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State Law Governing the Conditional Grant Program

Please keep copy of rules for your reference.

§4.25. Conditional Grant Program.

(a) Purpose. This section establishes procedures for the administration of a conditional grant program that will provide financial assistance to eligible economically disadvantaged students who intend to work for the department in civil engineering or any other profession for which the department has determined there is a critical need. Authority for the creation of the conditional grant program is contained in Education Code, Chapter 56, Subchapter I.

(b) Program. Upon determination by the executive director or the director's designee, the department may provide financial assistance to eligible students who:

- (1) declare an intent to seek a baccalaureate degree from an institution in the state of Texas in a field of study that satisfies the department's minimum education requirement for an eligible profession;
- (2) intend to work for the department for the two academic years immediately following the date of the student's receipt of an eligible degree from an institution in the state of Texas; and
- (3) exhibit a high level of academic performance.

(c) Eligibility.

(1) **Initial eligibility.** To be initially eligible for a conditional grant, a student must:

- (A) complete and file with the department evidence of household income and, on forms prescribed by the department, a conditional grant application and a declaration of intent to become a member of an eligible profession and work for the department for the two academic years immediately following the date of the student's receipt of an eligible degree;
- (B) enroll in an institution;
- (C) be a Texas resident as defined by the Texas Higher Education Coordinating Board;
- (D) be an economically disadvantaged student; and
- (E) have complied with any other requirements adopted by the department.

(2) **Maintaining eligibility.** In order to maintain eligibility, a student must be enrolled each semester in an institution in a course of instruction leading toward a degree in an eligible profession and, except as provided in paragraph (4) of this subsection, must:

- (A) maintain an overall institutional grade point average of at least 2.5 on a four-point scale; and
- (B) receive credit for not fewer than 12 hours each semester toward the student's degree program.

(3) Exception.

- (A) If, during not more than one semester, a student fails to meet the grade point or credit hour requirements of this subsection, he or she will continue to maintain eligibility.
- (B) Subparagraph (A) of this paragraph does not apply to a freshman student, unless the director of the department's Human Resources Division or designee determines that the student has a reasonable opportunity to comply with the requirements of subparagraph (C) of this paragraph. The director will base his or her decision on an overall assessment of the student's freshman academic record.

(C) Students who fail to meet the grade point requirement, but are allowed to maintain eligibility under this paragraph, must receive credit for not fewer than 12 hours each semester and attain a semester grade point average of 2.5 during all semesters thereafter until the student graduates.

(4) **Hardship waiver.** The department may waive, upon approval of the executive director, the requirement that a student receive credit for not fewer than 12 hours each semester if a student demonstrates hardship. Hardship may involve serious illness, family emergency, or other extraordinary circumstances beyond the control of the student.

(d) Application.

(1) To apply for a conditional grant, a student must submit to the department:

- (A) a completed application in a form prescribed by the department; and
- (B) a declaration of intent.

(2) The application will require information and documentation relating to residency status, secondary school performance or college performance, the current or intended enrollment institution, the sworn statement as required by subsection (k) of this section, and such other information the department deems necessary to determine eligibility pursuant to subsection (c) of this section.

(3) An application must be submitted by March 1st of each year for the subsequent fall and spring semesters' admissions.

(e) Selection.

(1) Academics. The department will rank applicants according to the following selection criteria:

- (A) secondary school or college grade point average;
- (B) SAT or ACT score;
- (C) honors and awards from, and participation in, technical or academic organizations such as Texas Pre-freshman Engineering Program, Texas Alliance for Minorities in Engineering, National Honor Society, Debate Team, Dean's List;
- (D) vocational education;
- (E) work experience; and
- (F) whether the applicant is the first generation of the applicant's family to attend or graduate from an undergraduate program or from a graduate or professional program.

(2) Financial need. Applicants who meet the minimum academic threshold using the criteria in paragraph (1) of this subsection will be ranked giving highest priority to students who demonstrate the greatest financial need as measured by the Federal Poverty Guidelines.

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(f) Grant agreement.

(1) The department will send written notice to applicants selected to receive a grant informing them of the amount to be awarded for the conditional grant as certified by their educational institution.

(2) Each selected student will be required to execute a grant agreement prior to receiving a conditional grant. The grant agreement will be in a form prescribed by the department and will set forth the terms and conditions of the grant, including, but not limited to, the amount of the grant and the

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requirements of continued eligibility pursuant to subsection (c) of this section.

(g) Conditional grant.

(1) The amount of a conditional grant is the sum of:

(A) the amount of tuition and fees for the student, as certified by the institution; and

(B) a stipend based upon financial need as provided by subsection (g) of this section.

(2) Each semester the department will distribute a conditional grant for each eligible student on receipt of an enrollment report and certification of the amount of tuition, fees, and stipend (if any) for the student from the institution.

(3) The total amount of any one conditional grant may not exceed \$3,000 per academic semester based on financial need.

(4) If the amount appropriated to the department for conditional grants is less than the estimated amount of all unpaid conditional grants, the department will proportionally reduce each unpaid conditional grant.

(h) Stipend.

(1) A student desiring to receive a stipend must:

(A) sign a financial information release statement; and

(B) complete the required financial need forms at the institution.

(2) The department will award a stipend to the student upon certification by the institution of the student's certified financial need.

(3) Cost of room and board will be included in the stipend amount, however, the grant may not exceed \$3,000 per academic semester.

(i) Default. The department will declare a student to be in default of the grant agreement and will require the student to repay all conditional grant funds received from the department if the student:

(1) withdraws from the institution; or

(2) fails to comply with one or more requirements of the grant agreement.

(j) Repayment.

(1) If a student fails to meet the requirements of the program or chooses to leave the program prior to the student's college sophomore year, the department will terminate the agreement and the student will not be required to repay any expended funds. If the student meets all agreement requirements during the freshman year and continues in the program, but at any time later during the remaining academic semesters is declared to be in default of the program agreement, the student is required to repay any and all funds received from the department, including funds expended for the freshman year.

(2) If a student is required to repay funds pursuant to subsection (h) of this section, the department will establish a repayment schedule of:

(A) 120 equal monthly installments for students who received grants for four years or more;

(B) 96 equal monthly installments for students who received grants for more than three years, but less than four years;

(C) 72 equal monthly installments for students who received grants for more than two years, but less than three years;

(D) 48 equal monthly installments for students who received grants for less than two years.

(3) The installment is based on the amount owed the department and must be paid each month. Repayments may be made in fewer than the required number of installments.

(4) A student will not be required to begin payments until four months subsequent to the determination of default.

(5) A student who completes an eligible degree and does not work for the department for two academic years immediately following the date of the student's receipt of an eligible degree from a Texas institution will be required to:

(A) begin payments three months subsequent to the determination of default; and

(B) pay a minimum monthly installment of \$200.

(6) The department will waive repayment of any remaining amounts for a student who defaults and makes the required payments according to the established repayment schedule. If the student graduates with an eligible degree and honors the original agreement to work for the department in the eligible profession for at least two academic years commencing immediately upon graduation, the student must adhere to the repayment schedule until the student begins employment with the department.

(7) The department may temporarily reduce or defer the required payments and/or extend the prescribed repayment period upon approval of the executive director, if a student demonstrates his or her inability to pay due to catastrophic illness or family emergency. Any reduction, deferral, or extension will not relieve a student of his or her responsibility to repay all funds.

(8) Credit bureau notification. The department will notify the appropriate credit bureaus or agencies if a student fails to repay the department or fails to adhere to the terms of the conditional grant agreement.

(k) Child support statement.

(1) In accordance with the Family Code, Section 231.006, a child support obligor who is 30 or more days delinquent in paying child support is not eligible to receive funds under this subchapter.

(2) A student shall provide along with the application submitted as required by subsection (c) of this section a signed, sworn statement, in a form and manner prescribed by the department, affirming that the student is not 30 or more days delinquent in providing child support under a court order or a written repayment agreement.

(3) A student who is ineligible under this section shall remain ineligible to receive funds under this subchapter until:

(A) all arrearages have been paid; or

(B) the student is in compliance with a written repayment agreement or court order as to any existing delinquency.

(4) A student who is found to have submitted a falsely sworn statement under this section shall, upon demand, remit to the department all funds received while ineligible under paragraph (1) of this subsection.