

The background features a large, light gray watermark of the Stanford University seal. The seal is circular and contains the text 'LELANO STANFORD JUNIOR UNIVERSITY' around the top edge and '1891' at the bottom. In the center of the seal is a tree with a figure standing beneath it, and the motto 'DIE LUZifer FRELUZUM' is visible.

Teacher Education Assistance for College and Higher Education Grant (TEACH Grant)

EXIT COUNSELING

Stanford University Financial Aid

Spring 2023

Topics

YOUR OBLIGATION

- Basic Requirements
- Low-Income School Directory
- High-Need Fields
- Length of Obligation
- Documenting Your Obligation
- Temporary Suspension and Discharge

WHAT HAPPENS IF OBLIGATION IS NOT MET

- Conversion to Unsubsidized Loan
- Repayment and Repayment Options
- Avoiding Delinquency and Default


Meeting Your Obligations

TEACH GRANT



Basic Requirements

TO COMPLETE YOUR SERVICE OBLIGATION, YOU MUST TEACH FULL-TIME FOR AT LEAST FOUR YEARS:

- As a **highly qualified teacher**;
 - At a **school serving low-income students**;
 - In a **high-need field**.
- 

DEFINITION OF TEACHER: FOR TEACH GRANT, 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.

WHAT IS A HIGHLY QUALIFIED TEACHER? SECTION 9101(23) OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, OR A SPECIAL EDUCATION TEACHER IN SECTION 602(10) OF THE INDIVIDUALS WITH DISABILITIES ACT.

MORE INFORMATION:

WWW.STUDENTAID.GOV

Schools Serving Low-Income Students

ANY PUBLIC OR PRIVATE ELEMENTARY OR SECONDARY SCHOOL LIST IN THE DEPARTMENTS **ANNUAL DIRECTORY OF TEACHER CANCELLATION LOW INCOME (TCLI)** QUALIFIES.

www.studentaid.gov/tcli

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, EVEN IF IT IS NOT LISTED AS LOW-INCOME.

If the school where you teach qualifies as a low-income school for all or part of one of your required four years of teaching, but doesn't qualify as a low-income school during subsequent school years, your subsequent years of teaching will still count for purposes of satisfying your TEACH Grant service obligation.

Some Low Income Schools in Our Area

FederalStudentAid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

UNDERSTAND AID ▾

APPLY FOR AID ▾

COMPLETE AID PROCESS ▾

MANAGE LOANS ▾

Log In | Create Account 🔍

Directory Search

To narrow down the search by including a specific **School or Educational Service Agency Name** or **Location**, at least the first three characters must be entered in the search box.

Note: Your school/ESA will not be found if the characters entered are not an exact match. Be sure to remove all entries in those fields and conduct a general search by State and Year only before determining that your school/ESA is not listed.

State

CALIFORNIA ▾

Year

2020-2021 ▾

School or Educational Service Agency Name - *optional*

Location - *optional*

🔍 Search

- O'Connell (John) High - SF Unified
- Martin Luther King , Jr. Elementary - Oakland Unified
- Columbia Middle - Sunnyvale
- Fremont High - Fremont Union High

Teaching at More Than One Low-Income School

IF YOU TEACH AT MORE THAN ONE QUALIFYING LOW-INCOME SCHOOL DURING A SCHOOL YEAR, THAT YEAR OF TEACHING WILL COUNT AS ONE OF YOUR REQUIRED FOUR SCHOOL YEARS OF TEACHING SERVICE IF:

- You provide MOHELA with a certification from one or more of the chief administrative officers of the schools where you taught 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 the TEACH Grant counseling material.

High Need Fields (Subjects)

Mathematics

Science

Foreign Language

Bilingual Education

English Language Acquisition

Special Education

Reading Specialist

AND

Other identified teacher shortage areas **as of the time you begin teaching in that field** listed in **the Teacher Shortage Area Nationwide Listing (Nationwide List)** that the Department issues each year.

<https://tsa.ed.gov/#/home/>

California High-Needs Fields for 22-23 Year

STATEWIDE ACADEMIC DISCIPLINES OR SUBJECT MATTER:

- Language Arts
- Special Education
- Mathematics
- Science
- Core Subjects

IF YOU BEGIN QUALIFYING TEACHING SERVICE IN A HIGH-NEED FIELD THAT IS ON THE NATIONWIDE LIST, BUT IN SUBSEQUENT SCHOOL YEARS OF TEACHING THAT HIGH-NEED FIELD IS NO LONGER LISTED, YOUR SUBSEQUENT YEARS OF TEACHING IN THAT FIELD WILL CONTINUE TO QUALIFY FOR PURPOSES OF SATISFYING YOUR SERVICE OBLIGATION.

Length of Service Obligation

- You must complete a 4-year service obligation for each academic program for which you received a TEACH Grant **within** eight years after you complete or otherwise cease to be enrolled.
- If you later receive a TEACH Grant for a second program, any qualifying service performed before completion can only be applied to the first program service obligation. Any qualifying service performed after the second program may be applied toward your service obligation for both programs.



Documenting Your Obligation - Initial

YOU MUST KEEP MOHELA INFORMED OF YOUR PROGRESS TOWARD SATISFYING YOUR SERVICE OBLIGATION.

WITHIN **120 DAYS AFTER YOU COMPLETE OR ARE OTHERWISE NO LONGER ENROLLED** IN THE PROGRAM FOR WHICH YOU RECEIVED A TEACH GRANT, YOU MUST NOTIFY MOHELA 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.

Documenting Your Obligation – Each Year

IF YOU BEGIN TEACHING, YOU MUST PROVIDE DOCUMENTATION **AFTER EACH YEAR** OF YOUR FOUR YEARS OF REQUIRED TEACHING.

- A form for documenting your qualifying teaching service will be available from MOHELA. This form must be certified by the chief administrative officer of the school where you taught for the year.

IF YOU HAVE COMPLETED YOUR PROGRAM BUT ARE NOT EMPLOYED IN A QUALIFYING TEACHING POSITION, YOU MUST NOTIFY MOHELA **AT LEAST ONCE EACH YEAR** THAT YOU STILL INTEND TO SATISFY YOUR SERVICE OBLIGATION.

Completing Less Than a Full Year of Service

IF YOU DO NOT COMPLETE A FULL SCHOOL YEAR OF QUALIFYING TEACHING SERVICE, BUT COMPLETE AT LEAST HALF OF A SCHOOL YEAR, THE HALF-YEAR OF TEACHING CAN BE COUNTED AS ONE OF YOUR FOUR REQUIRED YEARS OF TEACHING SERVICE UNDER CERTAIN CONDITIONS.

- You were unable to complete a full year because of a condition covered under the Family and Medical Leave Act of 1993 (FMLA).
<http://www.dol.gov/whd/fmla/>
- You were called or ordered to active duty status for more than 30 days as a member of the reserve in the Armed Forces or as a full-time service member of the National Guard *and* your school employer considers you to have fulfilled your contract requirements for the school year.

Temporary Suspension of 8-Year Period for Service Obligation

A SUSPENSION CAN BE GRANTED IN 1-YEAR INCREMENTS AND CANNOT EXCEED A TOTAL OF THREE YEARS. THE 8-YEAR PERIOD YOU HAVE FOR COMPLETING YOUR SERVICE OBLIGATION WILL RESUME AT THE END OF THE SUSPENSION PERIOD.

YOU MUST REQUEST A SUSPENSION THROUGH MOHELA AND PROVIDE ANY REQUESTED DOCUMENTATION.

- You must submit a request for a suspension of the period for completing your service obligation before any conditions occur that would convert your TEACH Grant to a Direct Unsubsidized Loan.
- Once a TEACH Grant has been converted to a loan, it can't be converted back to a TEACH Grant.

Qualifying Conditions for Suspension

IF YOU HAVE COMPLETED OR ARE OTHERWISE NO LONGER ENROLLED IN THE ACADEMIC PROGRAM FOR WHICH YOU RECEIVED A TEACH GRANT, YOU MAY REQUEST A SUSPENSION OF THE EIGHT-YEAR PERIOD FOR COMPLETING YOUR TEACHING SERVICE ONLY IF:

- You return to school and are enrolled in a program of study for which you would be eligible to receive a TEACH Grant, or a program that will satisfy state requirements for elementary or secondary school teacher certification (including an alternative teacher certification program);
- You have a condition covered under the Family and Medical Leave Act of 1993 (FMLA);
or
- You have been called 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.
 - Military personnel may also receive a discharge (cancellation) of all or part of their teaching requirement if qualifying active duty exceeds the three year suspension limit.

THE CONDITIONS ABOVE ARE THE **ONLY** CONDITIONS UNDER WHICH YOU MAY RECEIVE A SUSPENSION OF THE 8-YEAR PERIOD FOR COMPLETING YOUR SERVICE OBLIGATION. MORE DETAILS ARE AVAILABLE AT

[HTTPS://WWW.MOHELA.COM/DL/SECURE/BORROWER/TEACHGRANT/TEACHGRANTINFORMATION.ASPX#TEACHOVERVIEW](https://www.mohele.com/dl/secure/borrower/teachgrant/teachgrantinformation.aspx#teachoverview)

Discharging your TEACH Grant Service Obligation

YOUR SERVICE OBLIGATION WILL BE DISCHARGED (CANCELED) IF:

- MOHELA receives acceptable documentation of your death from a family member or other representative.
- You become totally and permanently disabled and meet certain other requirements. You must apply for a discharge on a form that MOHELA will provide.

IF YOUR SERVICE OBLIGATION IS DISCHARGED BASED ON YOUR DEATH OR TOTAL AND PERMANENT DISABILITY, YOUR TEACH GRANT WON'T BE CONVERTED TO A DIRECT UNSUBSIDIZED LOAN, AND NEITHER YOU NOR YOUR FAMILY WILL BE REQUIRED TO REPAY THE TEACH GRANT FUNDS YOU RECEIVED.

Results of Not Satisfying Your Obligation

TEACH GRANT



Failure to Meet Your Service Obligation



**FAILURE TO COMPLETE SERVICE
OBLIGATION CAUSES YOUR GRANT TO
CONVERT TO AN *UNSUBSIDIZED LOAN!***



IF YOUR TEACH GRANT IS CONVERTED TO A DIRECT UNSUBSIDIZED LOAN, YOU'LL 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.

ANY TEACH GRANT THAT IS CONVERTED TO A DIRECT UNSUBSIDIZED LOAN WON'T COUNT TOWARD THE ANNUAL OR AGGREGATE LOAN LIMITS THAT APPLY TO OTHER FEDERAL STUDENT LOANS YOU'VE RECEIVED OR MAY RECEIVE IN THE FUTURE TO HELP PAY FOR YOUR EDUCATION.

Conversion to a Direct Unsubsidized Loan

A TEACH GRANT WILL BE CONVERTED TO A DIRECT UNSUBSIDIZED LOAN IF:

- You did not complete your program and you failed to notify MOHELA within 120 days that you are either teaching in accordance to your Agreement to Serve (ATS), or are not yet employed but intend on meeting your service obligation.
- You did not complete your program and within 1 year of ceasing enrollment you have not:
 - Been determined eligible for a TEACH Grant suspension
 - Re-enrolled in a TEACH Grant-eligible program
 - Began teaching service per your ATS.

Conversion to a Direct Unsubsidized Loan (Continued)

A TEACH GRANT WILL BE CONVERTED TO A DIRECT UNSUBSIDIZED LOAN IF YOU COMPLETE YOUR PROGRAM BUT:

- Do not actively confirm to the MOHELA at least once each year that you intend to satisfy your service obligation.
- Do not begin or maintain qualifying employment as a teacher that would allow you to complete your required four years of service within the maximum 8-year period.

Loan Repayment

MOHELA WILL NOTIFY YOU OF THE DUE DATE OF YOUR FIRST PAYMENT AND PROVIDE YOU WITH A REPAYMENT SCHEDULE. YOUR LOAN WILL BE SUBJECT TO THE TERMS AND CONDITIONS THAT APPLY TO DIRECT UNSUBSIDIZED LOANS.

Loan Terms	
Grace Period	6 months beginning on the day it is converted (interest accrues during this time)
Interest Rate	Fixed rate of 5.28% (21-22) or 6.54% (22-23)
Prepayment	You may prepay all or part of the loan before it is due with no penalty.
Standard Repayment	10 years

Your Loan Interest

INTEREST ON A TEACH GRANT THAT IS CONVERTED TO A LOAN IS **CHARGED FROM THE DATE OF EACH TEACH GRANT DISBURSEMENT.**

- At the time your grant is converted, you are given the opportunity to pay interest that accrued.
- If you choose not to pay the interest that has accrued, it will be added to the principal balance of your loan at the end of your grace period. This means that you will pay more interest over the life of your loan.

Estimated Interest and Total Payment

	Did Not Pay Interest	Paid Interest
TEACH Grant Amount	\$5,020	\$5,020
Accrued interest for 9 years (5.84% fixed-interest rate)	\$2,635 (capitalized)	\$2,635 (paid at conversion)
Principal to be repaid	\$7,648	\$5,020
Monthly Payment (Standard)	\$84	\$55
Number of Payments	120	120
Total Amount Repaid	\$10,080	\$6,600
Plus: Interest paid at time of conversion	\$ 0	\$2,635
Grand Total Repaid	\$10,080	\$9,235

Repayment Plans

IF YOUR GRANT IS CONVERTED TO A LOAN, YOU WILL BE ABLE TO CHOOSE FROM SEVERAL REPAYMENT PLANS. THE STANDARD REPAYMENT PLAN IS A 10-YEAR REPAYMENT PLAN WITH THE MINIMUM MONTHLY PAYMENT. MAKE SURE TO CHECK WITH YOUR SERVICER ABOUT REPAYMENT INCENTIVES. SIGNING UP FOR ELECTRONIC DEBIT ACCOUNT (EDA) MAY GIVE YOU AN INTEREST RATE REDUCTION WHILE YOU REPAY.

YOU CAN CHANGE YOUR REPAYMENT PLAN AT ANY TIME. OTHER PAYMENT PLAN OPTIONS INCLUDE:

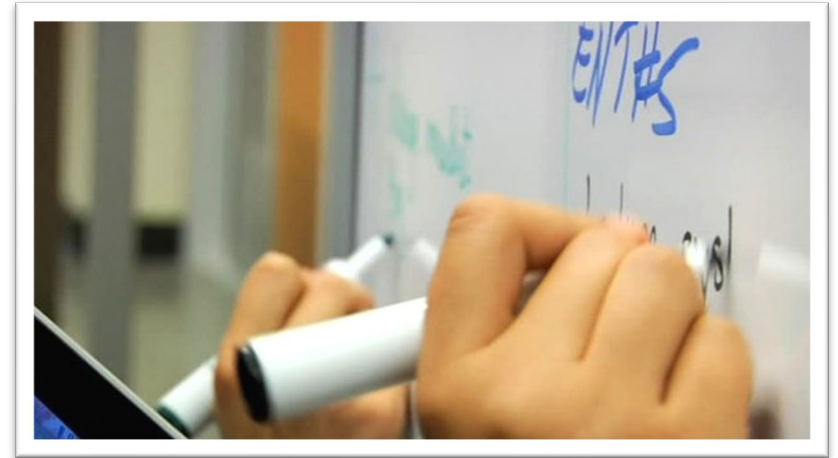
- Graduated Repayment Plan
- Extended Repayment Plan
- Pay As You Earn (PAYE)
- Revised Pay As You Earn (REPAYE)
- Income Contingent Repayment Plan (ICR)
- Income-Based Repayment Plan (IBR)
- Consolidation

MORE INFORMATION ON LOAN REPAYMENT AND POSSIBLE FORGIVENESS PROGRAMS CAN BE FOUND AT [HTTP://WWW.STANFORD.EDU/DEPT/FINAID/LOANS/REPAYMENT](http://www.stanford.edu/dept/financial/loans/repayment)

The Bottom Line

IN EXCHANGE FOR RECEIVING A TEACH GRANT, YOU MUST AGREE TO THE FOLLOWING:

- You must serve as a full-time teacher for a total of at least four academic years within eight years after you complete or otherwise cease to be enrolled in the program(s) for which you received TEACH Grant funds.
- You must perform the teaching service as a highly qualified teacher at a low-income school or educational service agency.
- Your teaching service must be in a high-need field.
- You must provide the U.S. Department of Education with documentation of your progress toward completing your service obligation.



Resources

TEACH SERVICING :

TEACH Grant Program Contact Info:

Toll free: 1-888-866-4352

<https://www.mohela.com>

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. You may access NSLDS at: www.studentaid.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 loans) when other approaches have failed.

Federal Student Aid Ombudsman Phone Number:

Toll free: 1-877-557-2575

Federal Student Aid Ombudsman Website:

Complete an assistance request form through the [Federal Student Aid \(FSA\) Feedback Center](#)