

2017-18 Program Guidelines Tuition Equalization Grant

(TEG)



State Financial Aid Programs
Texas Higher Education Coordinating Board

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TUITION EQUALIZATION GRANT PROGRAM

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the applicable statutes and rules. The information provided in this document is to be used solely as a resource and does not supersede the statute and/or rules for this program.

PROGRAM AUTHORITY AND PURPOSE ([19 TAC, SECTION 22.21](#))

The Tuition Equalization Grant (TEG) program was authorized by [TEC Chapter 61, Section 61.221](#). Rules establishing procedures to administer the subchapter can be found in [Title 19 of the TAC, Chapter 22, Subchapter B](#). The program is funded by appropriations by the Texas Legislature. The purpose of the TEG program is to promote the best use of existing educational resources and facilities within this state, both public and private, by providing need-based grants to Texas residents enrolled in approved private or independent Texas colleges or universities.

STATE PRIORITY DEADLINE ([TEC, SECTION 56.008](#) and [19 TAC, SECTION 21.10](#))

The THECB provides a uniform priority deadline for applications that qualify for financial assistance in an academic year. Institutions eligible to participate in the TEG program are *encouraged* to publicize and use the **March 15** state priority deadline for identifying eligible students to be given priority in receiving awards through the state financial aid programs. Institutions have the flexibility to define what it means to meet the priority deadline at their institution. Institutions are encouraged to adopt a policy and procedure to ensure students are awarded consistently for this program.

ELIGIBLE INSTITUTIONS ([19 TAC, SECTION 22.23](#))

Any college, university or branch campus, defined as a private or independent institution of higher education, is eligible to participate in the TEG program (See [TEC, Section 61.003](#)).

Each participating institution will have a single allocation in which initial year (IY), also known as first awards, and renewal year (RY), also known as subsequent awards, can be made.

ELIGIBILITY

ELIGIBILITY REQUIREMENTS ([19 TAC, SECTION 22.24](#))

TO RECEIVE A FIRST AWARD, A STUDENT MUST:

- ✓ Be classified by the institution as a Texas resident
- ✓ Be registered with Selective Service or be exempt
- ✓ Have applied for financial aid assistance
- ✓ Demonstrate financial need
- ✓ Be enrolled at least 3/4 time
- ✓ Be an undergraduate **or** graduate student enrolled in degree plan leading to a **first** associate, baccalaureate, master's, professional, or doctoral degree (excluding degree plans that are intended to lead to religious ministry)
- ✓ Not have earned a degree for which they are currently enrolled
- ✓ Not be a recipient of an athletic scholarship (i.e. the student is obliged to play an intercollegiate sport as a result of receiving the scholarship) during the semester(s) TEG is awarded
- ✓ Be required to pay more tuition than is required at a comparable public college or university and be charged no less than the tuition required of all similarly situated enrolled at the institution

TO RECEIVE A CONTINUATION AWARD, A STUDENT MUST:

- ✓ Meet all the **FIRST AWARD** requirements
- ✓ Maintain satisfactory academic progress



Stop: Non-resident National Merit Scholarship finalists are no longer eligible for a TEG award and there is no grandfathering provision included in this change.

DISCONTINUATION OF ELIGIBILITY ([19 TAC, SECTION 22.24](#))

Unless a hardship is granted, a student's eligibility ends if any of the following maximums have been met:

DEGREE TYPE*	IF ENROLLED IN A DEGREE OR CERTIFICATE PROGRAM OF 4 YEARS OR LESS	IF ENROLLED IN A DEGREE OR CERTIFICATE PROGRAM OF MORE THAN 4 YEARS
RECIPIENT WORKING TOWARD AN ASSOCIATE OR BACCALAUREATE DEGREE	5 years from the first semester awarded	6 years from the first semester awarded
RECIPIENT WORKING TOWARD A MASTER'S, PROFESSIONAL, OR DOCTORAL DEGREE	No maximum time limit	

*An award cannot be granted to a student pursuing a second degree of one already earned.

HARDSHIP PROVISIONS ([19 TAC, SECTION 22.24](#))

A student who is ineligible for a TEG award based on grade point average (GPA), completion rate, and number of completed hours for satisfactory academic progress may be deemed eligible under a hardship provision. Each institution must adopt a hardship policy and have the policy available for public review. All hardship decisions must be documented in the student’s record and be available for submission to the THECB if requested.

SATISFACTORY ACADEMIC PROGRESS (SAP) ([19 TAC, SECTION 22.24](#))

At the end of the first academic year, a student must meet the SAP requirements set by the institution to be eligible for a continuation award.

At the end of the second academic year, and all years thereafter, undergraduates must have completed 24 semester credit hours (SCH) in the most recent academic year, with a 75% completion rate for hours attempted in that year, and must have a minimum 2.5 cumulative GPA. Graduate students must have completed 18 SCH in the most recent academic year, with a 75% completion rate for hours attempted in that year, and must have a minimum 2.5 cumulative GPA.

The chart below reflects these requirements, which must be monitored to ensure compliance.

ACADEMIC YEAR	SATISFACTORY ACADEMIC PROGRESS (SAP) REQUIREMENTS		
END OF 1ST ACADEMIC YEAR	Institutional SAP policy		
END OF 2ND ACADEMIC YEAR OR LATER – UNDERGRADUATE STUDENTS	Completion of at least 24 SCH in most recent academic year	75% completion rate	2.5 cumulative GPA on a 4-point scale for all coursework attempted at a public, private, or independent institution
END OF 2ND ACADEMIC YEAR OR LATER – GRADUATE STUDENTS	Completion of at least 18 SCH in most recent academic year		

ADDITIONAL INFORMATION

IMPORTANT NOTE:

A student who does not meet the SAP requirements at the end of the academic year can appeal to have transfer courses included in the SAP calculation. In this case, all transfer courses must be included when determining program eligibility. Student award history is available to assist institutions with monitoring this requirement via the [Student Financial Aid Programs Information Website](#).

SAP APPEALS

If a student completes the first year on academic warning, probation, or on an approved plan, the student can be considered meeting SAP, if the institution’s policy includes such provisions. However, at the end of the second year, the student must meet the program SAP requirements for continued eligibility.

FAILING COURSES

The intent of the 24/18 SCH requirement is to encourage timely progression towards a degree. Since a grade of F is not earned toward a degree, it should not be considered when calculating the student completed hours.

AWARDING

A TEG award amount for a term or semester may not exceed a student's financial need or tuition differential for that term or semester or the program maximum for the academic year, whichever is least.

Undergraduate students with **exceptional financial need** may receive up to 150% of the program maximum award, not to exceed the student's financial need or tuition differential.

⚠ Alert: Exceptional financial need is defined as an amount of TEG funds an undergraduate student may qualify for if his or her expected family contribution is less than or equal to \$1,000.

TUITION DIFFERENTIAL ([19 TAC, SECTION 22.22](#))

Tuition differential is defined as the difference between the tuition paid at a private or independent institution and the tuition the student would have to pay to attend a comparable public institution in Texas. Fees are not included in this calculation, only tuition rates.

The Southern Association of Colleges and Schools (SACS) identifies institutions by the highest levels of degrees they offer. These levels are being used by the THECB to identify “comparable” institutions for the purpose of calculating tuition differentials. The following table shows average resident undergraduate and graduate tuition rates per SCH for public institutions at various SACS levels for the 2017-18 academic year. These amounts should be used by the institution to derive tuition differentials by using the student's total SCH and multiplying the tuition rate provided.

SACS LEVEL	UNDERGRADUATE TUITION RATE PER SCH	GRADUATE TUITION RATE PER SCH
ASSOCIATE DEGREE LEVEL 1	\$ 57	n/a
BACCALAUREATE DEGREE LEVEL 2	\$ 66	n/a
MASTER'S DEGREE LEVEL 3	\$ 194	\$ 268
THREE OR FEWER DOCTORAL DEGREES LEVEL 5	\$ 182	\$ 239
FOUR OR MORE DOCTORAL DEGREES LEVEL 6	\$ 232	\$ 329

The average public institution rates for law school students are as follows:

- Resident: \$918 per SCH

ADDITIONAL INFORMATION

TUITION DIFFERENTIAL EXAMPLE:

- Charges for an independent 2-year institution (e.g. Jacksonville College) should be compared to public community college charges (Level 1).
- A Level 2 institution that only awards TEG to associate degree students (e.g. Southwestern Christian College) should compare its charges to those of public community colleges (Level 1).
- Levels 2, 3, 5 and 6 independent institutions (other than Southwestern Christian College) should compare the charges to the average charges of public institutions at the same levels.

TEG 2017-18 AWARD MAXIMUMS		
INSTITUTION TYPE	AWARD MAX/YEAR	EXCEPTIONAL NEED
PRIVATE/INDEPENDENT INSTITUTIONS	\$3,364	\$5,046
TEG - EFC's ≤ \$1,000 may receive up to the Exceptional Need award amount (Undergraduates).		

OVER AWARDS ([19 TAC, SECTION 22.26](#))

If an award has been disbursed and a student receives other assistance that exceeds the student's financial need, the institution is not required to adjust the award unless the sum of the excess resources is greater than \$300.

LATE DISBURSEMENTS ([19 TAC, SECTION 22.28](#))

Funds that are disbursed after the end of a student's period of enrollment must be used either to pay the student's outstanding balance for the period of enrollment, or to make a payment on an outstanding loan received during that period of enrollment. Under no circumstances should funds be released directly to the student in this situation.

PRORATION ([19 TAC, SECTION 22.26](#))

Awards must be prorated if the student has been approved for an exception to the 3/4 time enrollment requirement based on hardship:

UNDERGRADUATE HARDSHIP PRORATION SCHEDULE	ENROLLED 6-8 HOURS	ENROLLED < 6 HOURS
	50% of the maximum award amount	25% of the maximum award amount
GRADUATE HARDSHIP PRORATION SCHEDULE	ENROLLED 5-6 HOURS	ENROLLED < 5 HOURS
	50% of the maximum award amount	25% of the maximum award amount

ADJUSTMENTS TO AWARDS ([19 TAC, SECTION 22.27](#))

If a student officially withdraws or the amount of a student's disbursement exceeds the amount the student is eligible to receive, the institution must follow its institutional refund policy in determining the amount by which the award must be reduced.

- These funds should be re-awarded to other eligible students attending the institution. If funds cannot be re-awarded, they should be returned to the THECB no later than the end of the state fiscal year for which they were allocated to the institution.
- If the student withdraws or drops classes after the end of the institution's refund period, no refunds to the program are due.

PROCESSING FUNDS

REQUESTING PROGRAM FUNDS

When requesting funds, eligible institutions must submit a Funds Request Form (FRF). The FRF is available through the secure Coordinating Board Pass System (CBPASS) portal on the [Student Financial Aid Programs Information Website](#).



**NEW
RULE**

19 TAC,
SECTION 22.2

TIMELY DISTRIBUTION OF FUNDS



- Institutions have **3** business days after receiving the funds to apply the funds to a recipient’s account
- Institutions have **6** business days after receiving the funds to return undisbursed funds
- Institutions have **45** calendar days from the date a student becomes ineligible to return disbursed funds
- Institutions have **120** calendar days to return funds after a student has notified the institution of their decision to cancel the award

RETURNING PROGRAM FUNDS

A **Return of Funds Form** must be submitted and approved, before any funds are returned to the THECB. This form is available on the [Student Financial Aid Programs Information Website](#).

AUTHORITY TO TRANSFER FUNDS ([TAC, SECTION 22.30](#))

Institutions participating in a combination of TEG and Texas College Work-Study (TCWS) may transfer up to 10% of the institution’s total annual program allocation or \$20,000 (whichever is less) between programs in a given fiscal year. The transfer of funds must be encumbered by the institution by **February 20th**.

PROGRAM		RULE
FROM	TO	AUTHORITY TO TRANSFER
TEXAS Grant TEOG TEG	 TCWS	Institutions may transfer up to 10% or \$20,000 of the individual program annual allocation (whichever is less)
OR		
TCWS	 TEXAS Grant TEOG TEG	
Funds can only be transferred from a grant to TCWS or vice versa, never from a grant to a grant.		

APPENDIX 1: ADDITIONAL RESOURCES

CONTACT FINANCIAL AID SERVICES

By phone: (844) 792-2640

Contact us by completing an [online inquiry form](#) and use one of the following contact reasons below:

Contact Reason - Exemptions/Waiver Programs

- All state exemption and waiver programs including EAE

Contact Reason - Student Loan- School Info Request

- CAL
- BOT
- TASSP

Contact Reason - State and Federal Grants and Scholarships

- TEXAS Grant
- TEOG
- TEG
- Top 10% Scholarship
- Bilingual Education Scholarship Program

Contact Reason - Work-Study Programs

- TCWS
- TCWS Mentorship

OTHER RESOURCES FOR INSTITUTIONS

General program information for institutions

[Student Financial Aid Programs Information Website](#)

General loan information

[HHloans](#)

Texas Program Statutes

[Texas Education Code](#)

Texas Program Rules

[Texas Administrative Code](#)

Information concerning programs, procedures, allocations, and other topics will be communicated to institutions through the GovDelivery system. To receive these communications, interested individuals must subscribe.

[GovDelivery](#)

AVAILABLE FORMS

TEXAS Grant, TEOG, TEG, TCWS

[Authority to Transfer](#)

This form must be used for the return of all state grant, scholarship, Educational Aide Exemption, and loan program funds.

[Return of Funds Form](#)

CALENDAR

[Institutional Calendar](#)