

Public Law 25-145

Bill No. 412 (COR)

As substituted by the Committee on Education and amended on the Floor.

Introduced by:

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AN ACT TO APPROVE THE ADMINISTRATIVE RULES AND REGULATIONS OF THE STUDENT LOAN PROGRAM, THE MERIT AWARD PROGRAM AND THE PROFESSIONAL TECHNICAL AWARDS PROGRAM WITH CERTAIN EXCEPTIONS AND CHANGES AS SPECIFIED HEREIN; TO AMEND §§15201, 15A301, 15A305 AND 15102 OF CHAPTER 15 OF TITLE 17 OF THE GUAM CODE ANNOTATED, RELATIVE TO MAKING REFINEMENTS FOR CERTAIN STUDENT FINANCIAL ASSISTANCE PROGRAMS AND TO ALLOW FOR THE EXTENSION OF APPLICATIONS DEADLINES BEYOND APRIL 30, 2000 FOR THE CURRENT YEAR.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Notwithstanding any other provision of law, rule, regulation, and Executive Order, the Administrative Rules and Regulations of the Student Financial Assistance programs authorized by Articles 2, 3A and 4A of Chapter 15 of Title 17 of the Guam Code Annotated, as amended by Public Law Number 25-85, and 3A and 4A of Chapter 15 of Title 17 of the Guam Code Annotated, as added by Public Law Number 25-86 and filed with *I Liheslaturan Guåhan* on April 7, 2000, as required by the provisions of Chapter 9 of Title 5 of the Guam Code Annotated (Administrative Adjudication Law) and appended hereto as **Exhibit A**, **Exhibit B** and **Exhibit C** are hereby approved as amended as follows:

"STUDENT LOAN RULES AND REGULATIONS. (As amended by P.L. No. 25-85)

1.0. STUDENTS ENTITLED TO LOANS. Loans are provided for graduate or undergraduate studies or training in occupational priorities established by the Board, to qualified applicants who are admitted to the University of Guam, the Guam Community College or to a United States accredited off-Island college or university as a full-time student on a regular status or by Distance Learning, that may include classes by means of the internet, through a United States accredited college or university or one (1) recognized by the Council on Postsecondary Accreditation ('COPA').

2.0. BACKGROUND AND STATUTORY AUTHORITY. The Board of Regents of the University of Guam is authorized under Title 17 of the Guam Code Annotated to formulate rules and regulations to equitably and efficiently administer the Student Financial Assistance Programs, as listed in Chapter 15 of Title 17 of the Guam Code Annotated.

3.0 DEFINITIONS. As used in these rules and regulations, the following terms will have the following meaning:

- (a) '**Academic Year**': Fall and Spring Semesters for semester calendar system, and Fall, Winter, and Spring Quarters for a quarter calendar system.
- (b) '**Accredited**': as recognized by the Council on Postsecondary Accreditation ('COPA').
- (c) '**Board**': the Board of Regents of the University of Guam.
- (d) '**Bona fide resident**': a United States citizen or a permanent resident alien having resided on Guam for five (5) years immediately preceding the starting date of the academic year the assistance will be used.
- (e) '**Cash repayment**': monetary cash repayment for the period the deficiency was made and no service credit allowed.
- (f) '**Distance learning**': the delivery of instruction to students who cannot engage in traditional on-campus study and delivered through the various means of television, audio or computer transmission (Internet), satellite transmission, computer conferencing, video cassettes or discs; or correspondence.
- (g) '**FAFSA**': Free Application for Federal Student Aid.
- (h) '**Fee**': general fees applied to all students plus laboratory and course fees.
- (i) '**Financial need**': institutional cost minus expected family contribution, determined through the FAFSA, minus all other student financial resources or benefits equal unmet need (COA-EFC-SFA=Unmet need).
- (j) '**Full-time status**': minimum of twelve (12) or more credit hours per semester/quarter, quarter equivalent to twelve (12) semester hours, for undergraduate studies for students attending off-Island institutions; or minimum of nine (9) credit hours per semester/quarter, quarter equivalent to nine (9) semester hours, for student attending an off-Island institution for graduate studies.
- (k) '**Major program**': the specific academic program of study which will be undertaken to achieve the desired degree.
- (l) '**Off-Island recipient**': recipient attending a U.S. accredited college or university in the United States because their declared major, or its equivalent is *not* available at the University of Guam.
- (m) '**Promissory note**': document signed by the student and their guarantors promising to repay the loan in accordance with the rules and regulations specified under the program.
- (n) '**Professional program**': the specialized programs in Medical (M.D.), Dental (D.D.S.), or other Doctorate Degrees in areas critical to Guam's professional needs (Ph.D., E.D.D., PsyD., D.B.A., etc.) degree programs.
- (o) '**SAR**': Student Aid Report resulting from the processed FAFSA.
- (p) (p) '**Service credit**': repayment of loan obligation through employment service, upon completion of studies in which funding was provided.

4.0. ELIGIBILITY. To be eligible for a Student Loan, the applicant:

- (a) must be a *bona fide* resident of Guam for at least five (5) years immediately preceding award of the assistance and either:

- (1) a citizen of the United States; *or*
- (2) a permanent resident alien.
- (b) must be a high school or college graduate, or a college student enrolled in good standing at a U.S. accredited institution of higher education;
- (c) must have an overall grade-point average of *not less than*:
 - (1) 2.0, or its equivalent, in the applicant's high school studies; or upon satisfactory completion of *not less than sixty (60)* credit hours, or quarter equivalent, at a U.S. accredited college and/or university with a cumulative grade point average of *not less than 2.0*;
 - (2) 2.0 cumulative grade point average in undergraduate degree *if* applicant is pursuing an academic graduate degree; *or*
 - (3) In lieu of (c)(2), an irrevocable letter of acceptance from a professional school in an area of particular need on Guam as determined by the Board of Regents' Career Priority listing in effect;
- (d) must have evidence of financial need through the completion and processing of the '*Free Application for Federal Student Aid*' as reported in the Student Aid Report ('SAR') or the Institutional Student Information Report received from the U.S. Department of Education Processing Center;
- (e) must have been unconditionally accepted for admission into a major program at GCC or UOG or any other U.S. accredited institution of higher education or professional school, as approved by the Board as a full-time student on a regular status or distance learning; *and*
- (f) must agree to the provisions of §15203 of Title 17 of the Guam Code Annotated on the repayment of loan.

5.0. MAXIMUM AMOUNT OF LOAN. Loans are limited to the following amounts for the cost of tuition and fees, room and board, books, and educational supplies:

- (a) *Not to exceed* Six Thousand Dollars (\$6,000.00) per year for a period of *not more than* four (4) scholastic years for studies at the University of Guam; and *not more than* two (2) years for students attending the Guam Community College; *and*
- (b) *not to exceed* Ten Thousand Dollars (\$10,000.00) per year for a period of *not more than* four (4) scholastic years for studies at an off-Island institution to include distance learning.

The total amount of a loan is contingent on the availability of funds.

6.0. APPLICATION PROCEDURE AND REQUIREMENTS.

An applicant for a loan must provide the following documents:

- (a) a completed application must be received on or before April 30, by the Financial Aid Office. The official application form is obtainable in January at the Financial Aid Office;
- (b) an official letter affirming that the applicant has been *unconditionally* accepted for admission to a U.S. accredited institution of higher education or recognized by the Council on Postsecondary Accreditation ('COPA') as a regular, full-time student in a specific major program. No loans shall be granted for studies at an off-Island institution in a major program that is available at the University of Guam or Guam Community College (*However*, the Board may grant loans under special circumstances involving legally blind and/or deaf applicants where facilities or services are unavailable at the University of Guam.);

- (c) a complete official high school and/or college transcript;
- (d) college/university catalogue or bulletin (preferred latest edition/year of entrance) containing information regarding the applicant's major program and institution's published annual cost of attendance;
- (e) the SAR or Institutional Student Information Report as evidence of need for financial assistance as a result of the processed FAFSA by the U.S. Department of Education Processing Center. The FAFSA application is obtainable from the Financial Aid Office, High School Counselor or apply directly to *www.fafsa.ed.gov*;
- (f) document attesting U.S. citizenship must provide:
 - (1) birth certificate;
 - (2) naturalization certificate; *or*
 - (3) passport;
 permanent resident alien status must provide:
 - (1) permanent resident alien card and passport; *and*
- (g) proof of five (5) years residency on Guam; student must provide any two (2) of the following:
 - (1) copies of personal or parent's filed income tax forms for a period of five (5) years; *or*
 - (2) certified statement from Department of Revenue; *or*
 - (3) *If* a recipient of public assistance applicant or parent, must have certified statement from agencies providing assistance that assistance was provided for a period of five (5) years; *or*
 - (4) *If* an applicant is eighteen (18) years or younger, must provide a copy of an official transcript from the Department of Education Middle School or Guam Private Elementary/Middle School; *or*
 - (5) voter registration for the last three (3) recent elections certified by Guam Election Commission;
 - (6) must be listed on all documents submitted by parents or guardian.

7.0. SELECTION OF LOAN RECIPIENTS. The Board of Regents shall direct the Financial Aid Office Student Financial Assistance Program Staff to review and evaluate the applications of all student loan applicants on the following:

- (a) the applicant's scholastic record and financial need; *and*
- (b) Guam's need for professional personnel as in the career priorities determined by the Board.

8.0. OBLIGATION OF LOAN RECIPIENTS. The recipient of a loan must fulfill the following obligations:

- (a) Comply with all Student Loan regulations as established by the Board of Regents.
- (b) Must enroll for and maintain full-time student status, minimum twelve (12) credit hours per semester/quarter, or quarter equivalent of twelve (12) semester hours, undergraduate level or nine (9) credits hours per semester/quarter, or quarter equivalent of nine (9) semester hours, graduate level.
- (c) Maintain a grade-point average of *not less than 2.0* each semester/quarter *if* the recipient is an undergraduate student, or *not less than 3.0* each semester/quarter *if* the recipient is a graduate student. Students in graduate and professional schools who are officially certified to be in good standing at the end of each term shall be deemed to have fulfilled this requirement. Any student who fails to comply with this regulation shall be placed

on probation and must meet the academic standard prescribed herein by the end of the term immediately following the term in which probationary status incurred.

- (d) Submit an official copy of transcript within thirty (30) days at the end of each semester/quarter.
- (e) Obtain written approval by the Board *before*:
 - (1) transferring to another institution; transfer(s) may be approved by the Board *if* such transfer(s) would *not* extend the length of time required to complete the program;
 - (2) changing major program; change(s) may be approved by the Board *if* such change(s) would *not* extend the length of time required to complete the program (change of major is *not* allowed during the last academic year of attendance) (Such change must be within the established career priorities determined by the Board for the initial year the student loan was approved.); *or*
 - (3) withdrawing from any institution, *unless* such withdrawal was due to circumstances beyond that person's control and such withdrawal is subsequently approved in writing by the Board.
- (f) Be employed on Guam for a period of one (1) year for each Six Thousand Dollars (\$6,000.00) received by the recipient under the loan. The recipient's employment on Guam shall commence within six (6) months after the completion of studies. *If* a recipient continues that recipient's education as a full-time student at a graduate or professional school, that person may defer their return to Guam until such additional studies are completed; *provided*, written approval is obtained from the Board. A graduate requiring specialized training may postpone the graduate's employment on Guam while undergoing specialized training required for completion of professional certification as long as the recipient is certified by the director of the training program on an annual basis and upon written approval from the Board. Service credit may be postponed upon written approval from the Board for up to six (6) years while the recipient is serving in active duty in a branch of the U.S. Armed Services; *provided*, however, that the student applies for postponement within ninety (90) days of entering the Armed Services and continues to maintain Guam as the student's place of residence.
- (g) By accepting the award, the recipient agrees that the University of Guam may obtain any or all information from the recipient's respective institution as needed to comply with Board rules and regulations. Additionally the recipient will be required to attend:
 - (1) a pre-award interview *prior to* disbursement of the loan; *and*
 - (2) an exit interview upon completion of degree with staff from the Financial Aid Office.

9.0. PROMISSORY NOTE. Every student awarded a loan pursuant to §15203 of Title 17 of the Guam Code Annotated shall execute a promissory note agreeing to repay said loan over a period to be determined by the Board, but *not in excess* of ten (10) years from the contemplated date of the termination, or the completion of the course of studies for which the loan was approved. Said promissory note shall be non-interest bearing, *except* as to unpaid delinquent amounts due and payable under the note, which shall be subject of interest at the annual rate of ten percent (10%).

10.0. CONDITIONS FOR CONTINUATION OF LOAN.

The conditions for continuation of a loan shall include the following:

- (a) the recipient must have maintained a status as a regular full-time student at the institution to which the recipient was admitted, and in the major program for which the loan was granted, *unless* a transfer to another institution or change in program major has been authorized in writing in accordance with the Board's regulations 8(b), 8(c) and 8(e);
- (b) the recipient must provide a copy of the recipient's SAR and award letter from the recipient's institution to determined continued financial need;
- (c) the student must have complied with all other regulations governing Student Loans; *and*
- (d) no loan shall be continued beyond the number of years normally required to complete studies as a full-time student in the specific academic degree program for which the loan was granted, *except* under exceptional circumstances as determined by the Board.

11.0. FORFEITURE OF LOAN. Forfeiture of a loan shall result from any of the causes listed below, and any loan found to be forfeited shall be immediately due and payable:

- (a) Failure to enroll in the Fall semester/quarter of the academic year immediately following the granting of the Award, *unless* deferment of enrollment in that semester/quarter is approved in advance by the Board of Regents. An awardee granted such deferment will forfeit the award for failure to enroll in the next semester/quarter immediately following the approved deferment.
- (b) Failure to maintain a minimum semester grade point average of 2.0 for undergraduate studies or 3.0 for graduates studies at the end of each academic term, *except* a recipient may be allowed one (1) academic term to regain this average without cancellation of the loan.
- (c) Failure to maintain status as a full-time student, *except* where:
 - (1) a recipient may be allowed by the Board one (1) academic term to regain full-time status without cancellation of the award. However, *if* during such probationary period the student fails to enroll, the loan shall be forfeited; *or*
 - (2) a recipient may be permitted to enroll less than full-time in the recipient's last term *if* it would *not* affect the normal graduation time it requires to complete the program of studies.
- (d) Suspension or dismissal for academic deficiency, disciplinary reasons, or conviction of a felony.
- (e) Withdrawal from the institution in anticipation of any action under (d), above, or for any other reason(s) *not* authorized by the Board.
- (f) Change of institution and/or major without prior written approval from the Board.
- (g) Change of Guam residency status unless such is necessary to obtain lower resident tuition and fee rates.
- (h) In the event that the Board has made an exception pursuant to §§11(b) or 11(c), and the recipient regained entitlement of the recipient's award, such recipient will be required to sign a cash repayment promissory note with two (2) local guarantors. Repayment shall become due and payable until after graduation or termination of studies for any other reason. No service credit shall be allowed pursuant to §12(a) for the period in which the academic deficiency occurred.
- (i) Failure to comply with other Board rules and regulations.

12.0. SERVICE CREDIT. For the purpose of repayment of the student loan, the recipient shall receive:

- (a) **Service Credit.** The recipient shall receive service credit at the rate of for each year Five Hundred Dollars (\$500.00) each month, or its equivalence of Six Thousand Dollars (\$6,000.00) per year when employed on Guam. *If* the recipient: (a) returns to Guam *and* (b) begins employment on Guam within six (6) months after graduation without interruption, the recipient is considered to have met the obligation to the Board and will receive credit beginning on the date of employment.
- (b) **Postponement.** *If* the recipient wishes *not* to begin employment on Guam within six (6) months after graduation to continue studies on a full-time basis at an accredited institution of higher education, the recipient may appeal in writing to the Board for permission. Should permission be granted, the repayment obligation shall be deferred for the period granted to continue studies. *If* prior approval from the Board is *not* obtained, the recipient who does *not* return and begin employment on Guam within six (6) months must pay in cash Sixteen Dollars and Sixty-six Cents (\$16.66) per day (Six Thousand Dollars (\$6,000.00) per year) for each day the person is *not* employed on Guam. Once this amount has been paid in full, the recipient is entitled to use service credit for the remaining amount of the debt for each year of employment on Guam.
- (c) **Interruption.** *If* a person receiving service credit wishes to temporarily terminate employment on Guam to continue that person's studies on a full-time basis at an accredited institution of higher education, as recognized by the Council of Postsecondary Accreditation ('COPA'), an appeal in writing must be submitted to the Board of Regents for approval. Should such approval be granted, the repayment obligation shall be deferred for the period granted to continue studies. *If* prior approval of the Board is *not* obtained, the recipient must pay in cash Sixteen Dollars and Sixty-six Cents (\$16.66) per day (Six Thousand Dollars (\$6,000.00) per year) for each day the person is *not* employed on Guam. Once the amount is paid in full, the recipient is entitled to use service credit on the remaining debt.
- (d) **Ineligibility for Service Credit.** Any recipient who did *not* receive the degree sought with assistance from the Board of Regents, and who did *not* obtain prior approval, shall be ineligible for service credit. All monies disbursed during attendance under the Student Loan Program will become due and payable in monthly monetary payments as determined by the University of Guam Collections Department.
- (e) **Annual Proof of Employment.** It is the responsibility of the recipient to provide the Board of Regents documentary evidence of such employment and, each year thereafter, until such obligation is fulfilled.
- (f) **Death or Total Disability.** In the event the recipient should become totally disabled (physiological or psychological) or upon death, while completing service credit, any obligation on the note shall be terminated upon certification of two (2) physicians licensed to practice in the United States.

13.0. CONFLICT. In the event any revised regulation herein is found to be in conflict with a previous regulation under which a student was awarded financial assistance, the regulation in effect at the time of the award shall continue to apply to the student for the remainder of the recipient's studies for which the award was made."

**“MERIT AWARD RULES AND REGULATIONS.
(As amended by P.L. No. 25-86)**

1.0. STUDENTS ENTITLED TO MERIT AWARDS. There are established annual merit awards for high school students in the graduating classes of a public and private high school licensed to do business on Guam. The students entitled to these awards shall be the students having the highest scholastic standing in the graduating classes of each such public and non-public high school on Guam, *except* for Department of Defense Schools.

2.0. BACKGROUND AND STATUTORY AUTHORITY.

The Board of Regents of the University of Guam is authorized under Title 17 of the Guam Code Annotated, to formulate rules and regulations to equitably and efficiently administer the Student Financial Assistance Programs, as listed in Chapter 15 of Title 17 of the Guam Code Annotated.

3.0. DEFINITIONS. As used in these rules and regulations, the following terms will have the following meaning:

- (a) **‘Academic Standing’:** rank according to cumulative numeric grades, and is the same as scholastic standing.
- (b) **‘Academic Year’:** Fall and Spring Semesters for semester calendar system and Fall, Winter and Spring Quarters for a quarter calendar system.
- (c) **‘Accredited’:** as recognized by the Council on Postsecondary Accreditation (‘COPA’).
- (d) **‘Awardee’:** the recipient of the Merit Award who was selected on the basis of that recipient’s high academic standing from that recipient’s high school graduating class.
- (e) **‘Board’:** the Board of Regents of the University of Guam.
- (f) **‘Cash Repayment’:** monetary cash repayment for the period the deficiency was made and no service credit allowed.
- (g) **‘Cumulative Numeric Grades’:** are computed on the basis of freshman (9th), sophomore (10th), junior (11th), and senior (12th) years in school on a scale of 0-100 points, or higher, for honor courses and calculated to the thousandth decimal place.
- (h) **‘Fee’:** general fees applied to all students plus laboratory and course fees.
- (i) **‘Full-time Status’:** minimum of twelve (12) or more credit hours per semester/quarter (quarter equivalent to twelve (12) semester hours) during the regular semesters and six (6) credit hours (quarter equivalent to six (6) semester hours) for Summer Sessions.
- (j) **‘Generally Open’:** those private, parochial and public high schools under the jurisdiction of the government of Guam.
- (k) **‘Inter-session’:** the break period between Fall Semester and Spring Semesters.
- (l) **‘Major Program’:** the specific academic program of study which will be undertaken to achieve the desired degree.
- (m) **‘Nominee’:** a student selected by an eligible school who has met the academic criteria and eligibility criteria as established by the Merit Rules and Regulations of the University of Guam.
- (n) **‘Off-Island Recipient’:** recipient attending a four-year U.S. accredited college or university in the United States because the declared major or its equivalent is *not* available at the University of Guam.
- (o) **‘Promissory Note’:** Document signed by the student and their guarantors promising to repay the loan in accordance with the rules and regulations specified under the program.
- (p) **‘Resident’:** a resident of Guam for a continuous period of *not less than* five (5) years immediately preceding June 15th of the year the award is to be awarded.
- (q) **‘Service Credit’:** repayment of award obligation through employment service, upon completion of studies.

- (r) **‘Stipend’**: payment disbursed on a monthly installment.
- (s) **‘Total Disability’**: any physiological or psychological condition that will prevent the recipient from obtaining or maintaining any form of gainful employment for a period of *not less than* three (3) years. Such condition will require the certification of two (2) physicians licensed to practice in the United States.

4.0. NUMBER OF AWARDS. Each graduating class of the public and private high schools on Guam, is entitled to one (1) for every fifty (50) graduates of a school’s graduating class, rounded to the nearest fifty (50), *however*, schools with less than fifty (50) graduating seniors that meet all other requirements herein shall be entitled to one (1) award. *If* there should be a tie of the equal scholastic standing of two (2) or more graduates, the University of Guam will provide a mechanism to break the tie using the cumulative numeric grades first going to whatever decimal place is required to break the tie. *If* a tie still exists, then the SAT scores will be used to break the tie. Each student must meet the eligibility requirements established in §15301(a.1) of Chapter 15 of Title 17 of the Guam Code Annotated. The number of awards will be determined by the actual number of diplomas awarded on graduation day.

5.0. CRITERIA OF ELIGIBILITY. To qualify for a Merit Award, the student:

- (a) must be a graduate from a public or private high school that is licensed to do business on Guam;
- (b) shall be one(s) having the highest academic scholastic standing of their respective graduating classes based on four (4) completed consecutive years of attendance in high school, generally open to all students on Guam, *except* the Department of Defense Schools;
- (c)
 - (1) a United States citizen; *or*
 - (2) a permanent resident alien; *and*
- (d) must be a resident of Guam for a continuous period of *not less than* five (5) years immediately preceding June 15th of the year the award is to be awarded.

If any student is ineligible for an award solely because the student does *not* meet the requirements of §§5(c) and (d), or *if* any eligible student declines an award when first offered such award, the award shall be granted to the *next* eligible student in academic standing in the class, who chooses to accept the award.

6.0. NOMINATION PROCEDURE. Each eligible high school shall submit a list of nominees on **Form A**, as attached, for the awards in descending order of rank, based on the academic standing and who meet the eligibility requirements as stated in §§5(c) and (d), to the Board of Regents. In the event any nominee declines to accept the award, the *next* graduate in academic standing in the class shall be offered the award; or in the case of a tie, the student that was eliminated by the tiebreaker, will be offered the award. A signed statement of acceptance or rejection of the nominees shall be submitted with the list of nominees. *If* an eligible student declines to accept an award when first offered, such student cannot accept such an award after it has been granted to another student.

7.0. SELECTION PROCEDURE.

- (a) The Board of Regents shall direct the Financial Aid Director or designee to certify academic standing of the nominees on Form A submitted by the schools.

- (b) The Board of Regents shall, at a regular or special meeting, approve the selection of the recipients.
- (c) Within five (5) working days of the Board's action, notice of award shall be sent certified mail to each recipient. The selected recipient of a Merit Award must notify the Board of Regents within thirty (30) days of postmarked or stamped date of notice of the award whether the recipient will accept the award. *If* the selected recipient fails to do so, the award is thereby forfeited and the award shall be offered to the next alternate. *If* a selected recipient declines to accept a Merit Award after it has been offered, such recipient shall no longer be entitled to receive such award from the Board of Regents.
- (d) All selected recipients shall attend a mandatory orientation to complete the award process. Failure to attend said orientation may be cause to deny the Merit Award. All documents required by the Financial Aid Office to complete the award process will be received and completed by the recipient during the orientation process.

8.0. ATTENDANCE. Awardees are to attend the University of Guam. *If* the Awardee's academic major program is unavailable at the University of Guam, the Awardee may attend any four-year U.S. accredited college or university in the United States, as recognized by the Council on Postsecondary Accreditation ('COPA') where such declared major is available.

9.0. PROMISSORY NOTE. All Merit Award recipients shall execute a Promissory Note with two (2) responsible co-signers, who are residents of Guam and are financially able to repay the award in the event the student fails to comply with service obligations one hundred eighty (180) days from required employment date, at which time the Board may extend cash repayment for a period *not to exceed* ten (10) years at an annual percentage rate of *not less than* ten percent (10%). No funds under this Program shall be disbursed while the student is attending the student's approved institution until the note is submitted to the Financial Aid Office, Student Financial Assistance Program and the student is found to be in compliance with the requirements under this Program.

10.0. AWARD BENEFITS. Awardees are entitled to the following benefits:

- (a) Tuition and fees each academic year to be paid by the Student Financial Assistance fund for a period of *not more than* four (4) years in an undergraduate program at the University of Guam, or at an authorized off-Island institution. *If* an awardee is authorized to attend an off-Island institution, the tuition and fee benefits shall be based on the University of Guam tuition and fee rates.
- (b) An additional two (2) years of tuition and fees will be granted for the top two (2) awardees from a graduating class who attended and successfully completes undergraduate studies at the University of Guam and have completed admission requirements for graduate school at the University of Guam for the purpose of pursuing a Master's Degree.
- (c) A monthly stipend based on the following:
 - (1) Three Hundred Dollars (\$300.00) based on fifty-nine (59) or fewer semesters/quarter hours completed.
 - (2) Five Hundred Dollars (\$500.00) based on sixty (60) or more semester hours to graduation.
 - (3) Six Hundred Dollars (\$600.00) for graduate students pursuant to §10(b).
 - (4) One Hundred Dollars (\$100.00) for one (1) month only for each inter-session cycle attended in the summer.

- (5) No stipend will be granted for students attending Fall inter-session.
- (d) An allowance of Two Hundred Fifty Dollars (\$250.00) per semester and One Hundred Dollars (\$100.00) maximum for summer will be granted for textbooks to be disbursed in accordance with regulations adopted by the Board. Students attending inter-session between the Fall and Spring semesters on a full-time basis are eligible for the maximum of One Hundred Dollars (\$100.00) for books.
- (e) Awardees authorized to attend an off-Island institution shall *not* exceed the amount of assistance granted for a student attending school at the University of Guam, but are entitled to the cost of airfare for one-way, economy airline ticket to the school of attendance and one-way ticket to return to Guam upon completion of studies.

11.0. OBLIGATIONS OF RECIPIENTS. The recipient of an award must fulfill the following obligations:

- (a) Comply with all Merit regulations as established by the Board of Regents and duly adjudicated.
- (b) Submit proof of detail charges of tuition and fees within thirty (30) days after the start of each semester/quarter.
- (c) Maintain a cumulative grade-point average of *not less than 2.5* at the end of each semester/quarter. Any student who fails to comply with this regulation shall be placed on probation and must meet the academic standard prescribed herein by the end of the term immediately following the term in which the student incurred probationary status.
- (d) Submit an official transcript within thirty (30) days at the end of each semester/quarter.
- (e) Must enroll for and maintain full-time student status, minimum twelve (12) credit hours per semester/quarter. Should the college or university's policy *not* reflect this standard full-time enrollment, the student must obtain verification certifying the full-time status for that term.
- (f) Obtain written approval (special request) by the Board before:
 - (1) transferring to another institution; transfer(s) may be approved by the Board *if* such transfer(s) would *not* extend the length of time required to complete the program;
 - (2) changing major program; change(s) may be approved by the Board *if* such change(s) would *not* extend the length of time required to complete the program (change of major is not allowed during the last academic year of attendance);
 - (2.a) For off-Island recipients requesting a change of major, the new major or its equivalent must *not* be a major offered at the University of Guam.
 - (2.b) Off-island recipients who double major, must have one (1) or both of the majors *not* offered at the University of Guam, and must also graduate with a major *not* offered at the University of Guam.
 - (3) Withdrawing from any institution, *unless* such withdrawal was due to circumstances beyond the student's control and the Board subsequently approves such withdrawal in writing.
- (g) Changes to award status, known as '*special requests*' shall be submitted to the Board in writing from a recipient. Such status change shall include, but will *not* be limited to the following: change of major, change of professional or technical program, change of institution, change of graduation date, deferment of attendance, or deferment of service obligation. Applicable to all recipients beginning Academic Year 1996-97.

- (1) *Except* for deferment requests, special requests shall be submitted to the Board *no later than* two (2) months (sixty (60) calendar days) prior to the start of the academic term for which the request is to take effect. Requests received after the two (2) months (sixty (60) calendar days), shall be acknowledged and returned without any action indicating non-compliance with the deadline requirement.
- (h) All Awardees must agree to work on Guam, for each year assistance was provided (1:1).
- (i) All Awardees must provide proof of full-time employment within six (6) months after graduation by submitting a Verification of Employment, certification or 1040 tax forms or W-2 forms. For self-employment, a Business License, Gross Receipt Tax and a notarized statement of earnings is required. Employment verifications shall be submitted by the recipient annually. *If* a recipient wishes to continue the recipient's education as a full-time student at a graduate or professional school, the recipient may defer their employment obligation on Guam until such additional studies are complete; *provided*, written approval has been granted from the Board. Failure to return to Guam and to begin employment on Guam within six (6) months of graduation, such obligation shall be immediately due and payable in monthly monetary payments.
- (j) By accepting the award, the recipient agrees that the University of Guam may obtain any or all information from the respective institution as needed to comply with Board regulations.

12.0. CANCELLATION/FORFEITURE OF AWARD. Any of the following shall result in the cancellation/forfeiture of an award. Forfeiture results in the monetary repayment obligation for any and all funds received.

- (a) Failure to enroll in the Fall semester/quarter of the academic year immediately following the granting of the Award, *unless* deferment of enrollment in that semester/quarter is approved in advance by the Board of Regents. An Awardee granted such deferment will forfeit the award for failure to enroll in the next semester/quarter immediately following the approved deferment.
- (b) Failure to maintain a cumulative grade-point average of 2.5 or its equivalent (acceptable by the Board), *except* a recipient may be allowed one academic term to regain this average without cancellation of award.
- (c) Failure to maintain full-time status.
- (d) Suspension or dismissal for academic deficiency, disciplinary reason(s) or conviction of a felony.
- (e) Change of institution and major without prior approval from the Board.
- (f) Change of Guam residency status, *unless* such is necessary to obtain lower resident tuition and fee rates.
- (g) In the event that pursuant to §§12(b) or (c), the recipient regained entitlement of the recipient's award, such recipient shall *not* be required to repay the amount awarded for that academic term in which the academic deficiency or failure to maintain full-time status occurred until after graduation, or other termination of studies for any other reason.
- (h) Failure to comply with other Board Regulations.

13.0. SERVICE CREDIT. For the purpose of repayment, the recipient shall receive:

- (a) **Service Credit.** The recipient shall receive service credit for each year of employment on Guam. *If* the recipient (a) returns to Guam and (b) begins employment on Guam within six (6) months *after* graduation without

interruption, the recipient is considered to have met the obligation to the Board and will receive credit beginning on the date of employment. A year of service credit is twelve (12) months.

- (b) **Postponement.** *If* the recipient wishes *not* to begin employment as required by §13(a) herein within six (6) months after graduation to continue studies at a graduate or professional school on a regular full-time, on-campus basis, at an accredited institution of higher education, as recognized by the Council on Postsecondary Accreditation ('COPA'), an appeal may be submitted in writing to the Board for approval.
- (c) **Unapproved Postponement.** Should such approval be granted, in accordance with §13.0(b), the repayment obligation shall be deferred for the period granted to continue studies. *If* prior approval from the Board is *not* obtained, the recipient who does *not* return and begin employment on Guam within six (6) months, must pay in cash based on the total amount received per year and calculated on a daily rate for each day the person is *not* employed on Guam. The daily rate will be calculated by the University of Guam Collection Department as authorized by the Board of Regents. Once this amount has been paid in full, the recipient is entitled to use service credit for the remaining amount of the debt for each year of employment on Guam.
- (d) **Interruption.** *If* a person receiving service credit wishes to temporarily terminate employment on Guam to continue studies at a graduate or professional school on a regular full-time on-campus basis, at a U.S. accredited institution of higher education, as recognized by the Council of Postsecondary Accreditation ('COPA'), an appeal in writing must be submitted to the Board of Regents for approval. Should such approval be granted, the repayment obligation shall be deferred for the period granted to continue studies. *If* prior approval of the Board is *not* obtained, the recipient must pay in cash per day for each day the person is *not* employed on Guam at the rate determined by the University of Guam Collection Department. Once the amount is paid in full, the recipient is entitled to use service credit on the remaining debt.
- (e) **Ineligibility for Service Credit.** Any recipient who did *not* receive the degree sought with assistance from the Board of Regents, and who did *not* obtain prior approval, shall be ineligible for service credit. All monies disbursed during attendance under the Merit Award will become due and payable and shall be subject to an annual interest rate of ten percent (10%) in monthly installment payments. Such payments must *not* exceed ten (10) years pursuant to the law. The University of Guam Collections Department will be charged with computing the recipient's monthly installment payments in the event of default. Furthermore, permanent transfer to an off-Island office or transfer or branch of a Guam employer shall *not* count towards service credit and shall result in default on the date of transfer, and interest shall begin on such date of default.
- (f) **Death or Total Disability.** In the event the recipient should become totally disabled (physiological or psychological) or upon death, while completing service credit, any obligation on the note shall be terminated upon certification of two (2) physicians licensed to practice in the United States.
- (g) **Leave of Absence.** It is the responsibility of the recipient to inform the University of Guam of their intended leave of absence *if* such leave is longer than

forty-five (45) days. The recipient must remain employed pursuant to §13(a) herein to receive service credit while on off-Island temporary leave status.

- (h) **Annual Proof of Employment.** It is the responsibility of the recipient to provide the Board of Regents documentary evidence of such employment and, each year thereafter, until such obligation is fulfilled.

4.0. CONFLICT. In the event any revised regulations herein is found to be in conflict with a previous regulation under which the student was awarded financial assistance, the regulation in effect at the time of the award shall continue to apply to the student for the remainder of the recipient's studies for which the award was made."

“PROFESSIONAL/TECHNICAL AWARD RULES AND REGULATIONS.
(As amended by P.L. No. 25-86)

1.0. STUDENTS ENTITLED TO AWARDS. There are established professional and technical awards for graduate studies in occupational priorities established by the Board.

2.0. BACKGROUND AND STATUTORY AUTHORITY. The Board of Regents of the University of Guam is authorized under Title 17 of the Guam Code Annotated to formulate rules and regulations to equitably and efficiently administer the Student Financial Assistance Programs as listed in Chapter 15 of Title 17 of the Guam Code Annotated.

3.0. DEFINITIONS. As used in these rules and regulations, the following terms will have the following meaning:

- (a) **‘Academic year’:** Fall and Spring Semesters for semester calendar system and Fall, Winter and Spring Quarters for a quarter calendar system.
- (b) **‘Academic program’:** the specific academic program of study which will be undertaken to achieve the desired degree.
- (c) **‘Accreditation’:** as recognized by the Council on Postsecondary Accreditation (‘COPA’).
- (d) **‘Board’:** the Board of Regents of the University of Guam.
- (e) **‘Bona fide resident’:** resident of Guam for a continuous period of *not less than* ten (10) years prior to application.
- (f) **‘Cash Repayment’:** monetary cash repayment for the period the deficiency was made and no service credit allowed.
- (g) **‘FAFSA’:** Free Application for Federal Student Aid.
- (h) **‘Fees’:** general fees applied to all students plus laboratory and course fees.
- (i) **‘Financial Need’:** institutional cost minus expected family contribution, determined through the FAFSA, minus all other student financial resources or benefits equal unmet need (COA-EFC-SFA=Unmet need).
- (j) **‘Full-time Status’:** nine (9) or more credit hours per semester/quarter, or quarter equivalent to nine (9) semester hours, for graduate students.
- (k) **‘Professional/Technical Program’:** any graduate degree program in areas listed in the Career Priority.
- (l) **‘Promissory Note’:** the document sign by student promising to repay the award in accordance with the rules and regulations specified under the program.
- (m) **‘SAR’:** Student Aid Report resulting from the processed FAFSA.

- (n) **‘Service Credit’**: repayment of award obligation through employment service, upon completion of studies.

4.0. ELIGIBILITY. To be eligible for a Professional/Technical Award, the applicant:

- (a) must be a *bona fide* resident of Guam for a continuous period of *not less than* ten (10) years prior to application, and either be:
 - (1) a citizen of the United States; *or*
 - (2) a permanent resident alien;
- (b) must be a college graduate, or a full-time student in good standing in a graduate program at a U.S. accredited institution of higher education or professional school as recognized by COPA;
- (c) must have an overall grade-point average of at least 3.0 in the applicant’s undergraduate studies, or 3.33 in the applicant’s master’s program *if* that person is pursuing a doctorate degree, or an irrevocable letter of acceptance from a U.S. accredited institution or professional school at the time of submission of application;
- (d) must provide evidence of financial need through the completion and processing of the ‘Free Application for Federal Student Aid’ as reported in the Student Aid Report (‘SAR’), or the Institutional Student Information Report received from the U.S. Department of Education Processing Center; *and*
- (e) must have been unconditionally accepted for admission into a professional/technical program at a U.S. accredited institution of higher education or professional school as recognized by COPA as a full-time student at the time of submission of application.

5.0. SELECTION OF AWARDEE. The Board of Regents shall direct the Financial Aid Office Student Financial Assistance Program Staff to review and evaluate the applications of all student loan applicants on the following:

- (a) the applicant’s scholastic record, aptitude, financial need; *or*
- (b) the Board may use work- or lifetime experience and achievement criteria in place of the aptitude *if* because of such experience, it can be reasonably determined that the applicant will succeed in the course of study.
- (c) Guam’s need for professional personnel in the career field selected by the applicant and based on the career priorities determined by the Board.
- (d) The applicant must have evidence of financial need through submission of a SAR processed by the U.S. Department of Education Processing Center.

6.0. BENEFITS. An award recipient is entitled to the following benefits:

- (a) Payment of tuition and other fees for a period designated in the college bulletin to complete the program which should *not* be more than four (4) scholastic years.
- (b) An annual grant loan for *not more than* Ten Thousand Dollars (\$10,000.00) for room and board, books and educational supplies.
- (c) Cost of airfare for one-way, economy airline ticket to the school of attendance and one-way ticket to return to Guam upon completion of studies.
- (d) Total for items (a) and (b) shall *not* exceed Twenty Thousand Dollars (\$20,000.00) per year for a period of *not more than* four (4) scholastic years for studies at an off-Island institution.
- (e) *If* the course of study is in medicine or dentistry, the total for items (a) and (b) shall *not* exceed Twenty-five Thousand Dollars (\$25,000.00) per year.

The total amount of an award is contingent on the availability of funds.

APPLICATION PROCEDURE AND REQUIREMENTS.

An applicant for an award must provide the following documents:

- (a) A completed application must be received on or before April 30th, to the Financial Aid Office, University of Guam. The official application form is obtainable in January at the Financial Aid Office.
- (b) An official letter affirming that the applicant has been unconditionally accepted for admission to a U.S. accredited higher education institution or professional school as recognized by the Council on Postsecondary Accreditation ('COPA') as a regular full-time graduate student in a specific professional/technical program, or that the applicant is enrolled in the Program and in good standing. No Award will be granted for studies at an off-Island institution in an academic/technical program that is available at the University of Guam.
- (c) A complete official college transcript of the applicant's studies at all institutions attended.
- (d) College/university catalog or bulletin applicable to student's enrollment containing information regarding the applicant's professional/technical program and institution's published annual cost of attendance and the normal number of years or semester for completion of program.
- (e) The Student Aid Report ('SAR') or Institutional Student Information Report, as evidence of need for financial assistance as a result of the processed FAFSA by the U.S. Department of Education Processing Center. The FAFSA application is obtainable from the Financial Aid Office or apply directly to www.fafsa.ed.gov.
- (f) Must submit proof of U.S. citizenship (Birth Certificate, Naturalized Certificate, or Passport) or proof of permanent resident alien status (Permanent Resident Alien Card and Passport).
- (g) Must provide any two (2) of the following as proof of ten (10) years residency on Guam:
 - (1) copies of filed income tax records for a period of ten (10) years; *or*
 - (2) certified or validation of income tax filed from Department of Revenue; *or*
 - (3) *if* a recipient of Public Assistance, must have certified statement from agencies that assistance was provided for a period of ten (10) years; *or*
 - (4) certified statement from the Guam Election Commission on Voter registration for the past three (3) general elections; *or*
 - (5) bank statement of mortgage on principal residence over ten (10) year period.

8.0. OBLIGATION OF AWARD RECIPIENTS. The recipient of an Award must fulfill the following obligations:

- (a) Comply with all award regulations established by the Board of Regents.
- (b) Enroll for and maintain full-time student status.
- (c) Maintain a grade-point average of *not less than* 3.0 each semester/quarter; or be officially certified by the institution that the recipient is in good academic standing. A student who fails to comply with this regulation shall be placed on probation and must meet the academic standard prescribed herein by the end of the term immediately following the term in which the probationary status incurred.
- (d) Submit an official copy of transcript and a detailed billing statement of tuition and fees *no later than* thirty (30) days at the end of each semester/quarter.
- (e) Obtain written approval by the Board before:

- (1) Transferring to another institution; transfer(s) may be approved by the Board if such transfer(s) would *not* extend the length of time required to complete the program.
 - (2) Changing academic/technical program; change(s) may be approved by the Board *if* such change(s) would *not* extend the length of time required to complete the program. Such change must be within the established career priorities determined by the Board for the initial year the Award was approved.
 - (3) Withdrawing from any institution, *unless* such withdrawal was due to circumstances beyond the recipient's control, and such withdrawal is subsequently approved in writing by the Board.
 - (4) Be employed on Guam on the basis of two to one (2:1) for each year that assistance was received by the recipient under the Award. The recipient's employment on Guam shall commence within six (6) months *after* the completion of studies. *If* a recipient continues that person's education as a full-time student at a graduate or professional school, the recipient may defer that person's return to Guam until such additional studies are completed; *provided*, that written approval is obtained from the Board. A graduate requiring specialized training, may postpone that person's employment on Guam while undergoing specialized training as long as the recipient is certified by the director of the training program on an annual basis and upon written approval from the Board.
Service credit may be postponed upon written approval from the Board, for up to six (6) years while the recipient is serving in active duty in a branch of the U.S. Armed Services; *provided*, however, that the student applies for postponement within ninety (90) days of entering the Armed Services and continues to maintain Guam as that person's place of residence;
- (f) By accepting the award, the recipient agrees that the University of Guam may obtain any or all information from the recipient's respective institution as needed to comply with Board rules and regulations. Additionally, the recipient will be required to attend:
- (1) A pre-award interview prior to disbursement of the award; *and*
 - (2) an exit interview upon completion of degree with the staff from the Financial Aid Office.

9.0. PROMISSORY NOTE. The recipient shall execute a non-interest bearing promissory note with two (2) responsible co-signers, who are residents of Guam and are financially able to repay the note in the event that the recipient fails to comply with service obligation one hundred eighty (180) days from the required initial date of employment. The note becomes interest bearing on any amounts unpaid by service credit that are due and payable, which shall be subject to interest on the annual rate of ten percent (10%). The total amount of the note shall be determined upon completion of studies in which assistance was provided by the award. No funds under this Program shall be disbursed until the note has been complied with in accordance to the prescribed rules and regulations of this Program. This Note shall be executed by the Financial Aid Office, Student Financial Assistance Program.

CONDITIONS FOR CONTINUATION OF AN AWARD.

The conditions for continuation of the Award shall include the following:

- (a) The recipient must have maintained that person's status as a regular full-time student at the institution to which the recipient was admitted and in the academic/technical program for which the award was granted, *unless* a transfer to another institution or a change of academic/professional/technical program has been authorized in writing in accordance with the Board's regulations §§8.0(e1) and/or (e2).
- (b) The recipient must maintain satisfactory academic standing in accordance with Regulations 8.0(c).
- (c) Submit an official copy of transcript and a detailed billing statement of tuition and fees *no later than* thirty (30) days at the end of each semester/quarter.
- (d) The recipient must provide a copy of their SAR and award letter from their institution to determine continued financial need. No Award shall be continued beyond the number of years normally required to complete studies in the specific academic/technical degree program for which the Award was granted.
- (e) The recipient must have complied with all other regulations governing the Award.

11.0. FORFEITURE OF AWARD. Forfeiture of an award shall result from any of the causes listed below, and any award forfeited shall be immediately due and payable.

- (a) Suspension or dismissal for academic deficiency, disciplinary reasons, or conviction of a felony.
- (b) Withdrawal from the institution in anticipation of any action under (a), above or for any other reason(s) *not* authorized by the Board.
- (c) Failure to maintain status as a full-time student, *except* a recipient may be allowed by the Board one-academic term to regain full-time status without cancellation of the award, or a recipient may be permitted to carry less than full-time load, *if* it would *not* result in the student's failing to graduate within the normal time for completing the program of studies. In the event that an exception is granted pursuant to this Subsection, the student shall be required to sign a cash repayment promissory note to repay in cash the amount awarded for the academic term in which the failure to maintain full-time status occurred and *not* be eligible for service credit pursuant to §13.0 following graduation or termination of studies for any reason.
- (d) Violation of other Board regulations.

12.0. SERVICE CREDIT. For the purpose of repayment of the Award, the recipient shall receive:

- (a) **Service Credit.** The recipient shall receive service credit on a two-to-one (2:1) ratio for each year that assistance was provided or its equivalence of Ten Thousand Dollars (\$10,000.00) per year when employed on Guam. *If* the recipient (a) returns to Guam *and* (b) begins employment on Guam within six (6) months after graduation without interruption, the recipient is considered to have met the obligation to the Board and will receive credit beginning on the date of employment.
- (b) **Postponement.** *If* the recipient wishes *not* to begin employment on Guam within six (6) months after graduation to continue studies on a full-time basis at an accredited institution of higher education, the recipient may appeal in writing to the Board for permission. Should such permission be granted, the repayment obligation shall be deferred for the period granted to continue the recipient's studies. Without the prior approval of the Board, the recipient who does *not* return to Guam within six (6) months, must pay in cash Twenty-seven Dollars and Seventy-seven Cents (\$27.77) per day (Ten Thousand Dollars (\$10,000.00) per year) for each day between the date of graduation

and the date of employment on Guam. Once this amount has been made, the recipient is entitled to use service credit for the remaining amount of the debt for each year of employment on Guam.

- (c) **Interruption.** *If* a person receiving service credit wishes to temporarily terminate employment on Guam to continue that person's studies on a full-time basis at an accredited institution of higher education as recognized by the Council on Postsecondary Accreditation ('COPA'), that person may appeal in writing to the Board for permission. Should such permission be granted, the repayment obligation shall be deferred for the period granted to continue that person's studies. Without the prior approval of the Board, the recipient must pay in cash Twenty-seven Dollars and Seventy-seven Cents (\$27.77) per day (Ten Thousand Dollars (\$10,000.00) per year) for each day the person is *not* employed on Guam. Upon payment of such amount, the recipient is entitled to use service credit on the remaining debt.
- (d) **Ineligibility for Service Credit.** Any recipient who did *not* receive the degree that that person sought with assistance from Board, without prior written approval, shall be ineligible for service credit. All monies disbursed during attendance under the Professional and Technical Award will become due and payable under the note, and shall be subject to an annual interest rate of ten percent (10%) in monthly installment payments. Such payments shall *not* exceed ten (10) years pursuant to the law. The University of Guam Collections Department will be charged with computing the recipient's monthly installment payments in the event of default.
- (e) **Leave of Absence.** It is the responsibility of the recipient to inform the University of Guam of their intended leave of absence *if* such leave is longer than forty-five (45) days. The recipient must remain employed on Guam to receive service credit while on off-Island leave status.
- (f) **Death or Total Disability.** In the event the recipient should become totally disabled (physiological or psychological) or upon death, while completing service credit, any obligation on the note shall be terminated upon certification of two (2) physicians licensed to practice in the United States.
- (g) **Annual Proof of Employment.** It is the responsibility of the recipient to provide the Board of Regents documentary evidence of such employment and, each year thereafter, until such obligation is fulfilled.

13.0. CONFLICT. In the event any revised regulation herein is found to be in conflict with a previous regulation under which a student was awarded financial assistance, the regulation in effect at the time of the award shall continue to apply to the student for the remainder of the recipient's studies for which the award was made."

Section 2. Section 15201 of Article 2, Chapter 15, Division 3 of Title 17 of the Guam Code Annotated, as amended by Public Law Number 25-85, is hereby *amended* to read as follows:

"Section 15201. Students Entitled to Loans. The Board is authorized to approve loans for graduate and undergraduate studies or training to qualified applicants who are admitted to the University of Guam, the Guam Community College pursuant to the provisions of §15204 of this Article or to a United States accredited off-Island college or university as full-time students on regular status or by Distance Learning, that may include classes by means of the internet, through a United States accredited college or university or one (1) recognized by the Council on

Postsecondary Accreditation ('COPA'). The loans provided in this Article are subject to the following limitations:

- (a) The applicant must be a *bona fide* resident of Guam and a United States citizen, or a permanent resident alien:
 - (1) applicants who are high school students at the time of application must have achieved an overall grade point average of at least 2.0 or its equivalent in the applicant's high school studies; *and*
 - (2) applicants who are current or returning college students with prior college credits at the time of application must have achieved an overall grade point average of at least 2.5 or its equivalent in the applicant's undergraduate studies.
- (3)
 - (a) *If* the applicant is pursuing an academic graduate or post-graduate degree, the applicant must have achieved a grade point average of *not less than 2.5* in undergraduate studies.
 - (b) *If* the applicant is a graduating senior, final approval of awards will be based on successful completion of graduation requirements inclusive of a 2.5 grade point average.

All awards for graduate studies shall be based on acceptance in to a graduate program. No awards shall be made for off-Island studies, *unless* such course of studies are listed on the University's Career Priority listing. For loans made after January 1, 2000, the applicant must be a five (5) year resident of Guam for the period immediately preceding the starting date of the academic year the student will use such assistance and meet all other requirements herein.

- (b) The applicant must agree to the provisions of §15203 of this Article.
- (c) The applicant must be in financial need, which shall be determined by regulations authorized by §15105 of Article 1 of this Chapter. In addition, the applicant must complete 'A Free Application for Federal Student Aid' ('FAFSA') form as documentary evidence of need.
- (d) The applicant must present to the Board *prior to* the granting of the loan satisfactory proof that the applicant has been admitted to an accredited college or university as a full-time student to pursue a program of study in the area for which the loan was applied. No loan shall be continued beyond the number of years normally required to complete studies in the specific academic degree program for which the loan was granted, except under exceptional circumstances as determined by the Board.
- (e) The off-Island colleges and universities must be United States accredited, or recognized by the Council on Postsecondary Accreditation ('COPA'), and must be on the University's Career Priority Listing and approved by the Board; *provided*, however, that no loans shall be granted for studies at an off-Island institution in an academic program that is available at the University of Guam."

Section 3. Section 15A301 of Chapter 15 of Title 17 of the Guam Code Annotated, as *added* by Public Law Number 25-86, is hereby *amended* to read as follows:

"Section 15A301. Students Entitled to Merit Awards.

- (a) There are established annual Merit Awards for high school students in the graduating classes of a public and private high school licensed to do business on Guam now or hereafter established. The students entitled to these awards shall be the students having the highest scholastic standing in the graduating classes of each such public and non-

public high school on Guam, *except* for Department of Defense Schools. The awards shall be determined as follows:

- (1) One (1) for every fifty (50) graduates or fraction thereof of a school's graduating class. *If* as a result of the equal scholastic standing of two (2) or more graduates, there is a tie for the awards granted pursuant to this Chapter, the University of Guam shall provide a mechanism to break the tie. Awardees are entitled to four (4) years of education at the University of Guam. *However*, if the awardee is the top-ranked student academically of that person's graduating class, and such awardee's major is unavailable at the University of Guam, the awardee may attend any accredited college or university in the United States, or one (1) recognized by the Council on Postsecondary Accreditation ('COPA'), where such declared major is available. The benefits are according to the amounts provided in §15A302 of this Article, *plus* the cost of airfare for one-way, economy airline ticket to the school of attendance and one-way ticket to return to Guam upon completion of studies.
- (2) Of the students receiving awards in Subsection (1), *supra*, who attend and graduate from the University of Guam, the top two (2) awardees per graduating class shall be entitled to an additional two (2) years of study for a Master's Degree at the University of Guam *after* completion of the bachelor's program awarded under the provisions of Subsection (1). In the event that, as a result of graduating class size, only one (1) student is entitled to an award under Subsection (1), *supra*, then only one (1) student shall be eligible for an award under this Subsection. The benefits are according to the amounts provided in §15A302 of this Article.

All awards shall be subject to the following limitations:

A recipient must be a:

- (i) United States citizen, or a permanent resident alien, who has completed four (4) academic years in a public or private high school on Guam; *and*
 - (ii) a resident of Guam for a continuous period of *not less than* five (5) years immediately preceding June 15th of the year the award is to be awarded.
- (b) *If* any student is ineligible for an award because of failure to meet the requirements contained in Subsection (a) of this Section; or *if* any eligible student chooses *not* to accept an award when first offered such award, the award shall be granted to the eligible student with the *next* highest scholastic rank, or in the case of tie, the student that was eliminated by the tie-breaker. *If* an eligible student declines to accept an award when first offered, such student cannot accept such an award *after* it has been granted to another student.

The recipient of a merit award must notify the Board within thirty (30) days, that the award is accepted. *If* such recipient fails to do so, the award is thereby forfeited and the same shall be offered to the next alternate.

- (c) Award recipients must agree that the recipient will work on Guam for a period of one (1) year for each academic year the award was received within six (6) months following the completion or termination of the course of studies for which the award was granted; *provided*, that *if* the recipient continues as a full-time student at a graduate or professional school, such recipient may defer work on Guam until such additional studies are completed.

Awards granted on or subsequent to the effective date of this Section shall be cancelled if a recipient:

- (1) fails to maintain a cumulative grade point average of 2.5 or its equivalent, *except* a recipient may be allowed one (1) academic term to regain this average without cancellation of the award, *or*
- (2) fails to meet the academic and/or other requirements governing full-time students at the University of Guam, *except* a recipient shall be allowed one (1) academic term in which to regain full-time student status before cancellation of such recipient's award."

Section 4. Section 15A305 of Chapter 15 of Title 17 of the Guam Code Annotated, as added by Public Law Number 25-86, is hereby *amended* to read as follows:

"Section 15A305. Applicability of This Article.

This Article shall apply only to awards made to high school students graduating during the School Year 2000 - 2001 and thereafter."

Section 5. Authority to Extend Application Date.

Notwithstanding any other provision of law or Administrative Rules and Regulations, the Board of Regents of the University of Guam may and is hereby authorized to extend the application date of financial assistance applications beyond April 30, 2000 for Awards to be made during the calendar year 2000.

Section 6. Section 15102 of Article 1, Chapter 15, Division 3 of Title 17 of the Guam Code Annotated is hereby *amended* to read as follows:

"Section 15102. Administration. The provisions of this Chapter shall be administered by the Board of Regents of the University of Guam, and all awards provided by this Chapter shall be granted by the Board. The Board of Regents may delegate to the management of the University, its authority to administer the provisions of this Chapter, inclusive of authority granted under any Administrative Rules and Regulations, *however*, any exceptions or waivers as allowed by such Administrative Rules and Regulations must be approved by the Board of Regents and may *not* be delegated."