-4-924.

1640-1-19-.22 Calculation of Postsecondary Cumulative Grade Point Average

- (1) The postsecondary cumulative grade point average used to determine eligibility for a renewal of a TELS award, must be calculated by the institution the student is attending, utilizing its institutional grading policy and must be based on all credit hours attempted after high school graduation, except as otherwise provided in this rule.
- (2) All credit hours attempted at all postsecondary institutions the student has attended after graduating from high school and their corresponding grades must be included in the calculation of the postsecondary cumulative grade point average, regardless of whether the receiving institution will apply the credit hours toward the student's degree requirements. Except as provided in subparagraph (a) of this paragraph, credit hours that were repeated shall be included in the postsecondary cumulative grade point average calculation, and are counted towards the limitation on credit hours.
 - (a) A student shall have a one time option to repeat one course and utilize only the higher of the two grades in the calculation of their postsecondary grade point average for purposes of determining continued eligibility for a TELS award. The semester hours for both attempted courses, however, will be included in the one hundred twenty (120) limitation of semester hours.
 - (b) It shall be the responsibility of the student to advise the appropriate official of the eligible postsecondary institution when this option is being exercised.
- (3) Credit hours attempted prior to high school graduation, completion of a home school program in Tennessee or achieve a GED, including those attempted with the Tennessee dual enrollment grant, do not count toward the limitation on semester hours provided in Rule 1640-1-19-.12(3), nor are the grades for those classes included in the postsecondary cumulative grade point average.
- (4) Credit hours earned by examination are not eligible for payment with TELS awards and shall not be included in the postsecondary cumulative grade point average or counted towards the limitation on credit hours provided in Rule 1640-1-19-.12(3).
- (5) Credit hours attempted as part of a diploma or certificate program of study are not considered to be college credit hours and therefore shall not be included in the postsecondary cumulative grade point average or counted towards the limitation on credit hours provided in Rule 1640-1-19-.12(3), unless those hours are accepted toward a degree.
- (6) Remedial and developmental studies and independent studies courses are eligible for payment with TELS awards and shall be included in the calculation of the postsecondary cumulative grade point average and shall be counted towards the limitation on credit hours provided in Rule 1640-1-19-.12(3).
- (7) Courses in which a student enrolls as an audit student for which no college credit will be received cannot be paid with a TELS award nor will the semester hours be included in the calculation of the postsecondary cumulative grade point average or in the credit hour limitation provided in Rule 1640-1-19-.12(3).
- (8) Continuing education courses are not eligible for payment with TELS awards and shall not be included in the postsecondary cumulative grade point average or counted towards the limitation on semester hours provided in Rule 1640-1-19-.12(3).

- (9) Students who obtain a grade change shall notify the financial aid office within thirty (30) calendar days of the grade change and request reinstatement of his/her award on a form developed by the institution for this purpose. If the grade change makes the student eligible for a TELS award, the student can be awarded retroactively in the current award year. If the grade change affects the student's eligibility from the previous award year, the TELS award may be adjusted in the current award year. The eligible postsecondary institution shall make necessary reductions in the student's financial aid package if the reinstatement of a TELS award results in either an over award of need based aid or exceeds the institution's cost of attendance for any semester. If the student's application for reinstatement is denied, he/she may appeal the decision in accordance with Rule 1640-1-19-.26.
- (10) A student enrolled in a matriculating status at an eligible postsecondary institution shall qualify for TELS award payment for distance learning courses if all other eligibility requirements are met. Students may take courses through more than one eligible postsecondary institution during the same semester. Payment for the distance learning courses shall be made in the same manner as transient students as provided in Rule 1640-1-19-.24.
- (11) A student enrolled in a matriculating status at an eligible postsecondary institution may qualify for TELS award payment while participating in an internship or co-op program if the student receives college credit from the internship or co-op experience and must pay tuition and fees. The semester hours shall be included in the postsecondary cumulative grade point average and count toward the limitation on credit hours as provided in Rule 1640-1-19-.12(3).
- (12) A student enrolled in a matriculating status at an eligible postsecondary institution may qualify for TELS award payment while participating in an alternative study or study abroad program if all other eligibility requirements are met. The eligible postsecondary institution which is the student's home institution must approve the alternative study or study abroad program for credit toward the student's degree and the number of hours that will be applied toward the degree prior to the student's departure.
- (13) Courses that appear on a student's transcript as an "incomplete" shall be considered credit hours attempted. The student's TELS award eligibility, however, shall be determined by excluding the credit hours attributable to the course for which an "incomplete" has been assigned from the cumulative grade point average calculation.
 - (a) If the student fails to retain eligibility for a TELS award as a result of the calculation, but later becomes eligible when the grade for the "incomplete" course is reported, the student is eligible to receive a TELS award retroactively within the award year and shall retain eligibility. Retroactive TELS awards for previous award years shall be added to the current award year. The eligible postsecondary institution shall, however, make necessary reductions in the student's financial aid package if the reinstatement of a TELS award results in either an over award of need based aid or exceeds the institution's cost of attendance for any semester. It shall be the responsibility of the student to notify the financial aid office at the eligible postsecondary institution that a grade has been awarded and request that the TELS award be reinstated. Each eligible postsecondary institution shall develop a standard form for use by students to comply with this provision. If the student's application for reinstatement is denied, he/she may appeal the decision in accordance with Rule 1640-1-19-.26.
 - (b) If the student retains eligibility for a TELS award as a result of the calculation, but later becomes ineligible when the grade for the "incomplete" course is reported, then the student shall be ineligible for all TELS awards. Additionally, the student shall reimburse the institution for TELS awards received in the interim.

- (14) If the student is otherwise eligible to receive a TELS award, but does not receive TELS funding, or TELS funding is reduced because his or her cost of attendance is covered by other aid, all credit hours attempted that semester shall still apply to the credit hour limitation provided in Rule 1640-1-19-.12(3).

Authority: T.C.A. §§ 49-4-903, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.23 Transfer Students

- (1) A TELS recipient transferring from an eligible postsecondary institution to another is eligible for a TELS award if all eligibility requirements continue to be met at the postsecondary institution at which the student is currently enrolled.
- (2) Any student who was otherwise eligible for a TELS award upon completion of high school requirements based on the applicable provisions of these rules, but who enrolled in a regionally accredited out-of-state postsecondary institution upon completing high school requirements, may transfer to an eligible Tennessee postsecondary institution and receive a TELS award. The student must from that point be continuously enrolled in an eligible postsecondary institution and meet all eligibility and retention requirements, as provided in these rules.

Authority: T.C.A. §§ 49-4-910, 49-4-924, and Public Chapter 481, Acts of 2005.

1640-1-19-.24 Transient Students

A transient student is eligible to receive a TELS award if all other eligibility requirements are met and if both the home and host institutions are eligible postsecondary institutions. The home institution shall award the TELS funds to the transient student based on certification of eligibility from the host institution. The home institution shall certify to the Corporation that the student is eligible for a TELS award. Each eligible postsecondary institution shall develop a process to effectuate each provision of this rule and shall notify its students of the process and the availability of the necessary forms to comply with the requirements. At the end of the semester the host institution shall provide the student's home institution with all information necessary for the home institution to determine continued TELS award eligibility.

Authority: T.C.A. §§ 49-4-903 and 49-4-924.

1640-1-19-.25 Denial of Initial Eligibility – Failure to Timely Enroll

A student who fails to timely enroll in an eligible postsecondary institution as required by Rule 1640-1-19-.05 may be granted an exception if the student failed to meet the requirement for any reason provided for in this rule. An exception shall be granted only for medical or personal reasons. Acceptable medical or personal reasons shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship of the student or student's immediate family, to fulfill a religious commitment expected of all students of that faith, or other extraordinary circumstances beyond the student's control where timely enrollment by the student would create a substantial hardship. In the event a student's request for an exemption for failing to timely enroll is denied, the student may appeal the decision pursuant to Rule 1640-1-19-.26.

Authority: T.C.A. §§ 49-4-903 and 49-4-924.

- (1) Each eligible postsecondary institution shall establish an Institutional Review Panel (IRP) for the purposes of hearing appeals from decisions denying or revoking applicants' TELS award. Each eligible postsecondary institution shall establish written procedures for an applicant or recipient to appeal a decision of an eligible postsecondary institution to deny or revoke a TELS award. These procedures shall include, but not be limited to, the establishment and composition of the IRP and the process and timelines for appeals to the IRP. Each eligible postsecondary institution shall also establish a process to ensure students applying for or receiving a TELS award are notified of the procedures to appeal the denial or revocation of a TELS award including the timeframe within which an appeal must be filed with the TELS Award Appeals Panel. No eligible postsecondary institution official rendering a decision to deny or revoke a TELS award shall participate in the appeal process for the same applicant or recipient. The IRP may award or reinstate the student's TELS award without a hearing and shall make such determination no later than fourteen (14) calendar days after an applicant or recipient properly files an appeal. If the IRP determines that a hearing is required the IRP shall hear the appeal no later than fourteen (14) calendar days after an applicant or recipient properly files an appeal. Except where exigent circumstances exist, the IRP shall render a decision no later than seven calendar days after hearing an appeal. Such decision shall be reduced to writing and shall include a summary of the pertinent facts and issues and the panel's decision. The IRP shall provide a copy of the written decision to the appellant as soon as practicable. For the purposes of this rule, it will be presumed that the decision was delivered to the appellant two calendar days after the decision was placed in the U.S. Postal Service addressed to the appellant's official mailing address according to the eligible postsecondary institution's records.
- (2) The Appeals Panel shall be appointed by the Corporation's Executive Director for purpose of hearing appeals from decisions rendered by the IRPs. No official of an eligible postsecondary institution shall sit as a member of the Appeals Panel where the denial or revocation being appealed involves such official's eligible postsecondary institution. A student seeking an appeal of a decision rendered by an IRP shall request an appeal, to include a written statement outlining the basis for the appeal as well as all pertinent information related to the appeal, with the Corporation within fourteen (14) calendar days from the date that the decision was delivered to the student. A complete record of the institutional IRP hearing shall be provided to the Corporation by the student. The Appeals Panel may award or reinstate the student's TELS award without a hearing. This decision shall be made no later than 30 calendar days after an appeal is properly filed and the record from the IRP hearing is received. If the Appeals Panel determines that a hearing is required, it shall provide the appellant with notice of the hearing date, such notice shall include the time and location of the hearing. The Appeals Panel shall hear the appeal no later than forty-five (45) calendar days after the appeal is properly filed, unless an extension is requested by the appellant and granted by the Appeals Panel. Except where exigent circumstances exist, the Appeals Panel shall render a decision no later than fourteen (14) calendar days after hearing an appeal. Such decision shall be reduced to writing and shall include a summary of the pertinent facts and issues and the panel's decision. The Appeals Panel shall provide a copy of the written decision to the appellant and the appellant's home institution as soon as practicable. The Appeals Panel is the final administrative appeal.
- (3) The authority of the IRPs and the TELS Award Appeals Panel shall be strictly limited to consideration of appeals arising from eligibility determinations made by an eligible postsecondary institution or the Corporation. Neither appeals panel shall have the authority to rule on the validity of any information provided to the eligible postsecondary institution or Corporation by another entity on which its decision to deny or revoke a TELS award was based, including, but not limited to high school grade point average, ACT or SAT scores, or grades from another eligible postsecondary institution. Additionally, neither appeals panel

shall have the authority to consider requests for exceptions to the high school or collegiate grade point average.

Authority: T.C.A. § 49-4-924.

The proposed rules set out herein were properly filed in the Department of State on the 9th day of November, 2005, and pursuant to the instructions set out above, and in the absence of the filing of an appropriate petition calling for a rulemaking hearing, will become effective on the 30th day of March, 2006.