

**RULES
OF
THE TENNESSEE STUDENT ASSISTANCE CORPORATION**

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

TABLE OF CONTENTS

1640-01-09-.01	Summary and Purpose	1640-01-09-.06	Application and Initial Award Procedures
1640-01-09-.02	Definitions	1640-01-09-.07	Renewal Scholarships
1640-01-09-.03	Minimum Qualifications of Applicants	1640-01-09-.08	Personal or Medical Leave of Absence
1640-01-09-.04	Qualifying Programs and Institutions of Higher Education	1640-01-09-.09	Award Made in Error
1640-01-09-.05	Scholarship Amount, Length, and Intervals of Payments	1640-01-09-.10	Refund Policy
		1640-01-09-.11	Appeal and Exception Process

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

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

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** Original rule filed April 10, 1986; effective July 14, 1986. Amendment filed May 7, 1991; effective August 28, 1991. Amendments filed February 13, 2017; effective May 14, 2017.

1640-01-09-.02 DEFINITIONS.

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

Authority: T.C.A. §§ 49-4-201, 49-4-203, 49-4-204, and 49-4-902. **Administrative History:** New rule filed April 21, 2023; effective July 20, 2023.

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

- (1) To be eligible, an applicant must:
 - (a) Have earned a minimum high school grade point average, at the end of the semester prior to the semester of graduation, of at least 3.75 on a 4.0 scale;

(Rule 1640-01-09-.03, continued)

- (b) Have attained a composite score on the ACT or the SAT which places the student in the top three percent (3%) of test-takers nationally. The minimum score shall be estimated based upon the previous year's data and announced annually;
- (c) Have graduated with a regular diploma from a high school in Tennessee that is approved by the Tennessee State Department of Education, is accredited by the Southern Association of Colleges and Schools Commission on Colleges, or belongs to an agency whose accreditation process is approved by the State Board of Education. Exceptions to this requirement for graduates of a "home school" as defined in T.C.A. § 49-6-3050 may be granted by the Executive Director of TSAC;
- (d) Have applied for initial admission to an eligible postsecondary institution after high school graduation at the time the student first applies for the scholarship. The applicant must enroll at an eligible postsecondary institution within sixteen (16) months following graduation from high school. Exceptions to the requirement for timely initial enrollment may be made for students whose appeal to the TSAC Appeals Panel is approved for an exception to the sixteen (16) month requirement for the HOPE Scholarship as described in T.C.A. § 49-4-907;
- (e) Be a Tennessee resident pursuant to T.C.A. § 49-8-104; and
- (f) Be a citizen, permanent resident, or eligible non-citizen of the United States.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** Original rule filed April 10, 1986; effective July 14, 1986. Amendment filed February 17, 1988; effective May 29, 1988. Amendments filed February 13, 2017; effective May 14, 2017. Rule was previously numbered 1640-01-09-.02 but was renumbered 1640-01-09-.03 with the introduction of new rule 1640-01-09-.02 filed April 21, 2023; effective July 20, 2023. Amendments filed April 21, 2023; effective July 20, 2023.

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

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

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** Original rule filed April 10, 1986; effective July 14, 1986. Amendments filed February 13, 2017; effective May 14, 2017. Rule was previously numbered 1640-01-09-.03 but was renumbered 1640-01-09-.04 with the introduction of new rule 1640-01-09-.02 filed April 21, 2023; effective July 20, 2023. Amendments filed April 21, 2023; effective July 20, 2023.

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

- (1) Except as provided in paragraph (3) below, a student must be enrolled as a full-time student to receive an award for a semester. The amount of the maximum award per semester shall be determined by the TSAC Board of Directors and published on TSAC's website. The amount awarded to a student in a semester shall be based on the number of credit hours attempted in the semester that are applicable to the student's eligible program of study.
- (2) A student who is enrolled in twelve (12) or more credit hours in the student's eligible program of study will receive the maximum award. A student enrolled in nine (9), ten (10), or eleven

(Rule 1640-01-09-.05, continued)

- (11) credit hours in the student's eligible program of study will receive three-fourths (3/4) of the maximum award. A student enrolled in six (6), seven (7), or eight (8) credit hours in the student's eligible program of study will receive one-half (1/2) of the maximum award. A student enrolled in less than six (6) credit hours in the student's eligible program of study will receive one-fourth (1/4) of the maximum award.
- (3) Notwithstanding paragraph (1) above, a student who is not enrolled as a full-time student may still receive an award based on the number of credit hours attempted in the semester that are applicable to the student's eligible program of study as provided in paragraph (2), but only in the following circumstances:
- (a) In the semester of graduation, if less than twelve (12) credit hours are required to complete the student's eligible program of study;
 - (b) In any semester in which the eligible postsecondary institution does not offer at least twelve (12) credit hours of coursework applicable to the student's eligible program of study; or
 - (c) The student's eligible program of study requires enrollment in less than twelve (12) credit hours for a semester.
- (4) If the scholarship recipient also receives federal and/or state educational assistance for the same award period(s), the total scholarship and other aid may not exceed the cost of attendance.
- (5) The recipient must maintain continuous enrollment to remain eligible.
- (6) Recipients must achieve at least a 3.0 cumulative grade point average (GPA) each academic year to remain eligible.
- (a) If a student ceases to be eligible for the Ned McWherter Scholars award due to failure to achieve the required cumulative GPA at the end of an academic year, the student may regain the award by maintaining continuous enrollment as a full-time student at an eligible postsecondary institution and attaining a cumulative GPA of 3.0 or higher. Eligibility shall be reviewed at the end of each academic year following the loss of the award. The student may regain the award one (1) time. A student who subsequently loses the award after regaining eligibility shall be permanently ineligible.
- (7) Recipients in a baccalaureate degree program are eligible for the scholarship for up to eight (8) semesters or twelve (12) quarters. Recipients in an associate degree program are eligible for up to four (4) semesters or six (6) quarters.
- (8) Scholarship recipients must use the Ned McWherter Scholars award for education-related expenses. Ned McWherter Scholars awards shall be first applied to tuition and fees, room and board, and the excess, if any, shall be distributed to the recipient provided the student remains eligible according to this rule. The funds will be sent by direct deposit to the eligible postsecondary institution and the institution will disburse the funds to the recipient. At institutions utilizing the quarter system, one-third of the annual award will be paid at the start of the fall, winter, and spring quarters. At semester institutions, one-half of the annual award will be paid at the start of the fall and spring terms.

Authority: T.C.A. §§ 49-4-201, 49-4-203, 49-4-204, and 49-4-209. **Administrative History:** Original rule filed April 10, 1986; effective July 14, 1986. Amendment filed May 7, 1991; effective August 28, 1991. Amendment filed January 29, 1993; effective April 30, 1993. Amendment filed April 2, 1996; effective August 28, 1996. Amendment filed August 6, 2002; effective December 27, 2002. Amendments filed February 13, 2017; effective May 14, 2017. Rule was previously numbered 1640-01-09-.04 but was

(Rule 1640-01-09-.05, continued)

renumbered 1640-01-09-.05 with the introduction of new rule 1640-01-09-.02 filed April 21, 2023; effective July 20, 2023. Amendments filed April 21, 2023; effective July 20, 2023.

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

- (1) Each student must complete the following steps of the application process:
 - (a) Submit an application to TSAC by the established date published on TSAC's website. If the deadline occurs on a weekend or holiday, the deadline will be the next business day. The TSAC Executive Director is authorized to modify published application deadlines for well-documented extraordinary cause, if necessary to protect the public interest; and
 - (b) Ensure a copy of the high school transcript containing all high school grades through the semester prior to graduation is submitted by the high school to TSAC.
- (2) In addition to meeting the requirements of Section .03 of these rules, recipients of freshmen awards will be selected by a ranking of the following criteria:
 - (a) High school GPA;
 - (b) The composite ACT score, or concordant equivalent SAT, from any single test date;
 - (c) Advanced courses completed; and
 - (d) Service in leadership positions.
- (3) During the spring semester of the high school senior year, TSAC will notify applicants of their award status. Those notified that they are tentative awardees will have two (2) weeks from the notification date to notify TSAC that they will accept the award or will forfeit the award.
- (4) The number of recipients selected for awards in a year will be determined by the availability of funds for that year.
- (5) The eligible postsecondary institution shall ensure that the recipient is enrolled full-time for the period for which the award is given and, after the initial term of enrollment, that the recipient has maintained satisfactory academic progress in accordance with standards described in Rule 1640-01-09-.05 for the immediately preceding academic term attended by the recipient prior to releasing scholarship funds to the recipient. The electronic certification shall be completed by the institution each term of the award year.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** Original rule filed April 10, 1986; effective July 14, 1986. Amendment filed February 17, 1988; effective May 29, 1988. Amendment filed January 29, 1993; effective April 30, 1993. Amendments filed February 13, 2017; effective May 14, 2017. Rule was previously numbered 1640-01-09-.05 but was renumbered 1640-01-09-.06 with the introduction of new rule 1640-01-09-.02 filed April 21, 2023; effective July 20, 2023. Amendments filed April 21, 2023; effective July 20, 2023.

1640-01-09-.07 RENEWAL SCHOLARSHIPS.

- (1) Scholarship awards are renewed annually. Renewal applications must be submitted each year to continue in the program.
- (2) Upon proper and timely application, prior recipients will be eligible for a renewal scholarship each year while enrolled in the program until the recipient has received the award for a maximum total of twelve (12) quarters or eight (8) semesters in a baccalaureate degree

(Rule 1640-01-09-.07, continued)

program or a maximum of six (6) quarters or four (4) semesters in an associate degree program. Renewal recipients receive first priority for scholarship awards.

- (3) Students participating in the program may transfer to another eligible postsecondary institution. This transfer must be noted on the application. A transfer student retains their eligibility provided all other conditions are met. Recipients completing an associate degree may transfer to a four-year institution to pursue a baccalaureate degree.
- (4) All renewal awards are tentative until confirmation is received by TSAC from the eligible postsecondary institution attended that the student continues to meet all eligibility criteria.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** Original rule filed April 10, 1986; effective July 14, 1986. Amendment filed May 7, 1991; effective August 28, 1991. Amendment filed January 29, 1993; effective April 30, 1993. Amendments filed February 13, 2017; effective May 14, 2017. Rule was previously numbered 1640-01-09-.06 but was renumbered 1640-01-09-.07 with the introduction of new rule 1640-01-09-.02 filed April 21, 2023; effective July 20, 2023. Amendments filed April 21, 2023; effective July 20, 2023.

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

- (1) A student may be granted a medical or personal leave of absence from attendance as a full-time student or continuous enrollment at an eligible postsecondary institution if all other applicable eligibility criteria are met. Each eligible postsecondary institution shall adopt procedures for considering student requests for leaves of absence. Allowable medical or personal reasons include, but are not limited to, illness of the student, illness or death of an immediate family member, pregnancy, extreme financial hardship of the student or student's immediate family, fulfillment of a religious commitment encouraged of members of that faith, fulfillment of required military service, a student's participation in an internship or co-op program that is required or encouraged as part of the academic program in which the student is enrolled, or other extraordinary circumstances beyond the student's control where attendance by the student creates a substantial hardship. In the event an institution denies a student's request for a medical or personal leave of absence, the student may appeal the decision in accordance with these rules.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** New rule filed April 21, 2023; effective July 20, 2023.

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

- (1) If a student receives a Ned McWherter Scholars award and it is later determined that the award or some portion of the award was made in error, the student or the postsecondary institution may be required to repay the amount awarded in error.
- (2) If TSAC determines that the error was through no fault of the student, the student will not be required to repay the amount of the payment made in error.
- (3) Repayment from the student will be required if TSAC determines that fraud was committed by, or the error was the fault of, the student. When repayment is required, the student may not receive additional student aid from TSAC until repayment is made.
- (4) Repayment from the eligible postsecondary institution will be required if TSAC determines that the error was the fault of the institution.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** New rule filed April 21, 2023; effective July 20, 2023.

1640-01-09-.10 REFUND POLICY.

- (1) If a recipient of a Ned McWherter Scholars award fails to complete a semester for any reason, the eligible postsecondary institution shall apply its refund policy to determine whether a refund may be required and whether funds must be returned to TSAC. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be returned to the student and the amount to be refunded to TSAC. Additionally, the eligible postsecondary institution shall notify TSAC of the refund, which shall be noted on the student's record. The eligible postsecondary institution shall also be responsible for obtaining repayment from the student if necessary. The student shall be ineligible for student aid from TSAC until the refund is paid.

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** New rule filed April 21, 2023; effective July 20, 2023.

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

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

Authority: T.C.A. §§ 49-4-201, 49-4-203, and 49-4-204. **Administrative History:** Original rule filed April 10, 1986; effective July 14, 1986. Amendments filed February 13, 2017; effective May 14, 2017. Rule was previously numbered 1640-01-09-.07 but was renumbered 1640-01-09-.11 with the introduction of new rules 1640-01-09-.02 and 1640-01-09-.08 through 1640-01-09-.10 filed April 21, 2023; effective July 20, 2023. Amendments filed April 21, 2023; effective July 20, 2023.