

CHAPTER 22. GRANT AND SCHOLARSHIP PROGRAMS

SUBCHAPTER K. PROVISIONS FOR SCHOLARSHIPS FOR STUDENTS GRADUATING IN THE
TOP 10 PERCENT OF THEIR HIGH SCHOOL CLASS

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22.196. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in HB 1, General Appropriations Act of the 80th Texas Legislature, Section 55, (III-58).

(b) Purpose. The purpose of this program is to encourage outstanding high school graduates who graduate within the top 10 percent of their high school graduating classes to attend a public college or university in Texas.

22.197. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Accredited High School – A high school that is accredited by the Texas Education Agency or recognized by the Texas Private School Accreditation Commission.
- (2) Board – The Texas Higher Education Coordinating Board.
- (3) Board Staff – The staff of the Texas Higher Education Coordinating Board.
- (4) Cost of attendance – A Board Staff-approved estimate of the expenses incurred by a typical student in attending a particular college. It includes direct educational costs (tuition, fees, books, and supplies) as well as indirect costs (room and board, transportation, and personal expenses).
- (5) Expected Family Contribution (EFC) – The amount of discretionary income that should be available to a student from his or her resources and that of his or her family, as determined following the federal methodology.

- (6) Financial need – For this program, financial need is the cost of attendance less the expected family contribution less the Pell Grant eligibility amount. The cost of attendance and family contribution are to be determined in accordance with Board guidelines.
- (7) Full-time enrollment – Enrollment of at least 12 semester credit hours.
- (8) Institution of Higher Education – Any public technical institute, public junior college, public senior college or university, medical or dental unit or other agency of higher education as defined in Texas Education Code, Section 61.003(6).
- (9) Pell Grant – Educational federal grant program sponsored by the U. S. Department of Education. Grants are awarded based on a “financial need” formula determined by the U. S. Congress using criteria submitted through the Free Application for Federal Student Aid (FAFSA).
- (10) Program Officer – The individual named by each participating institution's chief executive officer to serve as agent for the Board. The Program Officer has primary responsibility for all ministerial acts required by the program, including maintenance of all records and preparation and submission of reports reflecting program transactions. Unless otherwise indicated by the administration, the director of student financial aid shall serve as Program Officer.
- (11) Recommended or Distinguished Achievement High School Program – The high school college preparatory curriculum required under Section 28.025(a) of the Texas Education Code.
- (12) Resident of Texas – A resident of the State of Texas as determined in accordance with Chapter 21, Subchapter B, of this title (relating to Determination of Resident Status and Waiver Programs for Certain Nonresident Persons). Nonresident students eligible to pay resident tuition rates are not included.
- (13) Scholarship – An award of gift aid that does not have to be repaid by the student or earned through service or performance.
- (14) Shortage fields – Workforce fields where there are a shortage of qualified workers as determined by the Commissioner of Higher Education.

22.198. Relevant Institutions.

The provisions of these rules apply to persons attending any Texas institution of higher education.

22.199. Eligible Students.

To qualify for an award through this subchapter, a student must:

- (1) have graduated from an accredited high school in Texas while ranked in the top 10 percent of his or her graduating class (based on the student's ranking at the end of his or her seventh semester unless an institution of higher education uses a different semester in determining eligibility for admissions),
- (2) have completed the Recommended or Distinguished Achievement High School Program in an accredited high school or its equivalent,
- (3) complete the Free Application for Federal Student Aid (FAFSA),
- (4) have unmet financial need when using the formula "Cost of Attendance minus EFC minus Pell Grants,"
- (5) enroll in an institution of higher education in Texas the fall semester immediately following high school graduation,
- (6) be a Texas resident, and
- (7) be enrolled full-time.

22.200. Award Amounts and Recipient Selection.

(a) Funding. The statewide aggregate of funds awarded may not exceed the amount appropriated for that purpose.

(b) Award Amount. Award amounts through this program may not exceed \$2,000 unless the student is classified as a junior or senior at a public institution in Texas with a declared major in a shortage field and meets the satisfactory academic progress requirements outlined in Section 22.201 of this title (relating to Satisfactory Academic Progress), in which case the student may be eligible for a bonus of \$2,000 to the extent funds are available for such. The total award amount for students with declared majors in shortage fields may not exceed \$4,000.

(c) Recipient Selection. Each high school will submit applications from students who are determined to be ranked in the top 15 percent of their high school graduating class based on the students ranking at the end of his or her sixth semester. Award eligibility will be based on each student's ranking at the end of his or her seventh semester unless an institution of higher education uses a different semester's ranking in determining eligibility for admissions.

22.201. Satisfactory Academic Progress.

(a) To the extent funds are available, students may receive continuation awards if they meet the satisfactory academic progress requirements outlined in this section.

(b) Unless qualifying for an exception in keeping with Subsection 22.201(d) of this Section, to qualify for an award in a subsequent year, each recipient of the Top 10 Percent Scholarship shall meet the following academic progress requirements as of the end of his or her most recent academic year:

(1) complete at least 75 percent of the hours attempted in his or her most recent twelve-month academic year, as determined by institutional policies,

(2) complete at least 30 semester credit hours in his or her most recent twelve-month academic year, and

(3) maintain an overall grade-point average of at least 3.25 on a four-point scale or its equivalent for all coursework completed at his or her current institution of higher education. A recipient who does not meet the academic progress requirements of his or her institution may not receive an award until the institution has determined that the student has raised his or her academic performance and program requirements have been met.

(c) For students with declared majors in shortage areas at the end of the sophomore and junior year, each recipient of the Top 10 Percent Scholarship shall meet the following academic progress requirements to qualify for a subsequent award to the extent funds are available for such:

(1) complete at least 75 percent of the hours attempted in his or her most recent twelve-month academic year, as determined by institutional policies,

(2) complete at least 30 semester credit hours in his or her most recent twelve-month academic year, and

(3) maintain an overall grade-point average of at least 3.0 on a four-point scale or its equivalent for all coursework completed at his or her current institution of higher education. A recipient who does not meet the academic progress requirements may not receive an award until the institution has determined that the student has raised his or her academic performance and program requirements have been met.

(d) A grant recipient who is below program grade-point average requirements as of the end of a spring or summer term may appeal his or her grade-point average calculation if he or she has taken courses previously at one or more different institutions. In the case of such an appeal, the current institution (if presented with transcripts from the previous institutions) shall calculate an overall grade-point average, counting all classes and grade points previously earned. If the resulting grade-point average exceeds the program's academic progress requirement, a student may receive an award in the following fall term.

(e) Unless granted a hardship postponement in accordance with Subsection 22.201 (f) of this Section, a student's eligibility for a Top 10 Percent Scholarship ends four years from the start of the semester or term in which the student received his or her first disbursement of an initial Top 10 Percent award.

(f) In the event of a hardship or for other good cause, the program officer at an eligible institution may allow an otherwise eligible person to receive a Top 10 Percent Scholarship award while the student's grade-point average or completion rate or number of completed hours falls below the satisfactory academic progress requirements of Subsection 22.201 (a) or (b) of this Section. Such conditions are not limited to, but include:

(1) a showing of a severe illness or other debilitating condition that may affect the student's academic performance,

(2) an indication that the student is responsible for the care of a sick, injured, or needy person and that the student's provision of care may affect his or her academic performance, or

(3) the requirement of fewer than twelve hours to complete one's degree plan.

(g) The program officer may grant an extension of the year limits found in Subsection 22.201(c) of this Section in the event of hardship. Documentation justifying the extension must be kept in the student's files and the institution must identify students granted extensions and the length of their extensions to the Board Staff so that it may appropriately monitor each student's period of eligibility.

(h) Each institution shall adopt a hardship policy under this section and have the policy available in writing in the financial aid office for public review upon request.

22.202. Processing and Awarding Cycle.

(a) The Board Staff is responsible for publishing and disseminating general information and program rules for the program described in this subchapter.

(b) Institutions of higher education will be responsible for collecting information necessary to identify eligible students. All eligible students must be notified of their awards on their financial aid award letter/notification.

(c) Form of Award: Institutional Reimbursement. Institutions shall exempt recipients from the payment of tuition and fees (up to the amount of the scholarship) and then request reimbursement from the Board Staff.

(d) Requesting Reimbursements. To request reimbursement for student awards, institutions must complete and submit a Request for Reimbursement Form designed and distributed by the Board Staff.

(e) Disbursements by the Board Staff. The Board Staff will process institutional Requests for Reimbursement at least once a month and will subsequently have appropriate amounts transferred to institutions or the institutions' fiduciary agents by the State Comptroller's office.