

## **Title 10: Education Institutions and Agencies**

### **Part 635: Teacher Education Scholars Forgivable Loan Program (TES) Rules and Regulations**

#### **Part 635 Chapter 1: Teacher Education Scholars Forgivable Loan Program (TES) Rules and Regulations**

*Rule 1.1 Teacher Education Scholars Forgivable Loan Program (TES) Rules and Regulations.* These Rules and Regulations are subject to change by the Mississippi Postsecondary Education Financial Assistance Board (hereinafter referred to as the "Board"). The number of awards and recipients are dependent upon availability of funds and selection shall be based on a first-come, first-served basis of all eligible applicants; however, priority consideration shall be given to persons previously receiving awards under the Teacher Education Scholars Forgivable Loan Program (TES).

#### **I. GENERAL ELIGIBILITY**

- A. The applicant must be fully admitted as a regular student and enrolled full-time (minimum 15 semester hours or 9 trimester hours) at the undergraduate level at one (1) Board-approved accredited four year institution of higher learning in the State of Mississippi.
- B. The applicant must be pursuing or plan to pursue a first bachelor's degree in a program of study leading to a Class "A" standard teacher educator license.
- C. The first-time-in-college applicant must have a 3.5 high school grade point average (GPA) on a 4.0 scale to establish eligibility and earn a 3.0 GPA each academic year for continued eligibility. The continuing college applicant must have a 3.5 college grade point average (GPA) on a 4.0 scale to establish eligibility and earn a 3.0 GPA each academic year for continued eligibility. All award recipients must maintain continuous full-time enrollment and make satisfactory academic progress in the approved program of study in accordance with the attending institution's policy.
- D. The applicant must have earned an ACT composite score of 28 or higher from a national test taken prior to enrollment into the education program. A combined score of 1260 or higher on the Critical Reading and Math sections of the SAT from a national test taken prior to enrollment into the education program will be accepted in lieu of the ACT.
- E. The applicant must have expressed in writing a present intention to teach in the State of Mississippi in a K-12 public school district or public charter school, and must diligently pursue the course of study and requirements for the teaching license.

- F. The applicant must not presently or previously have defaulted on an educational loan.

## II. APPLICATION REQUIREMENTS FOR FORGIVABLE LOAN APPLICANT

### A. First time applicants must:

1. Complete an application online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid) by the deadline date of March 31. The deadline date will be suspended for applications for awards during the program's inaugural year, the 2013-2014 academic year.
2. Supply proof of an ACT composite score of 28 or higher from a national test. A combined score of 1260 or higher on the Critical Reading and Math sections of the SAT will be accepted in lieu of the ACT. ACT or SAT scores must come from a test taken prior to enrollment into the education program. ACT or SAT scores must be received by the document deadline of April 30. The document deadline date will be suspended for applications for awards during the program's inaugural year, the 2013-2014 academic year.
3. Signify understanding of the TES Rules and Regulations; enter into a Contract and Note with the Board pursuant to the applicable Rules and Regulations and all applicable State laws; and complete, sign and return the Self Certification of a Private Loan form prior to the disbursement of funds. *Note: The Contract and Note will be issued once the applicant has been awarded. Funds will not be disbursed until the Contract and Note has been signed.*
4. The first-time-in-college applicant must have a 3.5 high school grade point average (GPA) on a 4.0 scale. Evidence of academic eligibility will be automatically provided to the Board by the high school counselor, unless specifically requested from the applicant. The continuing college applicant must have a 3.5 college grade point average (GPA) on a 4.0 scale. Evidence of academic eligibility will be automatically provided to the Board by the attending institution, unless specifically requested from the applicant.
5. All applicants must be enrolled full-time in a program of study leading to a Class "A" standard teacher educator license and be making satisfactory academic progress in accordance with the attending institution's policy. Evidence of enrollment will be automatically provided to the Board by the attending institution, unless specifically requested from the applicant.

### B. Renewal applicants must:

1. Complete an application online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid) by the deadline date of March 31.
2. Maintain a 3.0 college GPA on a 4.0 scale each academic year, maintain continuous full-time enrollment status for each period of enrollment, and remain in a program of study leading to a Class "A" standard teacher educator license, making satisfactory academic progress in accordance with the attending institution's policy. Evidence of continuing academic eligibility will be automatically provided to the Board by the attending institution, unless specifically requested from the applicant.
3. Complete, sign and return the Self Certification of a Private Loan form each year for which funds are requested.

### **III. AMOUNT AND LENGTH OF FORGIVABLE LOAN**

- A. The maximum annual award amount shall be \$15,000, but no award shall exceed the student's total cost of attendance.
- B. Students who first receive awards as entering freshmen may receive a lifetime maximum of four (4) annual awards, eight (8) semesters, or twelve (12) trimesters; students who first receive awards as sophomores may receive a lifetime maximum of three (3) annual awards, six (6) semesters, or nine (9) trimesters; students who first receive awards as juniors may receive a lifetime maximum of two (2) annual awards, four (4) semesters, or six (6) trimesters; and students who first receive awards as seniors may receive a lifetime maximum of one (1) annual award, two (2) semesters, or three (3) trimesters. Classification will be determined by the attending institution.
- C. Awards shall be disbursed directly to the school of attendance.
- D. Awards are not provided for summer school.
- E. Once a student has received TES funds, he/she may not receive funds from the other undergraduate teacher programs, Critical Needs Teacher Forgivable Loan (CNTP), Critical Needs Alternative Route Teacher Forgivable Loan (CNAR), William Winter Teacher Forgivable Loan (WWTS), William Winter Alternate Route Teacher Forgivable Loan (WWAR), and Mississippi Teacher Loan Repayment (MTLR) programs.
- F. Recipients of CNAR, CNTP, WWTS, or WWAR, who have not exhausted eligibility in the other state education forgivable loan program in which they previously participated and who meet all TES eligibility requirements, may switch their participation to TES. Such recipients will be required to repay both forgivable loans according to the terms of their contracts, but may fulfill the service requirement for both programs concurrently.

- G. A TES recipient is not eligible to receive funds through other state financial aid programs.

#### **IV. RECIPIENT RESPONSIBILITIES**

- A. A TES recipient must maintain good standing at the educational institution in which he/she is enrolled at all times.
- B. A TES recipient must maintain a 3.0 GPA on a 4.0 scale each academic year, maintain continuous full-time enrollment and make satisfactory academic progress in accordance with the attending institution's policy. A TES recipient who fails to maintain continuous full-time enrollment or make satisfactory academic progress will be suspended from participation in the program for the following period of enrollment. An official transcript, grade, and/or enrollment verification sent directly to the Board by the attending institution evidencing a 3.0 GPA on a 4.0 scale, full-time enrollment, and maintenance of Satisfactory Academic Progress will entitle a TES recipient for renewal priority.
- C. A TES recipient must remain in school full-time, complete an approved program of study and obtain the appropriate educator's license. A TES recipient who withdraws from school, fails to complete an approved program of study, or fails to obtain an appropriate educator's license, shall immediately become liable to the Board for the sum of all outstanding TES awards, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty.
- D. While receiving funds, the TES recipient must at all times keep the Board informed of the recipient's current, correct, and complete contact information. This information may be updated via the TES recipient's student account online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid). Once in repayment, the TES recipient must at all times keep the Board or its loan servicer informed of the recipient's current, correct, and complete contact information until the debt is completely satisfied.
- E. A TES recipient should address in writing to the Board or its loan servicer any special circumstances regarding enrollment status, withdrawal from school, or failure to complete the approved program of study.

#### **V. REPAYMENT**

- A. A TES forgivable loan recipient enters repayment when the recipient completes the approved program of study, withdraws from school, or fails to complete the approved program of study. The recipient may satisfy his/her forgivable loan debt either by cancellation through teaching service or by loan repayment.
- B. Cancellation through Teaching Service

1. A TES forgivable loan recipient must meet all of the following criteria to qualify for debt cancellation through teaching service:
  - a) Obtain the appropriate educator's license, as determined by the State Board of Education.
  - b) Teach full-time, as defined by the State Board of Education. Qualifying positions include teacher and school librarian; invalid positions include, but are not limited to, the following: assistant teacher, full-time substitute, high school counselor, curriculum specialist or administrator.
  - c) Teach in grades kindergarten through twelve (K-12) in a Mississippi public school or public charter school. *NOTE: It is fully understood that it is the responsibility of the forgivable loan recipient to seek and secure employment. Prospective teachers may contact the Mississippi Teacher Center for placement assistance at [www.mde.k12.ms.us/mtc](http://www.mde.k12.ms.us/mtc).*
2. A TES forgivable loan debt shall be cancelled in full on the basis of five consecutive years' teaching service. For all TES recipients, such service shall never be less than five (5) consecutive years regardless of the length of study provided under this forgivable loan.
3. At the time of separation from the approved program of study, unless granted a grace period or other type of deferment, the TES forgivable loan recipient must request in writing a deferment of the accrual of interest and repayment of principal and penalty for purposes of completing the teaching service option. The service deferment request must be accompanied by evidence of appropriate employment as defined in Section V.B.1.
4. The TES forgivable loan recipient must request in writing a service deferment each year for five consecutive years and the request must be approved. At the end of the five-year service deferment period, the TES forgivable loan recipient must request in writing a cancellation of the entire amount loaned under the forgivable loan.

#### C. Loan Repayment

1. Unless granted a grace period or other deferment, a TES forgivable loan recipient shall become liable to the Board for the sum of all TES forgivable loan awards made to that person, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty, immediately at the time of occurrence of one of the following

events:

- a) The recipient withdraws from school;
  - b) The recipient fails to complete the approved program of study;
  - c) The recipient fails to obtain the appropriate educator's license; or
  - d) The recipient fails to complete the teaching service option defined in Section V.B.
2. At the time of the occurrence of one of the events outlined in Section V.C.I. or upon termination of a grace period or other deferment, a 5% penalty will be applied to the sum of all TES forgivable loan awards made to the recipient.
  3. The rate of interest charged a TES forgivable loan recipient on the unsatisfied balance shall be the current unsubsidized Federal Stafford Loan rate at the time of occurrence of one of the events outlined in Section V.C.1. or upon termination of a grace period or other deferment.
  4. Interest begins accruing at the time of occurrence of one of the events outlined in Section V.C.1. or upon termination of a grace period or other deferment, and repayment commences one (1) month after the occurrence of the event.
  5. Forgivable loan recipients must repay the loan (principal, penalty, and interest thereon) in 120 or less equal consecutive monthly installments. If the recipient fails to repay his/her loan (principal, penalty, and interest thereon) in 120 or less equal consecutive monthly installments, all principal, penalty, and interest outstanding, together with costs of collection, shall become immediately due and payable and, demand shall be made by mailing the same to the obligor at the last address furnished by said obligor. Should payment of the sum due not be made in full within thirty (30) days, from the date demand was made, the Contract and Note executed by the obligor shall be placed with a collection agency or an attorney for collection, at which point the obligor shall become liable for reasonable collection or attorneys' fees, which may be based on a percentage of the amount of the debt, and court costs, in addition to the other sums due and owing.
- D. The obligations made by the recipient of this forgivable loan shall not be voidable by reason of the age of the student at the time of receiving the forgivable loan.

- E. Special circumstances regarding a recipient's failure to complete the teaching service option and/or fulfill the loan obligation should be addressed in writing to the Board or its loan servicer.

## **VI. GRACE PERIOD AND OTHER DEFERMENTS**

### **A. Grace Period**

1. Upon completion of the approved program of study, the TES forgivable loan recipient will be granted a 12-month grace period, during which the recipient should obtain the appropriate educator's license and secure appropriate teaching employment as defined in Section V.B.1.
2. A TES forgivable loan recipient who terminates full-time enrollment in the approved program of study without completing the program will be granted a 12-month grace period and will enter repayment immediately upon termination of the grace period. Such a recipient may also be eligible for an in-school deferment as defined in Section VI.B.

### **B. In-School Deferment**

1. A TES forgivable loan recipient who does not complete the approved program of study, but remains enrolled at least part-time in a baccalaureate level program may request deferment of the accrual of interest and the repayment of principal and penalty for purposes of remaining in school.
2. The in-school deferment must be requested in writing to the Board or its loan servicer and must be accompanied by verification of at least part-time enrollment from the attending institution.
3. The in-school deferment will not be granted for enrollment in a graduate program.
4. The in-school deferment must be requested by the recipient and approved every term (except Summer) throughout the duration of the deferment.

### **C. Temporary Disability Deferment**

1. A TES forgivable loan recipient in repayment who is unable to secure or continue employment because of temporary total disability may request deferment of the accrual of interest and the repayment of principal and penalty. To qualify, a recipient must be unable to work and earn money due to the disability for at least sixty (60) days, or be providing continuous care for a dependent or spouse during a period of at least (90) consecutive days.

2. The temporary disability deferment must be requested in writing to the Board or its loan servicer and must be accompanied by certification from a doctor of medicine or osteopathy who is legally authorized to practice medicine.
3. The temporary disability deferment must be requested by the recipient and approved every six (6) months throughout the duration of the deferment and condition for a total period of time not to exceed three (3) years.

D. Military Service Deferment

1. In terms of military service the following definitions shall apply:
  - a) **REQUIRED** military service is that service which is required of an individual in the service of the Armed Forces of the United States; it does not include a military service obligation incurred to repay a grant, stipend or scholarship granted the individual prior to, during, or after the award under the Teacher Education Scholars Forgivable Loan program.
  - b) **OBLIGATED** or **VOLUNTARY** military service is that service which is performed by the individual in repayment of a debt owed the United States government as a result of military scholarships, ROTC scholarships, etc. received by the individual. Service is **VOLUNTARY** if the individual is not obligated to incur a period of military service, but chooses to incur the service obligation.
2. A TES loans/scholarship recipient shall be eligible for deferment of the accrual of interest and the repayment of principal and penalty during the time of required military service.
3. The military deferment must be requested in writing to the Board or its loan servicer, stating beginning and ending dates of such required military service, and must be accompanied by a copy of the military orders.
4. The military deferment must be requested by the recipient and approved on a year-to-year basis (annually).
5. If a recipient continues military service for any reason beyond the **REQUIRED** time, then that person shall be declared ineligible for military deferment and the remaining unsatisfied principal, penalty, and interest shall become due and payable to the Board according to the terms outlined in Section V.C.
6. If a recipient obligates himself/herself to **VOLUNTARY** military service prior to, during, or after the TES award, then that person shall be declared

ineligible for military deferment and the remaining unsatisfied principal, penalty, and interest shall become due and payable to the Board according to the terms outlined in Section V.C.

## **VII. CANCELLATION OF DEBT**

### **A. Death**

1. If an individual recipient dies, then the recipient's obligation to repay the loan or render service is canceled.
2. The Board shall require a copy of the death certificate or other proof of death that is acceptable under applicable State Law. If a death certificate or other acceptable proof of death is not available, the recipient's obligation for service or repayment on the loan is canceled only upon a determination by the Board on the basis of other evidence that the Board finds conclusive.
3. The Board may not attempt to collect on the loan from the deceased recipient's estate.

### **B. Total and Permanent Disability**

1. If the Board determines that an individual recipient is totally and permanently disabled, the recipient's obligation to make any further payments of principal, penalty, and interest on the loan is canceled. A recipient is not considered totally and permanently disabled on the basis of a condition that existed before he/she applied for the forgivable loan, unless the recipient's condition has substantially deteriorated since he/she submitted the forgivable loan application, so as to render the recipient totally and permanently disabled.
2. After being notified by the recipient or the recipient's representative that the recipient claims to be totally and permanently disabled, the Board shall promptly request that the recipient or the recipient's representative obtain a certification from a physician, who is a doctor of medicine or osteopathy and legally authorized to practice, on a form provided or approved by the Board and other necessary documents as requested, that the recipient is totally and permanently disabled. The Board shall continue collection until it receives the certification or receives a letter from a physician stating that the certification has been requested and that additional time is needed to determine if the recipient is totally and permanently disabled. After receiving the physician's certification or letter and other necessary documents as requested and the student is found to be totally and permanently disabled, the Board may not attempt to collect from the recipient.

3. If the Board determines that a loan owed by a recipient, who claims to be totally and permanently disabled, is not eligible for cancellation for that reason, or if the Board has not received the physician's certification and other requested documents, as described in Section VII.B.2., within 60 days of the receipt of the documents as described in Section VII.B.2., the Board shall resume collection and shall be deemed to have exercised forbearance of payment of principal, penalty, and interest from the date the Board received the documents described in Section VII.B.2. until such a determination of ineligibility is made by the Board.

C. Bankruptcy

TES forgivable loans are nondischargeable in bankruptcy.

### **VIII. WARRANTY**

The acceptance of the TES forgivable loan by each recipient shall serve to appoint the Secretary of State of the State of Mississippi as his/her designated agent for service of process, upon whom may be served all lawful processes and summons in any action or proceeding against him/her in the event he/she removes himself/herself from this State and the processes of its courts, growing out of any breach of Contract and Note by the recipient for failure to fulfill his/her Contract and Note with the Board or, to repay the TES forgivable loan, including penalty and interest pursuant to the law and Contract and Note, and, said acceptance of the loan rights and privileges shall be a signification of the applicant's agreement that any such process or summons against him/her, which is so served upon the Secretary of State, shall be of the same legal force and validity as if served on him/her personally. The venue of all causes of action against such nonresidents shall be Hinds County, Mississippi.

### **IX. AUTHORIZATION**

The acceptance of the TES forgivable loan shall serve to authorize the Mississippi Office of Student Financial Aid, the Board, and their respective agents and contractors to contact the recipient regarding the recipient's loan request or loan(s), including repayment of loan(s), at the current or any future number the recipient provides for the recipient's cellular phone or other wireless device using automated telephone dialing equipment or artificial or pre-recorded voice or text messages.

Source: *Miss. Code Ann.* § 37-106-77.

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#### **I. GENERAL ELIGIBILITY**

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- B. The applicant must be pursuing or plan to pursue a first bachelor's degree in a program of study leading to a Class "A" standard teacher educator license.
- C. The first-time-in-college applicant must have a 3.5 high school grade point average (GPA) on a 4.0 scale to establish eligibility and earn a 3.0 GPA each academic year for continued eligibility. The continuing college applicant must have a 3.5 college grade point average (GPA) on a 4.0 scale to establish eligibility and earn a 3.0 GPA each academic year for continued eligibility. All award recipients must maintain continuous full-time enrollment and make satisfactory academic progress in the approved program of study in accordance with the attending institution's policy.
- D. The applicant must have earned an ACT composite score of 28 or higher from a national test taken prior to enrollment into the education program. A combined score of 1260 or higher on the Critical Reading and Math sections of the SAT from a national test taken prior to enrollment into the education program will be accepted in lieu of the ACT.
- E. The applicant must have expressed in writing a present intention to teach in the State of Mississippi in a K-12 public school district or public charter school, and must diligently pursue the course of study and requirements for the teaching license.

- F. The applicant must not presently or previously have defaulted on an educational loan.

## II. APPLICATION REQUIREMENTS FOR FORGIVABLE LOAN APPLICANT

A. First time applicants must:

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3. Signify understanding of the TES Rules and Regulations; enter into a Contract and Note with the Board pursuant to the applicable Rules and Regulations and all applicable State laws; and complete, sign and return the Self Certification of a Private Loan form prior to the disbursement of funds. *Note: The Contract and Note will be issued once the applicant has been awarded. Funds will not be disbursed until the Contract and Note has been signed.*
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B. Renewal applicants must:

1. Complete an application online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid) by the deadline date of March 31.
2. Maintain a 3.0 college GPA on a 4.0 scale each academic year, maintain continuous full-time enrollment status for each period of enrollment, and remain in a program of study leading to a Class "A" standard teacher educator license, making satisfactory academic progress in accordance with the attending institution's policy. Evidence of continuing academic eligibility will be automatically provided to the Board by the attending institution, unless specifically requested from the applicant.
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- F. Recipients of CNAR, CNTP, WWTS, or WWAR, who have not exhausted eligibility in the other state education forgivable loan program in which they previously participated and who meet all TES eligibility requirements, may switch their participation to TES. Such recipients will be required to repay both forgivable loans according to the terms of their contracts, but may fulfill the service requirement for both programs concurrently.

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#### **IV. RECIPIENT RESPONSIBILITIES**

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- B. A TES recipient must maintain a 3.0 GPA on a 4.0 scale each academic year, maintain continuous full-time enrollment and make satisfactory academic progress in accordance with the attending institution's policy. A TES recipient who fails to maintain continuous full-time enrollment or make satisfactory academic progress will be suspended from participation in the program for the following period of enrollment. An official transcript, grade, and/or enrollment verification sent directly to the Board by the attending institution evidencing a 3.0 GPA on a 4.0 scale, full-time enrollment, and maintenance of Satisfactory Academic Progress will entitle a TES recipient for renewal priority.
- C. A TES recipient must remain in school full-time, complete an approved program of study and obtain the appropriate educator's license. A TES recipient who withdraws from school, fails to complete an approved program of study, or fails to obtain an appropriate educator's license, shall immediately become liable to the Board for the sum of all outstanding TES awards, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty.
- D. While receiving funds, the TES recipient must at all times keep the Board informed of the recipient's current, correct, and complete contact information. This information may be updated via the TES recipient's student account online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid). Once in repayment, the TES recipient must at all times keep the Board or its loan servicer informed of the recipient's current, correct, and complete contact information until the debt is completely satisfied.
- E. A TES recipient should address in writing to the Board or its loan servicer any special circumstances regarding enrollment status, withdrawal from school, or failure to complete the approved program of study.

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1. A TES forgivable loan recipient must meet all of the following criteria to qualify for debt cancellation through teaching service:
  - a) Obtain the appropriate educator's license, as determined by the State Board of Education.
  - b) Teach full-time, as defined by the State Board of Education. Qualifying positions include teacher and school librarian; invalid positions include, but are not limited to, the following: assistant teacher, full-time substitute, high school counselor, curriculum specialist or administrator.
  - c) Teach in grades kindergarten through twelve (K-12) in a Mississippi public school or public charter school. *NOTE: It is fully understood that it is the responsibility of the forgivable loan recipient to seek and secure employment. Prospective teachers may contact the Mississippi Teacher Center for placement assistance at [www.mde.k12.ms.us/mtc](http://www.mde.k12.ms.us/mtc).*
2. A TES forgivable loan debt shall be cancelled in full on the basis of five consecutive years' teaching service. For all TES recipients, such service shall never be less than five (5) consecutive years regardless of the length of study provided under this forgivable loan.
3. At the time of separation from the approved program of study, unless granted a grace period or other type of deferment, the TES forgivable loan recipient must request in writing a deferment of the accrual of interest and repayment of principal and penalty for purposes of completing the teaching service option. The service deferment request must be accompanied by evidence of appropriate employment as defined in Section V.B.1.
4. The TES forgivable loan recipient must request in writing a service deferment each year for five consecutive years and the request must be approved. At the end of the five-year service deferment period, the TES forgivable loan recipient must request in writing a cancellation of the entire amount loaned under the forgivable loan.

#### C. Loan Repayment

1. Unless granted a grace period or other deferment, a TES forgivable loan recipient shall become liable to the Board for the sum of all TES forgivable loan awards made to that person, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty, immediately at the time of occurrence of one of the following

events:

- a) The recipient withdraws from school;
  - b) The recipient fails to complete the approved program of study;
  - c) The recipient fails to obtain the appropriate educator's license; or
  - d) The recipient fails to complete the teaching service option defined in Section V.B.
2. At the time of the occurrence of one of the events outlined in Section V.C.I. or upon termination of a grace period or other deferment, a 5% penalty will be applied to the sum of all TES forgivable loan awards made to the recipient.
  3. The rate of interest charged a TES forgivable loan recipient on the unsatisfied balance shall be the current unsubsidized Federal Stafford Loan rate at the time of occurrence of one of the events outlined in Section V.C.1. or upon termination of a grace period or other deferment.
  4. Interest begins accruing at the time of occurrence of one of the events outlined in Section V.C.1. or upon termination of a grace period or other deferment, and repayment commences one (1) month after the occurrence of the event.
  5. Forgivable loan recipients must repay the loan (principal, penalty, and interest thereon) in 120 or less equal consecutive monthly installments. If the recipient fails to repay his/her loan (principal, penalty, and interest thereon) in 120 or less equal consecutive monthly installments, all principal, penalty, and interest outstanding, together with costs of collection, shall become immediately due and payable and, demand shall be made by mailing the same to the obligor at the last address furnished by said obligor. Should payment of the sum due not be made in full within thirty (30) days, from the date demand was made, the Contract and Note executed by the obligor shall be placed with a collection agency or an attorney for collection, at which point the obligor shall become liable for reasonable collection or attorneys' fees, which may be based on a percentage of the amount of the debt, and court costs, in addition to the other sums due and owing.
- D. The obligations made by the recipient of this forgivable loan shall not be voidable by reason of the age of the student at the time of receiving the forgivable loan.

- E. Special circumstances regarding a recipient's failure to complete the teaching service option and/or fulfill the loan obligation should be addressed in writing to the Board or its loan servicer.

## **VI. GRACE PERIOD AND OTHER DEFERMENTS**

### **A. Grace Period**

1. Upon completion of the approved program of study, the TES forgivable loan recipient will be granted a 12-month grace period, during which the recipient should obtain the appropriate educator's license and secure appropriate teaching employment as defined in Section V.B.1.
2. A TES forgivable loan recipient who terminates full-time enrollment in the approved program of study without completing the program will be granted a 12-month grace period and will enter repayment immediately upon termination of the grace period. Such a recipient may also be eligible for an in-school deferment as defined in Section VI.B.

### **B. In-School Deferment**

1. A TES forgivable loan recipient who does not complete the approved program of study, but remains enrolled at least part-time in a baccalaureate level program may request deferment of the accrual of interest and the repayment of principal and penalty for purposes of remaining in school.
2. The in-school deferment must be requested in writing to the Board or its loan servicer and must be accompanied by verification of at least part-time enrollment from the attending institution.
3. The in-school deferment will not be granted for enrollment in a graduate program.
4. The in-school deferment must be requested by the recipient and approved every term (except Summer) throughout the duration of the deferment.

### **C. Temporary Disability Deferment**

1. A TES forgivable loan recipient in repayment who is unable to secure or continue employment because of temporary total disability may request deferment of the accrual of interest and the repayment of principal and penalty. To qualify, a recipient must be unable to work and earn money due to the disability for at least sixty (60) days, or be providing continuous care for a dependent or spouse during a period of at least (90) consecutive days.

2. The temporary disability deferment must be requested in writing to the Board or its loan servicer and must be accompanied by certification from a doctor of medicine or osteopathy who is legally authorized to practice medicine.
3. The temporary disability deferment must be requested by the recipient and approved every six (6) months throughout the duration of the deferment and condition for a total period of time not to exceed three (3) years.

D. Military Service Deferment

1. In terms of military service the following definitions shall apply:
  - a) **REQUIRED** military service is that service which is required of an individual in the service of the Armed Forces of the United States; it does not include a military service obligation incurred to repay a grant, stipend or scholarship granted the individual prior to, during, or after the award under the Teacher Education Scholars Forgivable Loan program.
  - b) **OBLIGATED** or **VOLUNTARY** military service is that service which is performed by the individual in repayment of a debt owed the United States government as a result of military scholarships, ROTC scholarships, etc. received by the individual. Service is **VOLUNTARY** if the individual is not obligated to incur a period of military service, but chooses to incur the service obligation.
2. A TES loans/scholarship recipient shall be eligible for deferment of the accrual of interest and the repayment of principal and penalty during the time of required military service.
3. The military deferment must be requested in writing to the Board or its loan servicer, stating beginning and ending dates of such required military service, and must be accompanied by a copy of the military orders.
4. The military deferment must be requested by the recipient and approved on a year-to-year basis (annually).
5. If a recipient continues military service for any reason beyond the **REQUIRED** time, then that person shall be declared ineligible for military deferment and the remaining unsatisfied principal, penalty, and interest shall become due and payable to the Board according to the terms outlined in Section V.C.
6. If a recipient obligates himself/herself to **VOLUNTARY** military service prior to, during, or after the TES award, then that person shall be declared

ineligible for military deferment and the remaining unsatisfied principal, penalty, and interest shall become due and payable to the Board according to the terms outlined in Section V.C.

## **VII. CANCELLATION OF DEBT**

### **A. Death**

1. If an individual recipient dies, then the recipient's obligation to repay the loan or render service is canceled.
2. The Board shall require a copy of the death certificate or other proof of death that is acceptable under applicable State Law. If a death certificate or other acceptable proof of death is not available, the recipient's obligation for service or repayment on the loan is canceled only upon a determination by the Board on the basis of other evidence that the Board finds conclusive.
3. The Board may not attempt to collect on the loan from the deceased recipient's estate.

### **B. Total and Permanent Disability**

1. If the Board determines that an individual recipient is totally and permanently disabled, the recipient's obligation to make any further payments of principal, penalty, and interest on the loan is canceled. A recipient is not considered totally and permanently disabled on the basis of a condition that existed before he/she applied for the forgivable loan, unless the recipient's condition has substantially deteriorated since he/she submitted the forgivable loan application, so as to render the recipient totally and permanently disabled.
2. After being notified by the recipient or the recipient's representative that the recipient claims to be totally and permanently disabled, the Board shall promptly request that the recipient or the recipient's representative obtain a certification from a physician, who is a doctor of medicine or osteopathy and legally authorized to practice, on a form provided or approved by the Board and other necessary documents as requested, that the recipient is totally and permanently disabled. The Board shall continue collection until it receives the certification or receives a letter from a physician stating that the certification has been requested and that additional time is needed to determine if the recipient is totally and permanently disabled. After receiving the physician's certification or letter and other necessary documents as requested and the student is found to be totally and permanently disabled, the Board may not attempt to collect from the recipient.

3. If the Board determines that a loan owed by a recipient, who claims to be totally and permanently disabled, is not eligible for cancellation for that reason, or if the Board has not received the physician's certification and other requested documents, as described in Section VII.B.2., within 60 days of the receipt of the documents as described in Section VII.B.2., the Board shall resume collection and shall be deemed to have exercised forbearance of payment of principal, penalty, and interest from the date the Board received the documents described in Section VII.B.2. until such a determination of ineligibility is made by the Board.

C. Bankruptcy

TES forgivable loans are nondischargeable in bankruptcy.

### **VIII. WARRANTY**

The acceptance of the TES forgivable loan by each recipient shall serve to appoint the Secretary of State of the State of Mississippi as his/her designated agent for service of process, upon whom may be served all lawful processes and summons in any action or proceeding against him/her in the event he/she removes himself/herself from this State and the processes of its courts, growing out of any breach of Contract and Note by the recipient for failure to fulfill his/her Contract and Note with the Board or, to repay the TES forgivable loan, including penalty and interest pursuant to the law and Contract and Note, and, said acceptance of the loan rights and privileges shall be a signification of the applicant's agreement that any such process or summons against him/her, which is so served upon the Secretary of State, shall be of the same legal force and validity as if served on him/her personally. The venue of all causes of action against such nonresidents shall be Hinds County, Mississippi.

### **IX. AUTHORIZATION**

The acceptance of the TES forgivable loan shall serve to authorize the Mississippi Office of Student Financial Aid, the Board, and their respective agents and contractors to contact the recipient regarding the recipient's loan request or loan(s), including repayment of loan(s), at the current or any future number the recipient provides for the recipient's cellular phone or other wireless device using automated telephone dialing equipment or artificial or pre-recorded voice or text messages.

Source: *Miss. Code Ann.* § 37-106-77.