



Teacher Education Assistance for College and Higher Education Grant

(TEACH Grant)

**Exit Counseling Guide
June 2018**

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Overview

The U.S. Department of Education's (the Department's) Teacher Education Assistance for College and Higher Education Grant (TEACH Grant) Program awards grants to students who intend to teach, to help pay for their postsecondary education. As a condition for receiving a TEACH Grant, you must agree to teach full-time for at least four years as a highly-qualified teacher in a high-need field, in a school or educational service agency (ESA) serving low-income students. You must complete the four years of teaching within eight years after you complete or otherwise cease to be enrolled in the program of study for which you received the grant. If you do not meet the terms of your TEACH Grant service obligation, all TEACH Grant funds that you received will be converted to a Direct Unsubsidized Loan that you must repay in full, with interest charged from the date of each TEACH Grant disbursement. The Department's TEACH Grant Servicer, **FedLoan Servicing**, assists the Department in managing your TEACH Grant account until you have fulfilled your service obligation.

If you are enrolled full time, you can receive up to \$4,000 each year in TEACH Grant funds, for a maximum of:

- \$16,000 for undergraduate and/or post baccalaureate study, and
- \$8,000 for graduate study.

Your school will inform you of the actual amount of TEACH Grant funds you qualify to receive each year.

Definition of Key Terms

The Department

The U.S. Department of Education.

Institution

The institution of higher education that awarded you a TEACH Grant.

TEACH Grant Servicer

The contractor that works on behalf of the Department to communicate with you in regards to your TEACH Grant service obligation, monitor your progress toward meeting your service obligation, process requests for suspension of the service obligation period, and handle other administrative matters related to your service obligation.

Loan servicer

A contractor that works on behalf of the Department to handle billing and other communications related to federal student loans held by the Department. If your TEACH Grant is converted to a Direct Unsubsidized Loan, your loan will remain with your TEACH Grant Servicer, which will collect payments and perform other administrative functions. If for any reason your loan is assigned to a different servicer, you will be notified.

School

The elementary school, secondary school, or educational service agency where you complete your teaching service.

Eligible Schools and Educational Service Agencies Serving Low-Income Students

You must teach at an elementary or secondary school (public or private) or educational service agency (ESA) that serves low-income students (low-income school or ESA). These schools and ESAs are listed in the Department's **Annual Directory of Designated Low-Income Schools for Teacher Cancellation Benefits (Low-Income School Directory)**. Any elementary or secondary school operated by the **U.S. Department of the Interior's Bureau of Indian Education (BIE)**, or operated on an Indian reservation by an Indian tribal group under contract or grant with the BIE, also qualifies as a low-income school. A list of these schools is available in the BIE Directory at <https://bie.edu/Schools/index.htm>.

If the school or ESA where you teach qualifies as a **low-income school/ESA for one of your required four** years of teaching, but does not qualify as a low-income school/ESA during subsequent school years, your subsequent years of teaching at that school or ESA will still count for purposes of satisfying your TEACH Grant service obligation.

An **educational service agency** is a regional public multiservice agency (not a private organization) that is authorized by state law to develop, manage, and provide services or programs to local education agencies, (such as public school districts).

The Teacher Cancellation Low Income (TCLI) Directory website has moved to the [StudentLoans.gov](https://studentloans.gov) website, and is located under the "Obtain Aid" menu item at the bottom of the home page.

School year (also called "academic year")

One complete elementary or secondary school year, or two complete and consecutive half-years from different school years (not including summer sessions) that generally fall within a 12-month period. If a school has a year-round program of instruction, a minimum of 9 consecutive months is considered to be the equivalent of a school year.

Teacher

For purposes of the TEACH Grant Program, a teacher is a person who provides direct classroom teaching or classroom-type teaching in a non-classroom setting, including special education teachers and reading specialists.

Definition of Key Terms (continued)

Highly-Qualified Teacher

A highly qualified teacher of **public elementary or secondary school students (including a teacher employed by an educational service agency)** must:

- Have obtained full state certification as a teacher (including certification obtained through alternative routes to certification) or passed the state teacher licensing examination, and hold a license to teach in that state, except that when used with respect to teaching in a public charter school, the term “highly qualified teacher” means that the teacher meets the requirements set forth in the state’s public charter school law; and
- Not have had certification or licensure requirements waived on an emergency, temporary, or provisional basis.

In addition –

A teacher of elementary school students who is new to the profession also is considered highly qualified if the teacher holds at least a bachelor’s degree, and has demonstrated, by passing a rigorous state test, subject knowledge and teaching skills in reading, writing, mathematics, and other areas of the basic elementary school curriculum (which may consist of passing a state-required certification or licensing test or tests in reading, writing, mathematics, and other areas of the basic elementary school curriculum).

A teacher of middle or secondary school students who is new to the profession also is considered highly qualified if the teacher holds at least a bachelor’s degree, and has demonstrated a high level of competency in each of the academic subjects in which the teacher teaches by:

- Passing a rigorous state academic subject test in each of the academic subjects in which the teacher teaches (which may consist of a passing level of performance on a state-required certification or licensing test or tests in each of the academic subjects in which the teacher teaches); or
- Successfully completing, in each of the academic subjects in which the teacher teaches, an academic major, a graduate degree, coursework equivalent to an undergraduate academic major, or advanced certification or credentialing.

A teacher of elementary, middle, or secondary school students who is not new to the profession also is considered highly qualified if the teacher holds at least a bachelor’s degree and **(1)** meets the applicable standards of a teacher of elementary, middle, or secondary school students who is new to the profession; or **(2)** demonstrates competence in all the academic subjects in which the teacher teaches based on a high objective, uniform state standard of evaluation that:

- Is set by the state for both grade appropriate academic subject matter knowledge and teaching skills;
- Is aligned with challenging state academic content and student academic achievement standards and developed in consultation with core content specialists, teachers, principals, and school administrators;
- Provides objective, coherent information about the teacher’s attainment of core content knowledge in the academic subjects in which a teacher teaches;
- Is applied uniformly to all teachers in the same academic subject and the same grade level throughout the state;
- Takes into consideration, but is not based primarily on, the time the teacher has been teaching in the academic subject;
- Is made available to the public upon request; and
- May involve multiple, objective measures of teacher competency.

A highly qualified teacher in a **private, non-profit elementary or secondary school** who is not a highly qualified teacher as defined above for public school teachers must satisfy rigorous subject knowledge and skills tests by taking competency tests in applicable grade levels and subject areas. The competency tests must be recognized by five or more states for the purposes of fulfilling the highly qualified teacher requirements under section 9101 of the Elementary and Secondary Education Act of 1965. The teacher must also achieve a score on each test that equals or exceeds the average passing score for those states.

Definition of Key Terms (continued)

TEACH Grant High-Need Fields

More than half of the classes you teach during each school year must be in a high-need field. For purposes of the TEACH Grant Program, high-need fields are:

- Mathematics;
- Science;
- Foreign language;
- Bilingual education;
- English language acquisition;
- Special education; or
- Reading specialist;
- If you are not teaching in one of the high-need fields listed above, you may satisfy your service obligation by teaching in another high-need field listed in the Teacher Shortage Area Nationwide Listing (Nationwide List) that is issued annually by the Department. If you are planning to teach in a high-need field that is included in the Nationwide List, that field must be listed for the state where you teach either:
 - At the time you begin your qualifying teaching service in that field after you have completed or otherwise ceased to be enrolled in the program for which you received the TEACH Grant (even if the field later loses its high-need designation for the state where you are teaching); or
 - During any award year in which you receive a TEACH Grant, even if that field is no longer designated as high-need when you begin teaching.

To search the Nationwide List, please visit <https://www.ed.gov/about/offices/list/ope/pol/tsa.pdf>.

Note: The Nationwide List includes both subject areas and geographic shortage areas. To qualify based on teaching in a high-need field that is included in the Nationwide List, you must teach in a listed subject shortage area, not a geographic shortage area.

TEACH Grant Service Obligation

Basic Requirements

As a condition for receiving a TEACH Grant, you must agree to complete a TEACH Grant service obligation. To complete your service obligation, you must teach full-time for at least four years:

- As a highly-qualified teacher;
- At an eligible low-income school or ESA; and
- In a high-need field.

You must complete your required teaching service within eight years after you:

- Complete the program of study for which you received your TEACH Grant; or
- Are otherwise no longer enrolled in that program (for example, if you withdraw from school or if you change to a different program for which you are not eligible to receive a TEACH Grant).

You must complete a four-year service obligation for **each program of study** for which you received a TEACH Grant within eight years after you complete or otherwise cease to be enrolled in the program.

Each service obligation begins when:

- You completed the program of study for which you received the TEACH Grant funds; or
- You are no longer enrolled in a program of study for which you received TEACH Grant funds (for example, because you have withdrawn from the institution where you received your TEACH Grant or have enrolled in a different program of study for which you are no longer eligible to receive a TEACH Grant).

For example, if you receive a TEACH Grant for an undergraduate program and later return to school and receive another TEACH Grant for a graduate program, you will have a separate four-year service obligation for each program.

Fulfilling More Than One Service Obligation

If you receive a TEACH Grant for one program of study and later receive a TEACH Grant for a second program, any qualifying teaching service that you perform before you complete or otherwise cease to be enrolled in the second program may only be applied toward fulfillment of your service obligation for the first program.

If you receive a TEACH Grant for a second program before you have completed your service obligation for an earlier program, qualifying teaching service that you perform after you complete or otherwise cease to be enrolled in the second program may be applied toward your service obligation for both programs.

TEACH Grant Service Obligation (continued)

The following examples illustrate the service obligation requirements described on the previous page:

Example 1. You complete a bachelor's degree program which you received a TEACH Grant and immediately enroll in master's degree program for which you will receive a TEACH Grant, before you begin teaching.

- You request and receive a suspension of the eight-year period for completing your service obligation for the bachelor's degree program while you are enrolled in the master's degree program.
- After completing the master's degree program, you must complete four years of qualifying teaching service that will concurrently fulfill your service obligations for both programs.

Example 2. You complete a bachelor's degree program which you received a TEACH Grant and begin qualifying teaching service to satisfy your service obligation.

- After completing one year of qualifying teaching service, you stop teaching and enroll in a master's degree for which you will receive a TEACH Grant.
- You request and receive a suspension of the eight-year period for completing your service obligation for the bachelor's degree program while you are enrolled in the master's degree program.
- After completing the master's degree program, you must complete four years of qualifying teaching service that will fulfill your service obligation for the master's degree program and will concurrently fulfill the remaining three years of your service obligation for the bachelor's degree program.

Example 3. You complete a bachelor's degree program for which you received a TEACH Grant and begin qualifying teaching service to satisfy your service obligation.

- After teaching for one year, you enroll in a master's degree program for which you receive a TEACH Grant.
- You are enrolled in the master's degree program for two years, and during that period you continue to teach full time.
- After completing the master's degree program, you must complete four years of qualifying teaching service that will fulfill your service obligation for the master's degree program and will concurrently fulfill the remaining year of your service obligation for the bachelor's degree program.
- The qualifying teaching service that you perform while enrolled in the master's program may only be applied to your service obligation for the bachelor's degree program.

Example 4. You complete a bachelor's degree program which you received a TEACH Grant and then fully satisfy your four-year service obligation for that program.

- You later enroll in a master's degree program for which you receive a TEACH Grant.
- After completing the master's degree program, you must complete four years of qualifying service to fulfill your service obligation for that program.
- No portion of the qualifying service that you completed for the bachelor's degree program may be applied to your service obligation for the master's degree program.

Documenting your TEACH Grant Service Obligation

Initial Certification

Unless you have received a temporary suspension of the eight-year period for completing your service obligation, or your service obligation has been discharged, you must keep your TEACH Grant Servicer informed of your progress toward satisfying your service obligation.

More information about temporary suspensions of the eight-year period for completing your service obligation or discharge of your service obligation will be provided later in this counseling guide.

Within 120 days after you complete or otherwise cease to be enrolled in the program for which you received a TEACH Grant, you must notify your TEACH Grant Servicer in writing that you:

- Are employed as a full-time teacher in accordance with the terms and conditions of the TEACH Grant service obligation; or
- Are not yet employed as a full-time teacher, but intend to meet the terms and conditions of your service obligation.

Annual Certification

Every year after you have completed each one of your four years of required teaching, you must provide your TEACH Grant Servicer with documentation of that teaching service.

- A form for documenting your qualifying teaching service will be available from your TEACH Grant Servicer. This form must be certified by the chief administrative officer of the school or ESA where you taught for the year being certified and must confirm for that specified academic year:
 - You were highly-qualified teacher as explained in this counseling guide.
 - You taught in an eligible low-income school or ESA, as explained in this counseling guide.
 - More than half of the classes that you taught during the period being certified were in a high-need field, as listed in this counseling guide.

If you have completed the program for which you received a TEACH Grant but you are not employed in a qualifying teaching position, you must notify your TEACH Grant Servicer **at least once each year** that you still intend to satisfy your service obligation.

Your TEACH Grant Servicer will contact you periodically to confirm your intent to satisfy your obligation.

Documenting your TEACH Grant Service Obligation (continued)

Completing Less Than a Full Year of Qualifying Teaching Service

If you do not complete a full school year of qualifying teaching service, but complete at least half of a school year at the school or ESA, the half-year of teaching can be counted as one of your four required years of teaching service under certain conditions.

A half-year of qualifying teaching can be counted as one of your four required years of teaching service only if your employer considers you to have fulfilled your contract requirements for the school year for purposes of salary increases, tenure, and retirement, and if you were unable to complete a full school year of teaching due to:

- A condition that is a qualifying reason for leave under the Family and Medical Leave Act of 1993 (FMLA). For information about the FMLA, please visit <https://dol.gov/whd/fmla>; or
- A call or order to active duty status for more than 30 days as a member of a reserve component of the Armed Forces named in 10 U.S.C. 10101, or service as a member of the National Guard on full-time National Guard duty, as defined in 10 U.S.C. 101 (d) (5), under a call to active service in connection with a war, military operation, or national emergency.

The reserve components of the Armed Forces named in 10 U.S.C. 10101 include the:

- Army National Guard of the United States,
- Army Reserve,
- Navy Reserve,
- Marine Corps Reserve,
- Air National Guard of the United States,
- Air Force Reserve, and
- Coast Guard Reserve.

Multiple Employers

If you teach at more than one eligible low-income school and/or ESA during an elementary or secondary academic year, that year of teaching will count as one of your required four school years of teaching service if:

- You provide your TEACH Grant Servicer with a certification from one or more of the chief administrative officers of the schools/ESAs where you taught showing that your combined teaching was the equivalent of one school year of full-time employment; and
- More than half of the classes you taught were in one or more of the high-need fields as defined in this counseling guide.

Temporary Suspension of Period for Completing Service Obligation

Suspension Conditions

If you have completed or are otherwise no longer enrolled in the program of study for which you received a TEACH Grant, you may request a suspension of the eight-year period for completing your TEACH Grant service obligation if you are temporarily unable to teach because:

- You enrolled in a program of study for which you would be eligible to receive a TEACH Grant, or enrolled in a program that will satisfy state requirements for elementary or secondary school teacher certification;
- You have a condition that is a qualifying reason for leave under the Family and Medical Leave Act of 1993 (FMLA); or
- You have been called or ordered to active duty status for more than 30 days as a member of a reserve component of the Armed Forces named in 10 U.S.C. 10101, or service as a member of the National Guard on full-time National Guard duty, as defined in 10 U.S.C. 101(d) (5), under a call to active service in connection with a war, military operation, or national emergency.

The conditions above are the only conditions under which you may receive a temporary suspension of the eight-year period for completing your service obligation.

Maximum Suspension Period

You may receive a suspension of the eight-year period for completing your service obligation under the conditions described above under Suspension Conditions for periods of one year at a time.

- Suspensions based on your enrollment in certain programs of study or a condition covered by the FMLA can be granted in one-year increments, and may not exceed a combined total of three years.
- Suspensions based on a call or order to active duty status can be granted in one-year increments and may not exceed a total of three years. However, if your active duty status exceeds three years, you may be eligible for a discharge of all or a portion of your service obligation, as explained under “Conditions for Discharge”. The maximum three-year period for which you can receive a suspension based on military service is separate from the combined total of three years for which you can receive suspensions based on enrollment in an eligible program or a condition covered under the FLMA.

Example: You request and receive two separate one-year suspensions based on your enrollment in a qualifying program of study, and a one-year suspension based on a condition covered under the FMLA. You are not eligible for any further periods of suspension due to enrollment in a qualifying program of study or a condition covered under the FMLA, as you have used your maximum three years of suspension based on these conditions. However, you would still be eligible to receive up to three years of suspension based on qualifying active duty service, as described above.

Temporary Suspension of Period for Completing Service Obligation (continued)

Requesting a Suspension

You (or your personal representative in the case of a suspension based on a call or order to active duty status) must request a suspension of the period for completing your service obligation by contacting your TEACH Grant Servicer, and you must include documentation to support your request. Your TEACH Grant Servicer will tell you what type of documentation is required.

- You (or your personal representative) must submit a request for a suspension of the period for completing your service obligation **before** you are subject to any of the conditions that will convert your TEACH Grant to a Direct Unsubsidized Loan (see the Conversion to a Direct Unsubsidized Loan section of this counseling session).
- Once a TEACH Grant has been converted to a loan, it cannot be converted back to a TEACH Grant.

If your request for a suspension is approved, the period of the suspension does not count toward the eight-year period for completing my service obligations. For example, if two years of your eight-year period for completing your service obligation have elapsed, and you then receive two separate one-year suspensions based on your enrollment in a qualifying program of study, at the end of the two-year suspension period you will have six years to complete the remaining two years of your service obligation.

Conditions for Discharge of Your TEACH Grant Service Obligation

Discharge Based on Total and Permanent Disability or Death

Your entire service obligation will be discharged (cancelled) if:

- You become totally and permanently disabled as defined in the Department's regulations and meet certain other requirements. To request a discharge, you must complete a total and permanent disability discharge application form. Your TEACH Grant Servicer can tell you how to obtain this form.
- Your TEACH Grant Servicer receives acceptable documentation of your death from a family member or other representative.

Military Discharge (Extended Active Duty)

You may qualify for a proportional discharge of your service obligation if you have received the **maximum three-year suspension** of the period for completing your service obligation based on qualifying military service (as described earlier in this counseling session) and you are subject to an extended call or order to active military status that exceeds three years. If you meet these requirements, you may receive a discharge of:

- One of the four years of your service obligation if your call or order to active duty status is for more than three years;
- Two of the four years of your service obligation if your call or order to active duty status is for more than four years;
- Three of the four years of your service obligation if your call or order to active duty status is for more than five years; and
- Your entire four-year service obligation if your call or order to active duty status is for more than six years.

To apply for a proportional military discharge you (or your representative) must submit a written discharge request to your TEACH Grant Servicer and must provide the servicer with:

- A written statement from your commanding or personnel officer certifying:
 - You are on active duty in the Armed Forces of the United States;
 - The date on when your service began; and
 - The anticipated date of when your service will end; or
- A copy of your official military orders and a copy of your military identification.

If your service obligation is partially discharged based on military service, you are responsible for completing the remaining portion of the service obligation.

Example: You request and receive three separate one-year suspension due to qualifying active duty military service. You then subject to an extended call to active duty for one additional year. You have used up the maximum three years of eligibility for suspension based on military service, but you may request to receive a discharge of one year of your service obligation based on your extended call to active duty for a period of more than three years. You must now complete only three years of qualifying teaching service to fulfill your service obligation.

Conversion to a Direct Unsubsidized Loan

Conditions for Conversion of a TEACH Grant to a Direct Unsubsidized Loan

IF YOU:	YOUR TEACH GRANT WILL BE CONVERTED TO A DIRECT UNSUBSIDIZED LOAN IF:
Complete the program of study for which you received a TEACH Grant	<ul style="list-style-type: none"> ○ You do not confirm in writing to your TEACH Grant Servicer at least once each year that you intend to satisfy your service obligation ○ You do not begin or maintain qualifying employment as a teacher within a timeframe that would allow you to complete your required four years of teaching within the maximum eight-year period. For example, if more than four years have elapsed since you completed a program for which you received a TEACH Grant and you have not yet begun qualifying teaching service, your TEACH Grants will be converted to Direct Unsubsidized Loans because you would not be able to complete the required four years of teaching within eight years of completing the program.
Cease enrollment at the institution where you received the TEACH Grant before completing the program for which you received the TEACH Grant	<p>Within 120 days after you cease enrollment at the institution where you received the TEACH Grant, you do not confirm in writing to your TEACH Grant Servicer that:</p> <ul style="list-style-type: none"> ○ You are employed as a full-time teacher in accordance with the requirements described in your TEACH Grant Agreement to Serve (ATS); or ○ You are not yet employed as a full-time teacher in accordance with the requirements described in your ATS, but you intend to meet the terms and conditions of your TEACH Grant service obligation. <p>You provide the required confirmation within the 120-day period as described above, but within one year after you cease enrollment at the institution where you received the TEACH Grant, you have not:</p> <ul style="list-style-type: none"> ○ Requested and been approved for a suspension of the eight-year period for completing your service obligation; ○ Reenrolled in a program for which you would be eligible to receive a TEACH Grant; or ○ Begun qualifying teaching service as described previously.

You may also request that your TEACH Grant be converted to a Direct Unsubsidized Loan for any reason (for example, because you have decided that you no longer want to be a teacher, or because you have decided not to teach in a low-income school).

Conversion to a Direct Unsubsidized Loan (continued)

Other Conditions that may result in conversion of your TEACH Grant to a Direct Unsubsidized Loan

In addition to failing to meet the terms and conditions of your service obligation, there are other factors that could lead to the conversion of your TEACH Grant to a Direct Unsubsidized Loan. For example, a felony conviction (either in the past or in the future) could prevent you from being employed as a teacher, and you would then be unable to complete your service obligation.

Consequences of Conversion

Terms and Conditions After A TEACH Grant Has Been Converted to a *Direct Unsubsidized Loan

A TEACH Grant that is converted to a Direct Unsubsidized Loan will be subject to the terms and conditions that apply to Direct Unsubsidized Loans under applicable law and regulations, including the terms and conditions described in your TEACH Grant Agreement to Serve (ATS).

- **Requirement to Repay with Interest**

If your TEACH Grant is converted to a Direct Unsubsidized Loan, you will be required to repay the full amount of all TEACH Grant funds you received, with interest charged from the date of each TEACH Grant disbursement.

- **Grace Period**

If your TEACH Grant is converted to a Direct Unsubsidized Loan, you will receive a 6-month grace period that begins on the day after your grant is converted to a loan. During the grace period:

- You are not required to make payments on your loan.
- Interest will continue to accrue.

You must begin making payments on your loan at the end of the 6-month grace period. Your loan servicer will:

- Notify you of the date your first payment is due, and
- Provide you with a repayment schedule that identifies your payment amounts and due dates.

Once your TEACH Grant is converted to a Direct Unsubsidized Loan, it cannot be reconverted to a grant.

Effect of Conversion to a Loan on Loan Limits

Any TEACH Grant that is converted to a Direct Unsubsidized Loan will not count toward the annual or aggregate loan limits that apply to other federal student loans you have received or may receive in the future to help pay for your education.

National Consumer Reporting Agencies (Credit Bureaus)

A TEACH Grant that is converted to a loan will be reported to one or more national consumer reporting agencies, and will be identified as an education loan.

Interest

Interest

Interest is money paid to the *lender* in exchange for borrowing money. Interest is calculated as a percentage of the unpaid principal amount (loan amount) borrowed.

Interest Rate

The interest rate on Direct Unsubsidized Loans is a fixed rate that is calculated each year and that applies to all Direct Unsubsidized Loans first disbursed during the period beginning on July 1 of one year and ending on June 30 of the following year. The rate that is calculated applies for the life of the loan. The fixed interest rate on a Direct Unsubsidized Loan will vary depending on when the loan was first disbursed, and whether the loan was made to an undergraduate student or to a graduate or professional student. For Direct Unsubsidized Loans made to undergraduate students, the maximum interest rate is 8.25%. For Direct Unsubsidized Loans made to graduate or professional students, the maximum interest rate is 9.5%.

When a TEACH Grant is converted to a Direct Unsubsidized Loan, the fixed interest rate will be the rate that was in effect for Direct Unsubsidized Loans on the date the TEACH Grant was first disbursed.

Example 1: The interest rate on Direct Unsubsidized Loans made to undergraduate students and first disbursed during the period July 1, 2016 through June 30, 2017 is 3.76%. If a TEACH Grant that is first disbursed to an undergraduate student during this period is later converted to a Direct Unsubsidized Loan, the interest rate will be 3.76% for the life of the loan.

Example 2: The interest rate on Direct Unsubsidized Loans made to graduate or professional students and first disbursed during the period July 1, 2016 through June 30, 2017 is 5.31%. If a TEACH Grant that is first disbursed to a graduate or professional student during this period is later converted to a Direct Unsubsidized Loan, the interest rate will be 5.31% for the life of the loan.

For each TEACH Grant you receive, we will notify you of the interest rate that will apply if that TEACH Grant is converted to a Direct Unsubsidized Loan.

Servicemembers Civil Relief Act

If you are in military service, you may qualify for a lower interest rate on your loans.

If you qualify under the Servicemembers Civil Relief Act, the interest rate on loans you received before you began your military service may be limited to 6% during your military service. If you received a TEACH Grant that was later converted to a Direct Unsubsidized Loan, the loan is considered to have been obtained on the date of the first TEACH Grant disbursement. Contact your loan servicer for information about this benefit.

Payment of Interest

Except as explained below under **No accrual of interest benefit for active duty service members**, interest is charged on a TEACH Grant that is converted to a Direct Unsubsidized Loan during all periods (starting on the date of the first disbursement of the TEACH Grant), including deferment and forbearance periods.

- At the time your TEACH Grant is converted to a Direct Unsubsidized Loan, you will be given the opportunity to pay the interest that accrued. If you do not pay this interest, it will be capitalized (see below) when the loan enters repayment at the end of the 6-month grace period.
- You will also be given the opportunity to pay the interest that accrues during deferment, forbearance, or other periods as provided under the laws and regulations that apply to Direct Unsubsidized Loans. If you do not pay this interest, it will be capitalized at the end of the deferment, forbearance, or other period.

Interest (continued)

No accrual of interest benefit for active duty service members

You are not required to pay interest that accrues on any type of Direct Loan first disbursed on or after October 1, 2008 during periods of qualifying active duty military service (for up to 60 months). If you received a TEACH Grant that was later converted to a Direct Unsubsidized Loan, you are eligible for the no accrual of interest benefit on that loan if the TEACH Grant was first disbursed on or after October 1, 2008.

Interest Capitalization

Capitalization is the addition of unpaid interest to the principal balance of a loan. Capitalization increases the principal balance of your loan and interest is then charged on the increased principal balance. This may increase your monthly payment amount and the total amount you repay over the life of your loan. The example and charts below show how interest accrues from the date of each TEACH Grant disbursement and compares the results of paying accrued interest vs. allowing it to be capitalized.

Example: For each year of a four-year bachelor's degree program that you began in September 2013 and completed in June 2017, you received \$4000 in TEACH Grant funds, for a total of \$16,000. Each academic year, \$2000 of your \$4000 TEACH Grant award was disbursed (paid out) at the beginning of the fall semester in September, and the remaining \$2,000 was disbursed at the beginning of the spring semester in January. The eight-year period for completing your service obligation began in June 2017, and your TEACH Grants are converted to Direct Unsubsidized Loans in December 2021. Your 6-month grace period ends on June 1, 2022.

Using this example, chart 1 below shows the amount of interest that would accrue on each individual TEACH Grant disbursement from the disbursement date through June 1, 2022, the ending date of the 6-month grace period, and the total amount of interest that would accrue from the first TEACH Grant disbursement date through the end of the grace period. The interest amounts shown are based on an interest rate of 8.25% (the maximum interest rate for Direct Unsubsidized Loans made to undergraduate students).

Chart 2 shows the difference in the monthly and total amounts you would repay under the Standard Repayment Plan depending on whether you pay this accrued interest before the Direct Unsubsidized Loan enters repayment, or allow the accrued interest to be capitalized. (Note: All amounts are estimates; your actual monthly and total repayment amounts may differ from the amounts shown in the chart.)

Chart 1

TEACH Grant Disbursement Amount	Disbursement Date	Interest Accrued Through 06/01/2022
\$2,000	09/01/2013	\$1,445
\$2,000	01/01/2014	\$1,390
\$2,000	09/01/2014	\$1,280
\$2,000	01/01/2015	\$1,225
\$2,000	09/01/2015	\$1,115
\$2,000	01/01/2016	\$1,060
\$2,000	09/01/2016	\$949
\$2,000	01/01/2017	\$894
Total interest accrued through 06/01/2022		\$9,358

Chart 2

Grant Actions:	If you pay the interest before the loan enters repayment...	If you do not pay the interest and it is capitalized...
TEACH Grant Amount	\$16,000	\$16,000
Total accrued interest from 09/01/2013 through 06/01/2022	\$9,358 (paid before the loan enters repayment)	\$9,358 (capitalized)
Principal to be Repaid	\$16,000	\$25,358
Monthly Payment (Standard Repayment Plan)	\$196	\$310
Number of Payments	120	120
Total Amount Repaid	\$23,498	\$37,242

In this example, you would pay \$114 less per month and \$13,744 less altogether if you pay the accrued interest before the beginning of the repayment period for the TEACH Grant funds that are converted to a Direct Unsubsidized Loan.

You will also be given the opportunity to pay the interest that accrues during deferment, forbearance, or other periods as provided under the Act. If you do not pay this interest, it will be capitalized at the end of the deferment, forbearance, or other period.

You may be able to claim a federal income tax deduction for interest payments you make on Direct Loans. For further information, refer to IRS Publication 970, which is available at <https://www.irs.gov>.

Repaying Your Loan

You must make payments on your loan even if you do not receive a bill or repayment notice.

Payment Application

During periods of repayment under any repayment plan other than the REPAYE, PAYE, or IBR plan, payments made on a Direct Unsubsidized Loan will be applied in the following order:

1. Late charges and collection costs,
2. Outstanding interest, and
3. Outstanding principal.

During periods of repayment under the REPAYE, PAYE, or IBR plan, payments will be applied in the following order:

1. Outstanding interest,
2. Late charges or collection costs, and
3. Outstanding principal.

Prepayment

You may prepay all or any part of the unpaid balance on your loans at any time. There is no penalty if you make loan payments before they are due, or pay more than the amount due each month. Any prepayments that you make will be applied in accordance with applicable laws and regulations. Your loan servicer can provide more information about how prepayments are applied.

Repayment Incentives

A repayment incentive is a benefit that is offered to encourage you to repay your loan on time.

One repayment incentive is the automatic payment withdrawal option. With this option, your loan servicer electronically transfers your monthly loan payment from your checking or savings account to your student loan account. You will receive a 0.25 percent interest rate reduction while you repay under the automatic withdrawal option.

Repayment Plans

If your TEACH Grant is converted to a Direct Unsubsidized Loan, you will be able to choose from several repayment plans listed below that are designated to meet your individual needs. If you do not choose a repayment plan, you will be placed on the Standard Repayment Plan. You may change repayment plans at any time after you have begun repaying your loan.

You must repay all of your Direct Loans under the same repayment plan, unless you want to repay your loans under the Revised Pay As You Earn (REPAYE) Plan, the Pay As You Earn (PAYE) Plan, the Income-Based Repayment (IBR) Plan, or the Income-Contingent Repayment (ICR) Plan and you have other Direct Loans that do not qualify for repayment under those plans. In that case, you may select the REPAYE, PAYE, IBR, or ICR plan for the loans that are eligible for repayment under those plans, and may select a different repayment plan for the loans that may not be repaid under the REPAYE, PAYE, IBR, or ICR plan.

Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
Standard Repayment Plan	<ul style="list-style-type: none"> ▪ Direct Subsidized and Unsubsidized Loans ▪ all Direct PLUS loans ▪ all Direct Consolidation Loans 	Payments are a fixed amount that ensures your loans are paid off within 10 years (within 10 to 30 years for Consolidation Loans).	<p>All borrowers are eligible for this plan.</p> <p>You'll usually pay less over time than under other plans.</p> <p>Standard Repayment Plan with a 10-year repayment period is not a good option for those seeking Public Service Loan Forgiveness (PSLF).</p> <p>Standard Repayment Plan for Consolidation Loans is not a qualifying repayment plan for PSLF.</p>
Graduated Repayment Plan	<ul style="list-style-type: none"> ▪ Direct Subsidized and Unsubsidized Loans ▪ all Direct PLUS loans ▪ all Direct Consolidation Loans 	Payments are lower at first and then increase, usually every two years, and are for an amount that will ensure your loans are paid off within 10 years (within 10 to 30 years for Consolidation Loans).	<p>All borrowers are eligible for this plan.</p> <p>You'll pay more over time than under the 10-year Standard Plan.</p> <p>Generally not a qualifying repayment plan for PSLF.</p>
Extended Repayment Plan	<ul style="list-style-type: none"> ▪ Direct Subsidized and Unsubsidized Loans ▪ all Direct PLUS loans ▪ all Direct Consolidation Loans 	Payments may be fixed or graduated, and will ensure that your loans are paid off within 25 years.	<ul style="list-style-type: none"> ▪ You must have more than \$30,000 in outstanding Direct Loans. ▪ Your monthly payments will be lower than under the 10-year Standard Plan or the Graduated Repayment Plan. ▪ You'll pay more over time than under the 10-year Standard Plan. ▪ Not a qualifying repayment plan for PSLF.
Revised Pay As You Earn Repayment Plan (REPAYE)	<ul style="list-style-type: none"> ▪ Direct Subsidized and Unsubsidized Loans ▪ Direct PLUS loans made to students ▪ Direct Consolidation Loans that do not include PLUS loans made to parents 	<ul style="list-style-type: none"> ▪ Your monthly payments will be 10 percent of discretionary income. ▪ Payments are recalculated each year and are based on your updated income and family size. ▪ You must update your income and family size each year, even if they haven't changed. ▪ If you're married, both your and your spouse's income or loan debt will be considered, whether taxes are filed jointly or separately (with limited exceptions). ▪ Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years (if all loans were borrowed for undergraduate study) or 25 years (if any loans were borrowed for graduate or professional study). 	<ul style="list-style-type: none"> ▪ Any Direct Loan borrower with an eligible loan type may choose this plan. ▪ You'll usually pay more over time than under the 10-year Standard Plan. ▪ You may have to pay income tax on any amount that is forgiven. ▪ Good option for those seeking Public Service Loan Forgiveness (PSLF).

<p>Pay As You Earn Repayment Plan (PAYE)</p>	<ul style="list-style-type: none"> ▪ Direct Subsidized and Unsubsidized Loans ▪ Direct PLUS loans made to students ▪ Direct Consolidation Loans that do not include PLUS loans made to parents 	<ul style="list-style-type: none"> ▪ Your monthly payments will be 10 percent of discretionary income, but never more than you would have paid under the 10-year Standard Repayment Plan. ▪ Payments are recalculated each year and are based on your updated income and family size. ▪ You must update your income and family size each year, even if they haven't changed. ▪ If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return. ▪ Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years. 	<ul style="list-style-type: none"> ▪ You must be a new borrower on or after Oct. 1, 2007, and must have received a disbursement of a Direct Loan on or after Oct. 1, 2011. ▪ You must have a high debt relative to your income. ▪ Your monthly payment will never be more than the 10-year Standard Plan amount. ▪ You'll usually pay more over time than under the 10-year Standard Plan. ▪ You may have to pay income tax on any amount that is forgiven. ▪ Good option for those seeking Public Service Loan Forgiveness (PSLF).
<p>Income-Based Repayment Plan (IBR)</p>	<ul style="list-style-type: none"> ▪ Direct Subsidized and Unsubsidized Loans ▪ all Direct PLUS loans made to students ▪ Direct Consolidation Loans that do not include PLUS loans made to parents 	<ul style="list-style-type: none"> ▪ Your monthly payments will be either 10 or 15 percent of discretionary income (depending on when you received your first loans), but never more than you would have paid under the 10-year Standard Repayment Plan. ▪ Payments are recalculated each year and are based on your updated income and family size. ▪ You must update your income and family size each year, even if they haven't changed. ▪ If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return. ▪ Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years or 25 years, depending on when you received your first loans. 	<ul style="list-style-type: none"> ▪ You must have a high debt relative to your income. ▪ Your monthly payment will never be more than the 10-year Standard Plan amount. ▪ You'll usually pay more over time than under the 10-year Standard Plan. ▪ You may have to pay income tax on any amount that is forgiven. ▪ Good option for those seeking Public Service Loan Forgiveness (PSLF).
<p>Income-Contingent Repayment Plan (ICR)</p>	<ul style="list-style-type: none"> ▪ Direct Subsidized and Unsubsidized Loans ▪ Direct PLUS Loans made to students ▪ Direct Consolidation Loans 	<ul style="list-style-type: none"> ▪ Your monthly payment will be the lesser of <ul style="list-style-type: none"> ○ 20 percent of discretionary income, or ○ the amount you would pay on a repayment plan with a fixed payment over 12 years, adjusted according to your income. ▪ Payments are recalculated each year and are based on your updated income, family size, and the total amount of your Direct Loans. ▪ You must update your income and family size each year, even if they haven't changed. ▪ If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return or you choose to repay your Direct Loans jointly with your spouse. ▪ Any outstanding balance will be forgiven if you haven't repaid your loan in full after 25 years. 	<ul style="list-style-type: none"> ▪ Any Direct Loan borrower with an eligible loan type may choose this plan. ▪ You'll usually pay more over time than under the 10-year Standard Plan. ▪ You may have to pay income tax on any amount that is forgiven. ▪ Good option for those seeking Public Service Loan Forgiveness (PSLF). ▪ Parent borrowers can access this plan by consolidating their Parent PLUS Loans into a Direct Consolidation Loan.

Alternative Repayment Plan

If the terms and conditions of the repayment plans described above are not adequate to meet your exceptional circumstances, your loan servicer may provide you with an alternative repayment plan.

Please visit: <https://studentloans.gov/repaymentestimator> to estimate your monthly payment amount and the total amount you will repay under all of the Direct Loan repayment plans.

Debt Management

If your TEACH Grant is converted to a Direct Unsubsidized Loan it will be important to make on-time loan payments. The following tips will help you manage your money so that you can meet your household expenses and continue to make loan payments on-time.

Tip 1: Develop a Budget

Have an accurate picture of your monthly expenses (in addition to your loan payments). You should develop a budget that includes items like rent, car payments, utility bills, food, clothing, insurance, and entertainment, as well as non-monthly and unexpected expenses.

Tip 2: As a Borrower, Know Your Rights and Responsibilities

As a borrower, you have certain rights and responsibilities.

- Apply for a deferment if you are going back to school or meet one of the other eligibility requirements for a deferment. (See the information about deferment and forbearance in this counseling guide.)
- Keep your loan information in a safe place.
- Keep your loan servicer informed of your address, phone number, and other information.
- Contact your loan servicer when you have questions or concerns.

Tip 3: Make the Most of Your Grace Period

If your TEACH Grant is converted to a Direct Unsubsidized Loan, you have a 6-month grace period and do not have to begin making payments until it ends. You can use your grace period to:

- Get your finances in order.
- Get a head start on repaying your loans. By making some payments during the grace period, you can reduce the interest costs for your loan.

Tip 4: Pay the Interest That Accrues

Pay the interest that accrues on your loan during periods when you are not required to make loan payments (grace, deferment, or forbearance).

- Make your interest payments a budget priority.
- Paying a little more each month can save you many dollars later.

Tip 5: Understand and Limit Credit Card Use

Credit cards are one form of borrowing money, but they often carry a very high interest rate.

- If you decide you need a credit card, it is best to stick with one card with a low limit.
- Pay off your total balance each month. If that is not possible, always pay more than the minimum.
- If you make a payment late (even a day late), you may have to pay a finance charge, and your interest rate may go up.

Deferment and Forbearance

If you think you might have a problem making your monthly loan payment on time, contact your loan servicer immediately to discuss other repayment plan options, eligibility for a deferment, or eligibility for forbearance.

Deferment

A deferment allows you to temporarily postpone making loan payments if you meet certain requirements. You may receive a deferment while you are:

- Enrolled at least half-time at an eligible postsecondary school;
- In a full-time course of study in a graduate fellowship program;
- In an approved full-time rehabilitation program for individuals with disabilities;
- Unemployed (for a maximum of three years; you must be diligently seeking, but unable to find, full-time employment);
- Experiencing an economic hardship (including Peace Corps service), as determined under the laws and regulations that govern the Direct Loan Program (for a maximum of three years); or
- Serving on active duty during a war or other military operation or national emergency or performing qualifying National Guard duty during a war or other military operation or national emergency and, if you were serving on or after October 1, 2007, for the 180-day period following the demobilization date for your qualifying service.
- If you are a member of the National Guard or other reserve component of the U.S. Armed Forces (current or retired) and you are called or ordered to active duty while you are enrolled at least half-time at an eligible school or within six months of having been enrolled at least half-time, you are eligible for a deferment during the 13 months following the conclusion of your active duty service, or until you return to enrolled student status on at least a half-time basis, whichever is earlier.

You may be eligible to receive additional deferments if, at the time you received your first Direct Loan, you had an outstanding balance on a loan made under the Federal Family Education Loan (FFEL) Program before July 1, 1993. Contact your loan servicer for more information.

Except for a deferment based on your at least half-time enrollment at an eligible postsecondary school, you must submit a deferment request form to your loan servicer. In most cases, you must also provide documentation of your eligibility for the deferment.

You may receive a deferment based on your at least half-time enrollment at an eligible school without submitting a deferment request if your loan servicer receives information from the school you are attending that confirms your enrollment status. If your loan servicer grants a deferment based on information received from your school, you will be notified of the deferment and will have the option of cancelling the deferment and continuing to make payments on your loans.

If you are in default on your loan, you are not eligible for a deferment.

Interest is charged on a Direct Unsubsidized Loan during deferment periods except under the “No accrual of interest benefit for active duty service members” explained earlier in this counseling guide. You may pay interest as it accrues, or allow it to be capitalized at the end of the deferment period.

Deferment and Forbearance (continued)

Forbearance

Forbearance is another option for temporarily postponing loan payments, if you do not meet the eligibility requirements for a deferment.

Your loan servicer may give you a forbearance if you are temporarily unable to make your loan payments for reasons including, but not limited to, financial hardship or illness.

In addition, your loan servicer will give you a forbearance if you meet one of the following requirements:

- You are serving in a medical or dental internship or residency program, and you meet specific requirements;
- The total amount you owe each month for all of the student loans you received under Title IV of the Higher Education Act (Direct Loans, FFEL Program loans, and Federal Perkins Loans) is 20 percent or more of your total monthly gross income (for a maximum of three years);
- You are serving in a national service position for which you receive a national service award under the National and Community Service Trust Act of 1993. In some cases, the interest that accrues on a qualified loan during the service period will be paid by the Corporation for National and Community Service;
- You are performing teaching service that would qualify you for loan forgiveness under the Teacher Loan Forgiveness program that is available to certain Direct Loan and FFEL program borrowers;
- You qualify for partial repayment of your loans under the Student Loan Repayment Program, as administered by the Department of Defense; or
- You are called to active duty in the U.S. Armed Forces.

Generally, you must request a forbearance and, in some cases, submit documentation of your eligibility for a forbearance. However, under certain circumstances you may be given a forbearance without requiring you to submit a request or documentation. These circumstances include, but are not limited to, the following:

- Periods necessary for us to determine your eligibility for a loan discharge;
- A period of up to 60 days in order for us to collect and process documentation related to your request for a deferment, forbearance, change in repayment plan, or consolidation loan (interest that is charged during this period is not capitalized); or
- Periods when you are involved in a military mobilization, or a local or national emergency.

Interest is charged on a Direct Unsubsidized Loan during forbearance periods. You may pay the interest as it accrues, or allow it to be capitalized at the end of the forbearance period.

Remember...

You MUST continue making payments on your student loan until you have been notified that your request for deferment or forbearance has been granted. If you do not continue making payments and your request is not approved, you will become delinquent and may default on your loan.

Default

If you become delinquent in making payments on a Direct Unsubsidized Loan, this could lead to default.

You are considered to be in default on your loan if:

- You do not make installment payments when due, and your failure to make payments has continued for at least 270 days; or
- **You do not comply with other terms of your loan, and it is reasonably concluded that you no longer intend to honor your repayment obligation.** If you default, we may capitalize all outstanding interest. This will increase the principal balance of your loan, and the full amount of the loan, including the new principal balance and collection costs, will become immediately due and payable.

If you default:

- Your default will be reported to nationwide consumer reporting agencies (credit bureaus) and will adversely affect your credit history.
- All outstanding interest may be capitalized into a new principal balance.
- You may be required to immediately repay the entire unpaid amount of your loan.
- You may be sued, have all or part of your federal and state tax refunds and other federal or state payments taken, and/or have your wages garnished so that your employer is required to send us part of your salary to pay off your loan.
- You will be required to pay reasonable collection fees and costs, plus court costs and attorney fees.
- You will lose eligibility for other federal student aid and assistance under most federal benefit programs.
- You will lose eligibility for loan deferments and other benefits.

If you default on your loan, you will not be charged collection costs if you respond within 60 days to the initial notice of default that we send to you, and you enter into a repayment agreement with us, including a loan rehabilitation agreement, and fulfill that agreement.

Loan Discharge and Forgiveness Programs

Loan Discharge

Your loan will be discharged (forgiven) if:

- The Department determines that you are totally and permanently disabled (as defined in accordance with the laws and regulations that govern the Direct Loan Program), and you meet certain other requirements.
- Your loan servicer receives acceptable documentation of your death; or
- Your loan is discharged in bankruptcy after you have proven to the bankruptcy court that repaying the loan would cause undue hardship. Direct Loans are not automatically discharged if you file for bankruptcy.

Other Loan Discharge Conditions

In certain cases, a TEACH Grant that was converted to a Direct Unsubsidized Loan may be discharged for reasons of **school closure, false certification based on identity theft, and unpaid refund.**

We may discharge all or a portion of a TEACH Grant that was converted to a Direct Unsubsidized Loan if:

- You could not complete the program of study for which you received the TEACH Grant because the institution closed;
- Your eligibility for the TEACH Grant was falsely certified as a result of a crime of identity theft; or
- You withdrew from the program for which you received a TEACH Grant and the institution did not pay a refund of the TEACH Grant award that it was required to pay under federal regulations.

Forgiveness Programs

- **Public Service Loan Forgiveness (PSLF)**

Under the PSLF program, you may qualify for forgiveness of the remaining balance of your eligible Direct Loans after making 120 on-time qualifying payments on those loans while employed full-time by certain public service employers. For more information about PSLF, visit StudentAid.gov.

- **Teacher Loan Forgiveness (TLF)**

If you do not meet the requirements of the TEACH Grant Program, and your TEACH Grant is converted to a Direct Unsubsidized Loan, you may qualify to have a portion of your loan balance forgiven if:

- You did not have an outstanding balance on a Direct Loan or FFEL Program loan on Oct. 1, 1998, or on the date you obtained a Direct Loan or a FFEL Program loan after Oct. 1, 1998; and
- You teach full-time in a low-income elementary or secondary school or educational service agency for five consecutive years and meet certain other qualifications

For more information about TLF, visit StudentAid.gov.

Useful Resources

Agreement to Serve

For more information regarding the TEACH Grant Program or to complete a TEACH Grant Agreement To Serve, please visit [StudentLoans.gov](https://studentloans.gov).

Repayment Estimator Calculator

In the event that you are unable to fulfill your TEACH Grant obligation and your TEACH Grant(s) convert into Direct Unsubsidized Loan(s), please visit the online Repayment Estimator at <https://studentloans.gov/repaymentestimator> to help you estimate monthly payments, determine repayment plan eligibility, compare repayment plan costs and estimate loan forgiveness.

Loan Consolidation

A Direct Consolidation Loan Program is available that allows you to consolidate one or more of your eligible federal education loans into a new loan with a single monthly payment and may allow you to extend the period of time that you have to repay your loans. However, you will pay more interest if you extend your repayment period through consolidation, since you will be making payments for a longer period of time. If your TEACH Grant is converted to a Direct Unsubsidized Loan, it may be consolidated into a Direct Consolidation Loan. Contact your loan servicer for more information about loan consolidation.

NSLDS

The National Student Loan Data System (NSLDS) contains information about all Title IV loans you have received, including TEACH Grants that have been converted to Direct Unsubsidized Loans. To access NSLDS, please visit <https://nsls.ed.gov>.

Federal Student Aid Ombudsman

The U.S. Department of Education's Federal Student Aid Ombudsman can help resolve problems related to student loans (including TEACH Grants that have been converted to Direct Unsubsidized Loans) when other approaches have failed. It is important to keep all of your TEACH Grant papers and correspondence for your records. You should contact your TEACH Grant Servicer or loan servicer first to try and resolve the problem. If you are unable to resolve the problem on your own, you may contact the FSA Ombudsman for assistance. You can reach the FSA Ombudsman at:

Office of the Ombudsman
U.S. Department of Education
FSA Ombudsman Group
P.O. Box 1843
Monticello, KY 42633

Phone: 1-877-557-2575

Fax: 1-606-396-4821

Internet Website: <https://studentaid.ed.gov/sa/repay-loans/disputes/prepare>

TEACH Grant Servicer

The Department's TEACH Grant Servicer will:

- Periodically communicate with you regarding your TEACH Grant(s) while you are completing your program of study and after you are no longer enrolled;
- Track your progress in meeting the requirements of your TEACH Grant service obligation; and
- Service and collect TEACH Grants that have been converted to a Direct Unsubsidized Loan.

Keeping Your TEACH Grant Servicer Informed of Your Status

- It is important to keep your TEACH Grant Servicer informed of your current address and other information. Notify your TEACH Grant Servicer promptly of any change in your name, address, or telephone number. Also notify your TEACH Grant Servicer if your employer's address or telephone number has changed.
- **Within 120 days** after you complete or otherwise cease to be enrolled in the program for which you received your TEACH Grant, you must notify your TEACH Grant Servicer in writing that you:
 - Are employed as a full-time teacher in accordance with the terms and conditions of the TEACH Grant Program; or
 - Are not yet employed as a full-time teacher, but intend to meet the terms and conditions of your service obligation.
- If you completed the program for which you received your TEACH Grant but are not yet employed in a qualifying teaching position, you must notify your TEACH Grant Servicer at least **once each year** that you still intend to satisfy your service obligation.
- Once you begin qualifying teaching service, you must provide your TEACH Grant Servicer with documentation of your qualifying employment **after each year** of your four years of required teaching.
- A form for documenting your qualifying teaching service will be available from your TEACH Grant Servicer. This form must be certified by the chief administrative officer of the school or educational service agency where you taught for the year being certified.

TEACH Grant Servicer Address:

FedLoan Servicing
P. O. Box 69184
Harrisburg, PA 17106-9184

TEACH Grant Servicer Telephone Numbers:

- 1-800-699-2908
- 1-717-720-1985 (International)

TEACH Grant Servicer Website:

<https://myfedloan.org/borrowers/special-programs/teach-grants>