

**TEXAS STATE TECHNICAL COLLEGE SYSTEM
SYSTEM OPERATING STANDARD**

No. FA.1.17	Page 1 of 4	Effective Date: 2/7/13
DIVISION:	Fiscal Affairs	
SUBJECT:	Emergency Student Tuition, Fee and Textbook Loan Program	
AUTHORITY:	Minute Order # 19-13	
PROPOSED BY:	<i>Original Signed by J. Gary Hendricks</i>	
TITLE:	Vice Chancellor for Financial and Administrative Services	Date: 2/7/13
RECOMMENDED BY:	<i>Original Signed by J. Gary Hendricks</i>	
TITLE:	Vice Chancellor for Financial and Administrative Services	Date: 2/7/13
APPROVED BY:	<i>Original Signed by Michael Reeser</i>	
TITLE:	Chancellor	Date: 2/7/13

STATUS: Approved by BOR 2/7/13, MO 19-13

HISTORICAL STATUS: Revisions Proposed 01/04/13
 Revisions Proposed 10/23/12
 Approved 7/25/03 by BOR MO# 57-03
 Approved MC 06/27/03
 Revised 06/2003
 Rescinded MG FA-21 and BOR MO# 51-85
 on 01/29/94 by MO# 21-94
 Revised 02/11/86 (MG-FA-21)
 Approved 07/22/85 by BOR MO# 51-85

POLICY

It is the policy of Texas State Technical College (TSTC) to provide an emergency tuition, fee and textbook loan program in accordance with Subchapter D, Chapter 56 of the Texas Education Code and to maintain proper rules and procedures to administer this fund.

PERTINENT INFORMATION

Subchapter C, Chapter 56, of the Texas Education Code requires each institution of higher education to set-aside funds for student grants and loans, as follows:

- (1) not less than 15 % nor more than 20 % of each resident student's tuition charge, and
- (2) 3 % of each non-resident student's tuition charge.

Of the funds set aside, not less than 90 % shall be used for Texas Public Educational Grants and not more than 10 % shall be used for emergency tuition, fee and textbook loans.

Subchapter D, Chapter 56, of the Texas Education Code requires the Board of Regents to adopt rules defining eligibility and terms of the emergency tuition, fee and textbook loans, subject to requirements specified in this subchapter.

This tuition set-aside loan program is separate and apart from the locally-funded Emergency Loan Fund Program established by TSTC through Minute Order 51-79, as outlined in System Operating Standard FA.1.7, Administration of and Accounting for Emergency Loan Funds.

DELEGATION OF AUTHORITY

The college's chief financial officer has primary responsibility for implementation of procedures and administration of the program, in conjunction with the college's director of financial aid.

OPERATING REQUIREMENTS

Eligibility

- A. Loans will be granted to eligible students in order of receipt date of completed applications.
- B. The eligible student must meet all of the following criteria:
 1. Have completed all financial aid paperwork.
 2. Be in good academic standing.
 3. Be enrolled for at least six credit hours.
 4. Have no delinquent loans under this program.
 5. Not have other debts to TSTC or be on Financial Aid suspension.

Terms

- A. The loan amount per student may not exceed the tuition, required fees and textbooks for the courses in which the student is actually enrolling. The loan amount may be less than the tuition, required fees and textbooks for the courses in which the student is actually enrolling when the college determines that a lower amount would be in the best interest of the student and/or the college.
- B. Loans must be repaid over a period not to exceed 90 days for a loan made for a regular semester or long summer session, or over a proportionately shorter period for loans made for a shorter session.

- C. Loans to students who pay tuition on a basis other than semester credit hours shall be repaid on terms analogous to the terms for students paying tuition on the basis of semester credit hours.
- D. Loans must be evidenced by a written or electronic agreement providing for:
 - 1. Interest on the loan at a rate of not more than 5% per year
 - 2. An origination fee of not more than 1.25% of the loan amount
- E. On a finding that a Texas resident would be deprived of an education due to a lack of financial ability, payments shall be deferred as outlined in Subchapter D, Section 56.055 of the Texas Education Code.

PERFORMANCE STANDARDS

1. The Emergency Tuition, Fee, and Textbook Loan Program is operated in accordance with the provisions of Chapter 56 of the Texas Education Code.
2. The amount set aside from gross tuition is the correct amount and in the correct general ledger account.
3. The amount of loans disbursed to students does not exceed the available funds.
4. Loans are granted only to students who meet the eligibility criteria.
5. Loans are granted to eligible students in order of receipt date of completed applications.
6. The college has a completed promissory note on file for each outstanding emergency loan.
7. The college performs collection procedures on delinquent loans.
8. An annual report on Emergency Tuition, Fee, and Textbook loan fund expenditures is submitted to the Texas Higher Education Coordinating Board and the TSTC System Vice Chancellor for Financial and Administrative Services at the end of each fiscal year within the required timeframe.

COLLEGE OPERATING PROCEDURE

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OFFICE OF RESPONSIBILITY:		
APPROVED BY:		
TITLE:		Date
FORWARDED TO SYSTEM OFFICE ON		