



Office of the Governor of Guam

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Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

05 JAN 2007

The Honorable Mark Forbes
Speaker
Mina' Bente Ocho Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910



Dear Mr. Speaker:

Transmitted herewith is Bill No. 402(EC), "AN ACT TO APPROVE THE REVISIONS TO THE ADMINISTRATIVE RULES AND REGULATIONS OF THE STUDENT FINANCIAL ASSISTANCE PROGRAM (SFAP)." which I signed into law on January 4, 2007, as Public Law 28-167.

Sinseru yan Magåhet,

[Signature of Felix P. Camacho]

FELIX P. CAMACHO
I Maga'låhen Guåhan
Governor of Guam

Attachment: copy attached of signed bill

cc: The Honorable Eddie Baza Calvo
Senator and Secretary of the Legislature

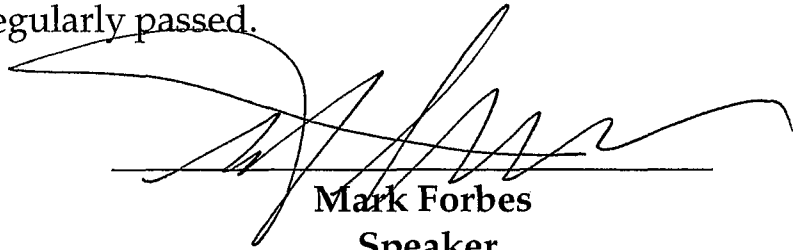
Office of the Speaker
MARK FORBES
Date 01-05-07
Time 5:05 PM
[Signature]

29-07-0022

I MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN
2006 (SECOND) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Substitute Bill No. 402(EC), "AN ACT TO APPROVE THE REVISIONS TO THE ADMINISTRATIVE RULES AND REGULATIONS OF THE STUDENT FINANCIAL ASSISTANCE PROGRAM (SFAP)," was on the 20th day of December, 2006, duly and regularly passed.



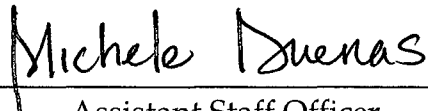
Mark Forbes
Speaker

Attested:



Edward J.B. Calvo
Senator and Secretary of the Legislature

This Act was received by *I Maga'lahaen Guåhan* this 27 day of Dec, 2006, at 10:36 o'clock a.M.



Michele Duenas
Assistant Staff Officer
Maga'lahaen's Office

APPROVED:

FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: 4 JANUARY 2007

Public Law No. 28-167

MINA' BENTE OCHO NA LIHESLATURAN GUÅHAN
2006 (SECOND) Regular Session

Bill No. 402 (EC)

As substituted by the Committee
on Education and Community
Development and amended.

Introduced by:

L. F. Kasperbauer
F. B. Aguon, Jr.
J. M.S. Brown
Edward J.B. Calvo
B. J.F. Cruz
Mike Cruz
Mark Forbes
R. Klitzkie
J. A. Lujan
A. B. Palacios, Sr.
R. J. Respicio
Ray Tenorio
A. R. Unpingco
J. T. Won Pat

**AN ACT TO *APPROVE* THE REVISIONS TO THE
ADMINISTRATIVE RULES AND REGULATIONS OF THE
STUDENT FINANCIAL ASSISTANCE PROGRAM (SFAP).**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Approval of Administrative Rules and Regulations.** The
3 Administrative Rules and Regulations of the *Student Financial Assistance*
4 *Program* (SFAP) as transmitted to the Legislative Secretary by the University of
5 Guam on December 1st, 2006 and attached hereto are hereby *approved*.

NURSING TRAINING SCHOLARSHIP PROGRAM
(As amended by PL 25-137, PL 26-09, PL 26-22, PL 28-97, & PL 25-149)
Effective: AY 2006-2007

1.0 BACKGROUND AND STATUTORY AUTHORITY. _____

The Board of Regents of the University of Guam is authorized under the Title 17 of the Guam Code Annotated, to formulate rules and regulations to equitably and efficiently administer the Nursing Training Scholarship Program, as listed in Chapter 15 of Title 17 of the Guam Code Annotated.

2.0 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.
- (b) **Board:** the Board of Regents of the University of Guam.
- (c) **Cash Repayment:** monetary cash repayment for the period the deficiency was made and no service credit allowed.
- (d) **Fee:** student, general laboratory and course fees applied to all students.
- (e) **Full-time Status:** twelve (12) or more credit hours per semester and six (6) or more credit hours for Summer term (any combination of A, B, or C session).
- (f) **Major Program:** selected students will pursue the prescribed program leading to the attainment of an Associate's or Bachelor's degree in Nursing, as approved by the Board of Regents at the time they are selected and enrolled in the Program.
- (g) **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.
- (h) **Recipient:** an applicant of the Nursing Training Scholarship program who was selected based on meeting all eligibility requirements, certified by the School of Nursing as a Nursing student, and approved by the Board of Regents.
- (i) **Resident:** a United States Citizen or Permanent Resident Status (Green card holder) who has been a resident of Guam for a continuous period of at least one (1) year by *June 15th prior to the beginning of the academic year the award is to be awarded.*
- (j) **Service Credit:** repayment of award obligation through employment service, upon completion of studies.
- (k) **Stipend:** payment disbursed on a monthly installment.
- (l) **Co-Signers:** Guam Residents who are financially and legally responsible.
- (m) **2nd Bachelor's degree:** a student who holds a Bachelor's Degree in any subject other than Nursing shall be eligible for the program, provided that all other eligibility requirements are met (17GCA, Article 10 as amended by PL 28-97).

3.0 LIMITATIONS AND PRIORITIES _____

The number of students in the program annually shall be limited only by the available space at the University of Guam and/or the availability of funds. In the event of limited space and/or funds, priority shall be given to students at the highest level of training and closest to the completion of their program as indicated on application and concurred by the School of Nursing.

4.0 APPLICATION PROCEDURE AND REQUIREMENTS. _____

An applicant for nursing scholarship must comply with the following procedures and requirements:

- (a) Applicants must submit the official application prescribed by the Board and obtainable at the Financial Aid Office and the School of Nursing and Health Sciences. Applications shall include the following information:
 - 1. Evidence of eligibility in accordance with Section 5.0
 - 2. Evidence of acceptance into a nursing program clearly defined in Section 5.0(c)
- (b) Completed applications must be submitted to the Board through the Financial Aid Office no later than **April 30th** of each year, in order to be eligible for Financial Assistance for the following Fall/Spring semester.

NURSING TRAINING SCHOLARSHIP PROGRAM
(As amended by PL 25-137, PL 26-09, PL 26-22, PL 28-97, & PL 25-149)
Effective: AY 2006-2007

5.0 CRITERIA OF ELIGIBILITY. _____

The following are eligibility requirements for the Nursing Training Program:

- (a) Applicant must have completed high school or otherwise be declared eligible for admission to the Nursing program by the University of Guam.
- (b) Applicant must be a United States citizen or a permanent resident alien and a resident of Guam for at least one (1) year prior to the academic semester or term the student is admitted, registered, and enrolled in the program.
- (c) Applicant must have satisfactorily completed any pre-nursing program requirements and be recommended by the appropriate authority in the School of Nursing, who will certify that the applicant has been admitted or is eligible for admission into the undergraduate nursing degree program.
- (d) Acceptance to the University of Guam as a full-time student to register for a minimum of 12 credit hours each semester and a minimum of 6 credit hours during the Summer session (Summer session optional).

6.0 SELECTION PROCEDURE. _____

- (a) Each eligible applicant will be placed on a list submitted to the School of Nursing for certification of acceptance/non-acceptance into the Nursing program. In the event any applicant is not accepted into the Nursing program, a decline letter will automatically be sent to applicant. A final list of eligible applicants will be prepared and forwarded to the Board of Regents for approval/denial.
- (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 recipient of the Nursing Training Scholarship Program 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 recipient fails to do so, the award is thereby forfeited and offered to the next eligible recipient (if applicable). If a recipient declines to accept the Nursing scholarship after it has been offered, such recipient shall not be entitled to receive such award from the Board of Regents during the award period and may reapply for the next academic year.
- (d) All recipients shall attend a mandatory orientation to complete the award process. Failure to attend said orientation is cause to deny the Nursing Training Scholarship program. 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.

7.0 ATTENDANCE. _____

Recipients are to attend the University of Guam, School of Nursing to obtain an Associates Degree in Nursing or a Bachelor of Science degree in Nursing.

8.0 PROMISSORY NOTE. _____

All Nursing Training 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. Financial ability to repay includes but is not limited to documentation such as tax forms, employment verifications, business license, etc. No funds under this Program shall be disbursed while the recipient is attending the recipient's approved institution until the note is submitted to the Financial Aid Office and the recipient is found to be in compliance with the requirements under this Program. A separate Promissory Note shall be executed for Summer enrollments.

NURSING TRAINING SCHOLARSHIP PROGRAM
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All monies disbursed during attendance under the Nursing Training Scholarship Program will become due and payable in event of default or for cash (non-service credit) 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 (17 GCA §15112). The University of Guam Collections Department will compute the recipient's monthly installment payments, in the event of default or for cash (non-service credit) repayments.

9.0 AWARD BENEFITS. _____

No recipient may receive benefits beyond four calendar years. Recipients 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.
- (b) A ten (10) month allowance shall be paid to a nursing recipient at the following rates:

Class Level*	Monthly Allowance
Freshmen	\$250.00 per month
Sophomore	\$375.00 per month
Junior	\$500.00 per month
Senior	\$625.00 per month

*Allowance for Summer attendance is awarded based on class level for the Academic Year. Class levels are automatically up-graded every Fall semester based on the certification from the School of Nursing.

- (c) 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.
- (d) Optional – Summer: Each recipient shall be entitled to tuition, fees, and textbooks for Summer session (any combination of A, B, or C) courses on a full-time basis, upon the receipt of Summer schedule and completion of Promissory Note.

10.0 TRANSACTION. _____

Under the direction of the President, the Office of Administration & Finance shall be responsible for:

- (a) Disbursements and collection of funds and/or service credit awarded recipients under the Nursing Training Program.
- (b) Disbursements of tuition/fees, books, and stipends to recipients shall be made upon certification by the School of Nursing that all requirements for stipends are met. Stipends are based on the recipient's level in the nursing training program, as determined by School of Nursing.
- (c) Stipends at the beginning of each academic year will be disbursed in September (for August and September).
- (d) Summer stipends will be disbursed in July (for June and July).

11.0 OBLIGATION OF RECIPIENTS. _____

In order to remain in good standing and to continue in the scholarship program, recipients shall be required to meet the following:

- (a) Comply with all Nursing Training Scholarship program regulations as established by the Board of Regents and duly adjudicated.
- (b) Maintain a **minimum cumulative** grade point average of not less than **2.5** each semester or Summer in the program. *In the event a recipient drops below the minimum cumulative grade point average, the recipient shall be placed on probation for a period to be determined by the*

NURSING TRAINING SCHOLARSHIP PROGRAM

(As amended by PL 25-137, PL 26-09, PL 26-22, PL 28-97, & PL 25-149)

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Board of Regents, but such probationary period shall not exceed three (3) semesters, exclusive of summers or intercessions.

- (c) Submit an official transcript to the University of Guam financial aid office within thirty (30) days at the end of each semester.
- (d) Must enroll for and maintain full-time student status, minimum twelve (12) credit hours per semester (Fall/Spring) and minimum of six (6) credit hours for Summer session.
- (e) Obtain written approval by special request from the Board before (with or without funding):
 - (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 a major within the Nursing 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);
 - (3) Withdrawing from any institution, unless such withdrawal was due to circumstances beyond the recipient's control and the Board subsequently approves such withdrawal in writing.
- (f) Changes to award status, known as 'special requests', shall be submitted in writing from a recipient to the Financial Aid Office. 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.
 - (1) Except for deferment requests and change of graduation date, special requests shall be submitted to the Financial Aid Office 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.
- (g) A recipient who fails in two or more subjects during any semester or Summer is subject to dismissal from the scholarship program.
- (h) A recipient may appeal to the Board through the *Nursing Administrator via the Financial Aid Office* for reinstatement to the program.
- (i) A recipient must be certified as remaining in good standing in the Nursing Program at the end of each semester, with certification being provided by the appropriate Nursing Program authority to the Financial Aid Office.
- (j) All recipients must agree to work on Guam for each year assistance was provided (1:1).
- (k) All recipients must provide proof of full-time employment within six (6) months after graduation by submitting a Verification of Employment. Employment verifications shall be submitted by the recipient every six (6) months (June and December of each year). 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 his/her employment obligation on Guam until such additional studies are complete; provided, written approval has been granted from the Board. Failure to begin employment on Guam within six (6) months of graduation shall be cause for monetary repayment to become immediately due and payable in monthly monetary payments.
- (l) 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 FORFEITURE.

Any one or combination of the following may constitute sufficient reason for dismissal from the program:

- (a) Suspension or dismissal for academic deficiency, disciplinary reason(s) or conviction of a felony.
- (b) Forfeiture of the award under any one or combination of the provisions herein established.

NURSING TRAINING SCHOLARSHIP PROGRAM

(As amended by PL 25-137, PL 26-09, PL 26-22, PL 28-97, & PL 25-149)

Effective: AY 2006-2007

- (c) Failure to enroll in the Fall semester of the academic year immediately following the granting of the award, unless deferment of the enrollment in that semester is approved by the Board of Regents. A recipient granted such deferment will forfeit the award for failure to enroll in the next semester immediately following the approved deferment.
- (d) Failure to maintain a cumulative grade point average of 2.5 each term, except a recipient may be allowed not more than three regular academic terms to regain this average without cancellation of award.
- (e) Failure to maintain full-time status.
- (f) Failure to abide by any one or combination of the provisions of these policies as established by the Board of Regents of the University of Guam.

A recipient who forfeits an award and who regains entitlement of the award pursuant to §§12(b) and (c) 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.

13.0 SERVICE CREDIT.

For the purpose of repayment, the recipient shall receive:

- (a) As a condition of selection in the program, each recipient shall agree to accept employment within six (6) months from completion of his/her nursing degree upon becoming a licensed registered nurse or a licensed practical nurse in the public health system of Guam including Guam Memorial Hospital Authority, the Department of Public Health and Social Services, the Department of Mental Health and Substance Abuse, (school health counselor) Guam Public School System (school health counselor) or the Guam Community College, or in private clinics licensed to do business on Guam, and to continue in such employment for a period of time equal one (1) calendar year for each academic year of training under the program.
- (b) A recipient shall further agree that, in the event he fails to complete the program or refuses to fulfill the obligation set forth in (a), he/she shall then repay the Government of Guam through the Financial Aid Office, an amount equal to the total of tuition, fees, textbooks and supplies paid on behalf of the recipient and the total monthly allowance allowances paid to the recipient.
- (c) In-Service Training Resident Nurses shall be obligated to work for the Government of Guam for a period of two (2) years for each year of training received, failing which the recipient shall be obligated to repay the actual cost of the total of tuition, fees, textbooks and supplies paid on behalf of the recipient and the total monthly allowance allowances paid to the recipient.
- (d) **Service Credit.** The recipient shall receive service credit for each year of employment on Guam. If the recipient 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. In the event that any portion of the assistance is not repaid through service credit, the amount unpaid in service credit shall become due and payable.
- (e) **Postponement.** If the recipient does not begin employment as required by §13(a) herein within six (6) months after graduation to continue nursing or a health related field of 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 for Higher Education Accreditation (CHEA), an appeal may be submitted in writing to the Board for approval. Furthermore, postponement of service obligation through service may be granted those who are experiencing a family or medical emergency, in which an appeal may be submitted in writing to the Board for approval.
- (f) **Unapproved Postponement.** The recipient who does not obtain prior approval from the Board and who does not return and begin employment on Guam within six (6) months after graduation must pay in cash the total amount received per year, 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 Collections Department) based on applicable promissory notes.

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(As amended by PL 25-137, PL 26-09, PL 26-22, PL 28-97, & PL 25-149)
Effective: AY 2006-2007

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.

- (g) **Interruption.** If a recipient receiving service credit wishes to temporarily terminate employment on Guam to continue nursing or a health related field of 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 for Higher Education Accreditation (CHEA), an appeal in writing must be submitted to the Board of Regents for approval. Upon approval, 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 for each day the person is not employed on Guam at a rate determined by the University of Guam Collections Department. Once the amount is paid in full, the recipient is entitled to use service credit on the remaining debt.
- (h) **Ineligibility for Service Credit.** Any recipient who did not receive the degree pre-approved by the Board of Regents, shall be ineligible for service credit. All monies disbursed during attendance under the Nursing Training Scholarship Program 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 law. The University of Guam Collections Department will compute the recipient's monthly installment payments in the event of default. Furthermore, permanent transfer to an off-Island office 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.
- (i) **Leave of Absence.** It is the responsibility of the recipient to inform the University of Guam of any leave of absence from employment 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.
- (j) **Annual Proof of Employment.** It is the responsibility of the recipient to provide the Financial Aid Office or Bursar/Collection Office, documentary evidence (See Section 11, k) of such employment and, each year thereafter, until such obligation is fulfilled.

14.0. CONFLICT. _____

Previous regulation(s) under which a recipient was awarded financial assistance shall continue to apply to the recipient for the remainder of the recipient's studies, notwithstanding any revised regulation which conflicts with the previous regulation(s), unless specifically stated otherwise.

****Note**

1. **Financial Aid has the primary responsibility to evaluate applications/supporting documents and award/disburse financial aid benefits.**
2. **School of Nursing has the responsibility to certify the acceptance of recipients/applicants to the Nursing program in order for students to obtain Nursing Training Scholarship benefits;**
3. **Board of Regents is the final authority to approve applicants and continuing recipients.**

CHAPTER 15, TITLE 17, Guam Code Annotated, Re-Codified by Public Law 28-149

Added by P.L. 11-161 as Chapter 19, Title 17, Guam Code Annotated
Approved by Board of Regents, February 6, 1973
Amended by P.L. 22-161, December 30, 1994
Amended by P.L. 25-137, May 22, 2000
Amended by P.L. 26-09, May 18, 2001
Amended by P.L. 26-22, June 26, 2001
Approved by Board of Regents, October 4, 2001
Amended by P.L. 28-97, February 7, 2006
Amended by P.L. 28-149, October 2006 – Re-codifying the statutes creating Chapter 19 of Title 17 GCA to Chapter 15 of Title 17 GCA

Approved by the Board of Regents on October 19, 2006, effective AY 2006-2007, Resolution No. 06-35

MERIT AWARD RULES AND REGULATIONS
(As amended by PL 25-86, PL 25-145, PL 26-42, PL 28-110 & PL 28-139)
Effective: AY 2006-2007

1.0. STUDENTS ENTITLED TO MERIT AWARDS (§15A301). _____

There are established annual merit awards for high school students in the graduating classes of public high school, non-public high schools, and DoDEA high schools 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 school on Guam.

2.0. BACKGROUND AND STATUTORY AUTHORITY (§15101). _____

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 (Article 3A) 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:** any U.S. accredited institution as recognized by the Council for Higher Education Accreditation ("CHEA").
- (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) **Co-Signers:** Guam Residents who are financially and legally responsible.
- (h) **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.
- (i) **Fee:** general fees applied to all students plus laboratory and course fees.
- (j) **Full-time Status:** twelve (12) or more credit hours per semester/quarter (quarter equivalent to twelve (12) semester hours) during the regular semesters and six (6) or more credit hours (quarter equivalent to six (6) semester hours) for Summer Session (any combination of A, B, and C session).
- (k) **Generally Open:** public, non-public, and DoDEA high schools on Guam.
- (l) **Graduating Class:** high school seniors who graduate at the close of the school calendar year (no later than June of each academic year).
- (m) **Inter-session:** the break period between Fall Semester and Spring Semesters.
- (n) **Major Program:** the specific academic program of study, which will be undertaken to achieve the desired degree.
- (o) **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.
- (p) **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.
- (q) **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.
- (r) **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.
- (s) **Service Credit:** repayment of award obligation through employment service, upon completion of studies.
- (t) **Stipend:** payment disbursed on a monthly installment.
- (u) **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 or Guam.

MERIT AWARD RULES AND REGULATIONS
(As amended by PL 25-86, PL 25-145, PL 26-42, PL 28-110 & PL 28-139)
Effective: AY 2006-2007

4.0. NUMBER OF AWARDS (§15A301). _____

Each graduating class of the public, non-public, and DoDEA high schools on Guam, is entitled to one (1) for every fifty (50) graduates or fraction thereof of a school's graduating class each academic year (August through June), (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 following mechanism will be used to break the tie:

- (a) The high school cumulative numeric grades going to the third (3rd) decimal place is required to break the tie;
- (b) If a tie still exists, then the Scholastic Aptitude Test (SAT) scores will be used to break the tie;
- (c) If a tie still exists, then the University of Guam (UOG) placement exam will be used to break the tie (on the condition that both candidates are enrolled at UOG; if both graduating seniors are not attending UOG then the following mechanism shall be used);
- (d) If a tie still exists, the UOG President will convene an Ad Hoc Committee (with 5 faculty members) to review the competing student's gpa, courses completed (i.e. honors), student leadership activities, and club organizations to determine which student shall receive the award.

Each student must meet the eligibility requirements established in §15A301 of Chapter 15 (Article 3A) of Title 17 of the Guam Code Annotated. The actual number of diplomas awarded on graduation day will determine the number of awards.

5.0. CRITERIA OF ELIGIBILITY (§15A301). _____

To qualify for a Merit Award, the student:

- (a) must be a graduate from a public high schools or private high schools licensed to do business on Guam, or DoDEA high school;
- (b) shall be one(s) having the highest academic scholastic standing of their respective graduating classes based on four (4) academic years of attendance in high school on Guam;
- (c) must have achieved a cumulative high school Grade Point Average of not less than 3.000 at the time of graduation;
- (d) (1) a United States citizen; or
(2) a permanent resident alien; and
- (e) 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(d) and (e), 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 Section 5, to the Board of Regents. In the event any nominee declines to accept the award, the next qualified 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.

Each nominee shall sign a statement of acceptance or rejection of the Merit Award (Form B) that must be submitted with the Form A to the Board of Regents. 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 awardees.
- (c) Within five (5) working days of the Board's action, notice of award shall be sent certified mail to each awardee. The awardee of a Merit Award must notify the Board of Regents within thirty (30) days of

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postmarked or stamped date of notice of the award whether the awardee will accept the award. If the awardee fails to do so, the award is thereby forfeited and the award shall be offered to the next eligible student. If an awardee declines to accept a Merit Award after it has been offered, such awardee shall no longer be entitled to receive such award from the Board of Regents (§15A301).

- (d) All awardees shall attend a mandatory orientation to complete the award process. Failure to attend said orientation is 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 top-ranked Awardee's academic major program is unavailable at the University of Guam, the Awardee may attend any four (4)-year U.S. accredited college or university in the United States, as recognized by the Council for Higher Education Accreditation ('CHEA') where such declared major is available (§15A301).

9.0. PROMISSORY NOTE. _____

All Merit Awardees 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. Financial ability to repay includes but is not limited to documentation such as tax forms, employment verifications, business license, etc. The Board may thereafter extend cash repayment for a period not to exceed ten (10) years at an annual percentage rate of not less than ten percent (10%) (§15A303). 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 (§15A301/§15A302). _____

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 high school graduating class who attend and successfully complete 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 nine (9) month stipend based on the following:
- (1) Three Hundred Dollars (\$300.00) for students in their first and second year under the Merit Award Program.
 - (2) Five Hundred Dollars (\$500.00) for students in their third and fourth year under the Merit Award Program.
 - (3) Six Hundred Dollars (\$600.00) for graduate students pursuant to §10(b).
- (d) The benefits for awardees who attend an off-island institution shall not exceed the amount of assistance for a student attending school at the University of Guam (§15A302). However, off-island awardees 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.
- (e) 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. Awardees 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.

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- (f) Optional Inter-Session Allowed.
 - (1) Summer. Each awardee shall be entitled to tuition, fees, and textbooks for summer courses on a full-time basis.
 - (2) Between Fall and Spring Semester (Intercession). Each awardee shall be entitled to tuition, fees, and textbooks for inter-session courses on a full-time basis. Awardees attending inter-session between Fall and Spring Semester shall not be entitled to an additional stipend.

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 awardee 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 awardee 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 awardee 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 awardees 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 awardees, who double major, must have at least one (1) 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 awardee's control and the Board subsequently approves such withdrawal in writing.
- (g) Changes to award status known as 'special requests' shall be submitted in writing from an awardee to the Financial Aid Office. Special requests shall be forwarded to the Administration or Board of Regents for consideration. 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. This subsection is applicable to all awardees beginning Academic Year 1996-97.
 - (1) Except for deferment requests and change of graduation date, special requests shall be submitted to the Financial Aid Office 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) By accepting the award the awardee is required to attend:
 - (1) An initial mandatory orientation prior to disbursement of the Merit award; and
 - (2) An exit interview upon completion of degree program with the staff from the Financial Aid Office.
- (i) All awardees must agree to work on Guam or in the office of Guam's Delegate to Congress, for the number of calendar years for each academic year assistance was provided (§15A303).

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- (j) 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 an awardee wishes to continue the awardee's education as a full-time student at a graduate or professional school, the awardee may defer his/her employment obligation on Guam until such additional studies are complete; provided, written approval has been granted from the Board. Failure to begin employment on Guam within six (6) months of graduation shall be cause for monetary repayment to become immediately due and payable in monthly monetary payments.
- (k) Any awardee who signs a cash repayment promissory note and is current with payment shall be eligible to receive a Preferential Hiring letter.
- (l) By accepting the award, the awardee acknowledges 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 an awardee may be allowed one academic term to regain this average without cancellation of award.
- (c) Failure to maintain full-time status. Fails to meet the academic and/or other requirements governing full-time students at the University of Guam, except an awardee shall be allowed one (1) academic term in which to regain full-time student status before cancellation of such recipient's award. The awardee must sign a Cash Repayment Promissory Note before receiving benefits for the next eligible semester/quarter.
- (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) Failure to comply with other Board Regulations.

An awardee who forfeits an award and who regains entitlement of the award pursuant to §§12(b) and (c) 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.

13.0. SERVICE CREDIT. _____

For the purpose of repayment, the awardee shall receive:

- (a) **Service Credit.** The awardee shall receive service credit for each year of employment on Guam or in the office of Guam's Delegate to Congress. If the awardee (a) returns to Guam and (b) begins employment on Guam within six (6) months after graduation without interruption, the awardee 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. In the event that any portion of the assistance is not repaid through service credit, the amount unpaid in service credit shall become due and payable (§15A301/§15A303).

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- (b) **Postponement.** If the awardee 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 for Higher Education Accreditation (CHEA), an appeal may be submitted in writing to the Board for approval. Furthermore, postponement of service obligation through service may be granted those who are experiencing a family or medical emergency or active duty military status, in which an appeal may be submitted in writing to the Board for approval (§15A301). Should such approval be granted, the repayment obligation shall be deferred for the period granted to continue studies.
- (c) **Unapproved Postponement.** If prior approval from the Board is not obtained, the awardee who does not return and begin employment on Guam within six (6) months of graduation must pay in cash the total amount received per year, 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 Collections Department, based on the applicable promissory notes. Once this amount has been paid in full, the awardee is entitled to use service credit for the remaining amount of the debt for each year of employment on Guam.
- (d) **Interruption.** If an awardee 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 for Higher Education Accreditation (CHEA), 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 awardee must pay in cash per day for each day the awardee is not employed on Guam, at a rate determined by the University of Guam Collection Department. Once the amount is paid in full, the awardee is entitled to use service credit on the remaining debt.
- (e) **Ineligibility for Service Credit.** Any awardee who did not receive the degree pre-approved by the Board of Regents, 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 (§15A303). The University of Guam Collections Department will compute the awardee's monthly installment payments in the event of default. Furthermore, permanent transfer to an off-Island office 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.** Any obligation on the note shall be terminated upon the death of an awardee during studies or while completing service, and upon receipt of death certificate (§15A303) by the Financial Aid Office.
- (g) **Total Disability.** Any obligation on the note shall be terminated upon the total disability (physiological or psychological), of the awardee while completing service credit, upon the certification of two (2) physicians licensed to practice in the United States or Guam (§15A303).
- (h) **Leave of Absence.** It is the responsibility of the awardee to inform the University of Guam of any leave of absence from employment longer than forty-five (45) days. The awardee must remain employed pursuant to §13(a) herein to receive service credit while on off-Island temporary leave status (§15A303).
- (i) **Annual Proof of Employment.** It is the responsibility of the awardee to provide the Financial Aid Office or Bursar/Collection Office, documentary evidence (See Section 11.) of such employment, and each year thereafter, until such obligation is fulfilled.

14.0. CONFLICT.

Previous regulation(s) under which an awardee was awarded financial assistance shall continue to apply to the awardee for the remainder of the awardee's studies, notwithstanding any revised regulation which conflicts with the previous regulation(s), unless specifically stated otherwise.

CHAPTER 15 (Article 9A), TITLE 17, Guam Code Annotated, Added by Public Law 25-86
Amended by P.L. 25-86, November 23, 1999, Effective awards made during AY 2000-2001 and thereafter.
Approved and Adopted Rules and Regulations by P.L. 25-145, June 2, 2000
Amended by P.L. 26-42, October 5, 2001
Amended by P.L. 28-110, April 14, 2006
Amended by P.L. 28-139, July 11, 2006

Approved by the Board of Regents on October 19, 2006, effective AY 2006-2007, Resolution No. 06-33
