

Palau National Scholarship Board  
Program Regulations

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**PALAUNATIONAL  
SCHOLARSHIP  
BOARD  
REGULATIONS**

**(AMENDED VERSION)**

**ADOPTED: July 30, 2009**

**EFFECTIVE: September 01, 2009**

The Palau National Scholarship Board (PNSB) establishes the following regulations pursuant to Title 22 PNC Section 229.

## **ARTICLE I MISSION**

### Section 1 – Policy and Purpose of National Government Financial Assistance

- (a) Title 22 PNC Section 222 provides that it is the policy of the Republic to help Palauans finance their college and university education.
- (b) Title 22 PNC Section 227 subsections (b) and (d) provide that financial assistance is necessary to educate and train citizens to fill jobs, and in particular, high priority jobs in the Republic of Palau.
- (c) Republic of Palau Public Law 6-37 mandates the Scholarship Board to provide loans to students in medicine, law, and engineering.

### Section 2 – Primary Responsibility for Financing

- (a) Notwithstanding the policy and purpose of National Government Financial Assistance in education, PNSB assistance is primarily supplemental in nature because of the limited amount of funding and the potentially unlimited demand for financial assistance.
- (b) Accordingly, financing of Palauan higher education at colleges and universities is primarily the responsibility of the student and his or her parents or other supporters.
- (c) Students and parents are encouraged to seek financial assistance from as many sources as are available (e.g., family, personal savings, employment, other country financial aid programs, individuals and schools).

### Section 3 - Mission Statement

Palau National Scholarship Board administers government assistance for Palauan students seeking post-secondary education and seeks additional sources of scholarship opportunities to help fill high priority jobs in the Republic.

## **ARTICLE II PROGRAM TYPES**

### Section 1 – Authority

Title 22 PNC Section 227 Subsections (b), (c), (d), (f), and (h) and Section 229 Subsections (b), (c), and (d) authorize the PNSB to establish, fund & administer programs for Grants, Loans, and Scholarships. Title 22 PNC Section 229 Subsection (e) also tasks PNSB with the responsibility to administer training and other educational financial assistance programs for the Republic.

Section 2 – Programs Offered

The following represents general description of the programs offered by the PNSB. More specific descriptions and details are provided in separate documentation available from the PNSB at no cost to the requestor.

(a) Grants

(i) PNSB-Sponsored Grants

(1) Congressional Scholarship Award – Grant provided to high school graduates who demonstrate outstanding academic achievement. Awards are given to first year college students.

(2) Palau Grant – General grant provided to eligible applicants of PNSB programs and intended to defray basic costs of post-secondary education. Awards are available for undergraduate students for up to 5 years.

(ii) Non-PNSB-Sponsored Grants

(1) Offered by governmental or private sponsors and administered by PNSB. A list of grants available through the PNSB is published regularly and can also be made available upon request.

(iii) Grants are awarded per the eligibility and qualification requirements established by the sponsor.

(b) Scholarships

(i) PNSB Sponsored Scholarships

(1) Full Scholarships

(a) Palau Scholarship (Full) – This scholarship provides full funding for tuition, housing, and expenses to a limited number of recipients *in any region* majoring in priority fields. Amended 5-12-06.

(2) Partial Scholarship

(a) Palau Scholarship (Partial) – The Partial Scholarship provides tuition funding to defray part of students' educational expenses at a wider number of institutions.

(ii) Non-PNSB Sponsored Scholarships

(1) Offered by governmental or private sponsors and administered through PNSB. A list of current Scholarships available through the PNSB is published regularly and can also be made available upon request.

(iii) Scholarships are awarded per eligibility and qualification requirements established by the sponsor.

(c) Loans

(i) PNSB-Sponsored Loans

(1) Palau Student Loan – Not less than twenty-five percent of the Scholarship Fund is available each year to undergraduate and graduate students as supplemental assistance based on financial need.

(2) Medical, Law, and Engineering Loan – Not less than ten percent of the Scholarship Fund is reserved for loans to students in medicine, law, and engineering as required under RPPL 6-37.

(ii) Non-PNSB Sponsored Loans

(1) Offered by governmental or private sponsors and administered through PNSB. A list of loans currently available through the PNSB is published regularly and can also be made available upon request.

(iii) Loans are approved per eligibility and qualification requirements established by the sponsor.

Section 3 – Others

PNSB will maintain a list of Non-PNSB sponsored programs and the application forms required for these programs for purposes of publication and distribution to interested students.

**ARTICLE III STUDENT APPLICATIONS**

Section 1 – Authority

Title 22 PNC Section 227 authorizes PNSB to develop, organize, and adopt the criteria to be followed in selection recipients.

Section 2 - Forms Used

- (a) Except as provided in Subsection (b), the attached “Financial Assistance Request” Form, (REQ 001), and other valid forms issued by PNSB shall be used by applicants to apply for financial assistance from and through the PNSB. Other forms for non-PNSB funded programs may also be required by sponsors.
- (b) Notwithstanding subsection (a), students may also apply by formal letter provided that all required supporting documents and information are included with the formal letter. These supporting documents and information include the following:
  - (i) Personal information such as name, social security number, date of birth;
  - (ii) Enrolment information such as institution applying to or enrolled in;
  - (iii) Schedule of available financial resources and cost of education showing financial need certified by school official; and
  - (iv) School year for which funding is requested, and;
  - (v) Other supporting documents deemed necessary by the PNSB such as copy of birth certificate, copy of passport, and official transcript.

Section 3 – Single Submission Permitted

Grants and loans shall be applied for annually. Scholarship applicants need only submit an application form once to be eligible for financial assistance for the current year of application and for subsequent years provided that transcripts/grade reports and copies of registration documents for each additional semester and/or year are submitted in accordance with the published deadlines for submission of supporting documents.

Section 4 - Original Copies Required

- (a) Only original application forms may be accepted for review. The application form submitted must also be legible. PNSB reserves the right to disregard non-original application forms or forms that are illegible.
- (b) Transcripts must be original copies certified by the issuing institution.
- (c) Any erasures and white-outs on PNSB forms *may* not be accepted. Amended 5-12-06.

Section 5 - Timeliness

- (a) All applications and supporting documents must be received by PNSB before or on the day of the posted deadline date or postmarked before or on the day of the posted deadline date. Applications received within 30 days after deadline date but postmarked before the deadline date will be considered until thirty (30) days from the application deadlines posted by PNSB.
- (b) PNSB may accept a copy of certified application for transcript and a copy of grade report in lieu of an official transcript provided that an award may be made and disbursed only after an official transcript is received within thirty (30) days from posted deadlines.
- (c) PNSB may accept fax copies of transcripts provided that the school stamp or seal indicates that the transcript was issued before the posted deadline and the original is subsequently received by PNSB within thirty (30) days from the posted deadline.

***Section 6 - Rights and Responsibilities of Student and Co-Signers***

- (a) Students and co-signers shall acknowledge their rights and responsibilities on the form provided by PNSB and shall agree to keep PNSB informed of all changes of address to maintain their eligibility. (Amended 9-01-09)***
- (b) Students and co-signers shall participate in an interview, either in person or by telephone, with PNSB to personally review their rights and responsibilities. (Amended 9-01-09)***

**ARTICLE IV            ELIGIBILITY**

Section 1- Authority

Title 22 PNC Section 227 authorizes PNSB to develop, organize, and adopt the criteria for eligibility. The following eligibility requirements are hereby adopted.

Section 2 - Post Secondary Study

- (a) Applicants must be enrolled or have been accepted to a college or higher level institution.
  
- (b) PNSB programs are based on accredited U.S. colleges & university systems. Assistance for other country colleges & universities will be considered based on that country's standards provided that the PNSB has the same on file or the same is made available by the institution through the student's own request. A list of recognized colleges & universities is available from the PNSB.
- (c) PNSB-sponsored grants are available to all undergraduate student applicants.
- (d) PNSB-sponsored scholarships are available to Junior/Senior level university students.
- (e) PNSB-sponsored Loans are available to all eligible student applicants.
- (f) Any questions on interpretation of ruling will rest on final discretion by PNSB.  
Amended 5-12-06.

Section 3 - Full-time Status

- (a) Students must maintain full-time status as defined by the institution to which the student has matriculated.
- (b) Credits for the previous academic year will be considered for continuing students.
- (c) Students who began study mid academic year must have been considered full-time for the semester/trimester(s) attended.
- (d) A total of 24 credits per year will be considered full-time for semester system; and 36 credits per year for quarter system will be considered full-time. *Amended 5-12-06*
- (e) Not more than one year's worth of credits may be considered for remedial courses over the course of 4 years for any college or university student.
- (f) Credit for summer classes will be considered provided credits are reflected on transcript received by the deadline.
- (g) To complete thesis or project, graduate students will be given a 1-year eligibility status as full-time students.

Section 4 - Citizenship

- (a) All students must provide a copy of their Birth Certificate documenting Palauan Ancestry with their first application for assistance. This copy will be maintained in the student file to be used in support of subsequent applications

- (b) Must also provide a copy of their current Republic of Palau Passport which copy shall conform with the following requirements:
  - (i) Copy must show picture of student and signed date for passport; and
- (c) Copies of the foregoing in a student's file at the PNSB may be used for subsequent applications provided that the passport is current.
- (d) Student must have graduated from a high school in the Republic of Palau and/or one of his parents or legal guardian must physically reside in the Republic. In the event that the recipient graduated from a high school outside of the Republic, one parent or legal guardian must physically reside in the Republic.  
At minimum, the criteria for residency of the parent must be two or more years of physical residency in the Republic or one or both parent works for the ROP Government and is a ROP taxpayer, prior to the receipt of scholarship, grant or loan and the continued physical residency of said parent in the Republic, while student recipient is receiving scholarship, loan and/or grant. Amended 5-12-06 by RPPL 7-13 § 22 dated 10/30/05.

#### Section 5 – Basis of Awards

- (a) Scholarships will be awarded based on student's:
  - (i) Financial needs;
  - (ii) Merit on academic achievement;
  - (iii) Extracurricular activity; and
  - (iv) Eligibility as otherwise dictated by each program or sponsor.
- (b) The PNSB may use information provided by credit reporting agencies to determine eligibility of applicants and guarantors according to creditworthiness.

#### Section 6 – Eligibility Periods

- (a) Undergraduate students may receive financial assistance from PNSB for a maximum period of five (5) years regardless of program. Students enrolled in a two-year college may receive financial assistance for a period of not more than three (3) years.  
Amended 03-02-07
- (b) Graduate students may receive financial assistance from PNSB in the form of Palau Student Loan for a maximum period of not more than three (3) years.
- (c) The above periods are general guidelines but the Board may give consideration to a limited number of extensions due to extenuating circumstances.

- (d) A student re-entering study following a 3-year absence from school may be treated as a new applicant provided the student is in good standing with PNSB and is in compliance with RPPL 7-13. Amended 5-12-06.

Section 7 - Grade Point Average (GPA)

- (a) Students must maintain at least a 2.0 GPA for loan eligibility.
- (a) GPA requirements may be higher as identified per program in application form instructions

Section 8 – Declare of a Major

- (a) Student must declare major – a student who does not declare a major of study is ineligible to apply for assistance. Amended 5-12-06.

**ARTICLE V AWARDS & AWARD CLASSES**

Section 1 – Authority

Title 22 PNC Section 227 authorizes PNSB to determine programs and amounts of assistance and PNSB may establish maximum awards for its programs.

Section 2 – Class Criteria

- (a) Award amounts shall be made available each year by the PNSB and are subject to change without prior notice.
- (b) Awards within PNSB Programs may be set by classes according to the following criteria:
  - (i) Class level;
  - (ii) Field of study; and
  - (iii) GPA.

Section 3 - Disbursements

- (a) Unless otherwise agreed by PNSB, all awards shall be made via mail. Students may authorize other individuals to receive awards per written authorization specifying award affected and identifying individual by first and last name and address information. PNSB may deny requests from persons should the identity of the individual receiving the award check be questioned. PNSB reserves the right to mail award checks directly to the student.
- (b) Timing – Awards may be made as follows:
  - (i) Semi-Annual for Semester Programs
  - (ii) Tri-Annual for Trimester programs
  - (iii) Other based on program of study & institution requirements

(c) Awards may be deferred to up to one year upon written request to the PNSB prior to disbursement of the award or upon the return of award in the full amount. Deferment may be granted at the discretion of the Board subject to valid documented justification demonstrating that deferment would benefit both the student and PNSB. Valid justification includes death in the family of awardee of a consanguinal relation in the first degree, illness, and undue hardship. Deferment may only be considered if the student has requested leave from his or her educational institution and such leave has been approved.

#### Section 4 - Completion of Study

(a) Authority - Title 22 PNC Section 227 authorizes PNSB to determine, in the absence of criteria set forth in legislation, program criteria.

(b) Students must provide copy of certificate/diploma within 6 months of completion. ***Students and co-signers shall report any change of address to PNSB and shall complete and return all requests for updated address information to PNSB.***

(Amended 9-01-09) Failure to do so shall be deemed failure on the student's part to fulfill all program requirements and student will thereafter be required to repay all assistance provided by PNSB so long as the student remains absent from Palau.

(c) All students must report their return to the Republic and provide official transcript and diploma information to the PNSB.

(d) Repayment

(i) Title 22 PNC Section 227 permits PNSB to require repayment of the funds it disperses. Repayment may be in the form of cash or by service credit.

(ii) Students who receive scholarship, grant &/or student loan who do not return to the Republic following completion of their studies must repay all awards.

(iii) All students who graduate must return to the Republic within two (2) years and work for a period of at least three years.

(iv) All recipients of scholarship, grant, and student loans are required to work in the Republic for the duration of at least three (3) years, commencing two (2) years after completion of graduate degree studies, for graduate students or commencing two (2) years after completion of all other degree studies. If scholarship, grant and/or loan recipient ceases his degree studies and fails to obtain his degree, he/she is required to pay back 50% of the grant or loan within two years time. All grant and loan recipients regardless of completion of studies must work in the Republic for not less than three (3) years after the two-year grace period. If scholarship, grant or loan recipient fails to return and work in the Republic within the allotted time period, said recipient shall be liable to pay back to the Scholarship Fund the total amount of the scholarship, grant and/or student loan received with interest. Amended 5-12-06 by RPPL 7-13.

(v) Repayment may be suspended for students who continue from undergraduate to graduate studies until completion of graduate studies or until the student leaves school. Upon approval of the Board via prior written request, suspension of repayment will be made.

(vi) Students who return to the Republic may receive credit for balances outstanding after their return.

***(vii) PNSB will presume Students who fail to return and work in the Republic within the allotted time period and Students who fail to timely report their return to the Republic are continuously absent from the Republic for purposes of applying the time limit for commencement of an action for collection. The period when the cause of action for collection accrues will be presumed to begin on the date PNSB receives written notification of the Student's physical residence in the Republic or on the date PNSB last received a payment, whichever is later. (09-01-09)***

#### Section 5 - Access to Records

- (a) All personal information obtained in the course of application shall be confidential.
- (b) Access to an applicant or awardee's personal records will be available by request of the student or their authorized representative.
- (c) PNSB may publish statistics aggregating student information
- (d) Names and awards shall be available to the Office of the Public Auditor, President of the Republic, Minister of Finance, the President of the Senate Speaker of the House of Delegates, and the Office of the Attorney General.
- (e) Personal records shall also be made available as directed by the Palau Supreme Court.

#### Section 6 - Service Credit for Palau Student Loan

- (a) Title 22 PNC Section 227 (d) authorizes service credit.
- (b) Service Credit will be given for Loan awards received by a student 6-months from returning to the Republic and notifying the PNSB or provides proof of their date of arrival and the date employment commenced. Proof of employment (contract or personnel action) is required prior to earning service credit.
- (c) Students will receive a 15% immediate credit against their total awards if they return to the Republic and notify PNSB, re-establish residency and notify PNSB of the same within 60 days of their return.
- (d) Five percent of the total awards for all programs awarded to the student will be credited against a student's accounts for returning to the Republic within 6 months from graduation or completion of their last term of school, whichever is sooner.
- (e) Five percent will be credited against a student's account when a student provides a copy of his or her diploma or certificate of completion

**ARTICLE VI            ADOPTION AND EFFECTIVE DATE**

After having gone through the 30-day notice and comment period as required of the Administrative Procedure Act, the foregoing amendments to the PNSB Regulations were adopted on the 30<sup>th</sup> day of July 2009.

Having been so adopted, and pursuant to 6 PNC § 127, these amendments to the PNSB Regulations were transmitted to the President of the Republic of Palau for approval. Based on the adoption date for these revised PNSB Regulations, this amended PNSB Regulation is now effective as of this 1<sup>st</sup> day of September 2009.