

(c) *Calculating a pro-rated award following release for compelling personal circumstances.* The education award for an Eligible Individual who is released from completing an approved term of service for compelling personal circumstances is equal to the product of:

(1) The number of hours completed divided by the number of hours in the approved term of service; and

(2) The amount of the education award for the approved term of service.

(d) *Calculating a discounted education award amount.* To ensure that an Eligible Individual receives no more than the aggregate value of two awards, pursuant to § 2525.50, if the sum of the education award value offered for a term of service and the aggregate value of previously-received education awards exceeds the value of two awards, then the individual may receive only a portion of that offered education award, such that the aggregate value of the education awards is not greater than the value of two awards.

Subpart D—Using an Education Award

§ 2525.210 For what purposes may an education award be used?

(a) An education award may be used to pay educational expenses and/or to repay qualified student loans, as defined in § 2525.2;

(b) An education award is divisible and may be applied to any combination of loans, costs, or expenses described in paragraph (a) of this section.

§ 2525.220 What steps are necessary to use an education award to repay a qualified student loan?

(a) *Required information.* Before disbursing an amount from an education award to repay a qualified student loan, AmeriCorps must receive:

(1) An Eligible Individual's written authorization and request for a specific payment amount; and

(2) Any identifying and other information from the loan holder as requested by AmeriCorps.

(b) *Payment.* When AmeriCorps receives the information required under paragraph (a) of this section, it will pay the loan holder and notify the Eligible Individual of the payment.

(c) *Aggregate payments.* AmeriCorps may establish procedures to aggregate payments to holders of loans for more than a single individual.

§ 2525.230 What steps are necessary to use an education award to pay all or part of the current educational expenses at an institution of higher education?

(a) *Required information.* Before disbursing funds from an education award to pay all or part of the current educational expenses at an institution of higher education, AmeriCorps must receive:

(1) An Eligible Individual's written authorization and request for a specific payment amount;

(2) Information from the institution of higher education as requested by AmeriCorps, including verification that—

(i) It has in effect a program participation agreement under section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094);

(ii) Its eligibility to participate in any of the programs under Title IV of the Higher Education Act of 1965 has not been limited, suspended, or terminated;

(iii) If an Eligible Individual who has used an education award withdraws or otherwise fails to complete the period of enrollment for which the education award was provided, the institution of higher education will ensure an appropriate refund to AmeriCorps of the unused portion of the education award under its own published refund policy, or if it does not have one, provide a pro-rata refund to AmeriCorps of the unused portion of the education award;

(iv) Individuals using education awards to pay for current educational expenses at that institution do not comprise more than 15 percent of the institution's total student population;

(v) The requested amount will be used to pay all or part of the Eligible Individual's educational expenses attributable to a course offered by the institution;

(vi) The requested amount does not exceed the difference between:

(A) The Eligible Individual's cost of attendance and other educational expenses; and