

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

### **Part 667: Critical Needs Dyslexia Therapy Teacher Forgivable Loan Program (CNDT) Rules and Regulations**

#### **Part 667 Chapter 1: Critical Needs Dyslexia Therapy Teacher Forgivable Loan Program (CNDT) Rules and Regulations**

*Rule 1.1 Critical Needs Dyslexia Therapy Teacher Forgivable Loan Program (CNDT) 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"). New awards will be made each award year subject to the availability of funds, and selection shall be based on a first-come, first-served basis of all eligible applicants; priority consideration shall be given to persons previously receiving awards under the Critical Needs Dyslexia Therapy Teacher Forgivable Loan program (CNDT).

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

- A. The applicant must be fully admitted as a regular student and enrolled full-time as determined by the attending institution at the graduate level seeking a first master's degree, which must be in a program of study leading to a Class "AA" Mississippi Educator License with a 203 endorsement for Dyslexia Therapy at one (1) accredited four-year institution of higher learning in the State of Mississippi approved by the State Board of Education. Classification will be determined by the attending institution.
- B. The recipient must have and maintain a cumulative 3.0 college grade point average (GPA) on a 4.0 scale each period of enrollment (i.e. semester or trimester) and must maintain satisfactory academic progress in the approved program of study in accordance with the attending institution's policy.
- C. The applicant must possess a current, valid Class "A" Mississippi Educator License.
- D. The applicant must have expressed in writing a present intention to serve as a Dyslexia Therapist in the State of Mississippi in a public school/district or public charter school, and must diligently pursue the course of study and requirements for the appropriate teaching license and endorsement.
- E. The applicant must not presently or previously have defaulted on an educational loan.
- F. CNDT recipients are not eligible for any other state aid but may apply for federal and institutional aid.

## 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.
2. Submit a copy of the applicant's letter of acceptance into the graduate program of study. The letter of acceptance should indicate that the applicant has been fully admitted or admitted as a regular student. Provisional or conditional admission is not accepted. The letter of acceptance should be submitted as soon as possible, but must be received by June 30.
3. Possess a valid Class "A" Mississippi Educator License and submit verification of such to the Board by the document deadline date of April 30.
4. Have a cumulative college GPA of 3.0 on a 4.0 scale, be enrolled full-time in a master's level program of study leading to a Class "AA" Mississippi Educator License with a 203 endorsement for Dyslexia Therapy, and be making satisfactory academic progress in accordance with the attending institution's policy. Evidence of academic eligibility will be automatically provided to the Board by the attending institution, unless specifically requested from the applicant.
5. Participate in Entrance Counseling, signify understanding of the CNDT 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.*

### 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 cumulative 3.0 college GPA on a 4.0 scale per period of enrollment (i.e. semester or trimester) and remain in a master's level program of study leading to a Class "AA" Mississippi Educator License with a 203 endorsement for Dyslexia Therapy, 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.

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

- A. The amount of the annual award for full-time students shall equal the total cost for tuition, materials and fees at the college or university in which the student is enrolled.
- B. Students may receive a lifetime maximum of two (2) annual awards.
- C. Awards shall be disbursed directly to the school of attendance, to be applied first toward tuition.
- D. Awards are not provided for out-of-state tuition costs.
- E. In order to receive CNDT funds, a student who previously received funds under the other state-supported undergraduate teacher programs, William Winter Teacher Forgivable Loan (WWTS), William Winter Alternate Route Teacher Forgivable Loan (WWAR), Critical Needs Teacher Forgivable Loan (CNTP), Critical Needs Alternate Route Teacher Forgivable Loan (CNAR), Teacher Education Scholars Forgivable Loan (TES) or Mississippi Teacher Loan Repayment (MTLR), must have discharged his/her previous loan through service or payment in full.
- F. CNDT recipients are not eligible for any other state aid but may apply for federal and institutional aid.

### **IV. RECIPIENT RESPONSIBILITIES**

- A. A CNDT recipient must maintain good standing at the educational institution in which he/she is enrolled at all times.
- B. A CNDT recipient must maintain a cumulative 3.0 minimum GPA on a 4.0 scale per period of enrollment (i.e. semester or trimester). A CNDT recipient who fails to maintain the minimum GPA will be suspended from participation in the program for the following period of enrollment. An official transcript or grade verification sent directly to the Board by the attending institution evidencing a cumulative 3.0 GPA on a 4.0 scale for the non-eligible period of enrollment will entitle a CNDT recipient for renewal priority.
- C. A CNDT recipient must remain in school, complete an approved program of study and obtain the appropriate educator's license. A CNDT 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 CNDT awards, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty.

- D. While receiving funds, the CNDT 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 CNDT recipient’s student account online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid). Once in repayment, the CNDT 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 CNDT 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 CNDT 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 service or by loan repayment.
- B. Cancellation through Service
  - 1. A CNDT forgivable loan recipient must meet all of the following criteria to qualify for debt cancellation through service:
    - a) Obtain a “AA” Mississippi Educator License with a 203 Dyslexia Therapy designation.
    - b) Serve full-time, as defined by the State Board of Education, as a Dyslexia Therapist. Invalid positions include, but are not limited to, the following: assistant teacher, full-time substitute, high school counselor, curriculum specialist or administrator.
    - c) Provide dyslexia therapy for students in grades kindergarten through twelve (K-12) in a Mississippi public school/district or public charter school. *NOTE: It is fully understood that it is the responsibility of the forgivable loan recipient to seek and secure employment as a Dyslexia Therapist in an appropriate school/district. Neither the Board nor the State Board of Education assumes the obligation to perform that function. 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 CNDT forgivable loan debt shall be cancelled on the basis of one year's service for one annual forgivable loan award received. For all CNDT recipients, such service shall never be less than one (1) year 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 CNDT 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. At the end of each service deferment period, the CNDT forgivable loan recipient must request in writing a cancellation of the equivalent of one annual award.
5. The service deferment and cancellation must be requested in writing and approved each year until the debt is fully satisfied.

C. Loan Repayment

1. Unless granted a grace period or other deferment, a CNDT forgivable loan recipient shall become liable to the Board for the sum of all CNDT forgivable loan awards made to that person less the corresponding amount of debt previously cancelled through teaching service, 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 forgivable loan awards made to the recipient less any amount previously cancelled through service.

3. The rate of interest charged a CNDT 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 CNDT 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 CNDT forgivable loan recipient who does not complete the approved program of study will not be granted a 12-month grace period and will enter repayment immediately upon separation from the approved program of study. Such a recipient *may* be eligible for an in-school deferment as defined in Section VI.B.

B. In-School Deferment

1. A CNDT forgivable loan recipient who does not complete the approved program of study, but remains enrolled at least part-time in a first master's 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 second master's, specialist or doctorate 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 CNDT 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 CNDT 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 CNDT forgivable loan 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 CNDT 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

CNDT forgivable loans are nondischargeable in bankruptcy.

## **VIII. WARRANTY**

The acceptance of the CNDT 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 CNDT 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 CNDT 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.* § 37-106-71.

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

### **Part 667: Critical Needs Dyslexia Therapy Teacher Forgivable Loan Program (CNDT) Rules and Regulations**

#### **Part 667 Chapter 1: Critical Needs Dyslexia Therapy Teacher Forgivable Loan Program (CNDT) Rules and Regulations**

*Rule 1.1 Critical Needs Dyslexia Therapy Teacher Forgivable Loan Program (CNDT) 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"). New awards will be made each award year subject to the availability of funds, and selection shall be based on a first-come, first-served basis of all eligible applicants; priority consideration shall be given to persons previously receiving awards under the Critical Needs Dyslexia Therapy Teacher Forgivable Loan program (CNDT).

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

- A. The applicant must be fully admitted as a regular student and enrolled full-time as determined by the attending institution at the graduate level seeking a first master's degree, which must be in a program of study leading to a Class "AA" Mississippi Educator License with a 203 endorsement for Dyslexia Therapy at one (1) accredited four-year institution of higher learning in the State of Mississippi approved by the State Board of Education. Classification will be determined by the attending institution.
- B. The recipient must have and maintain a cumulative 3.0 college grade point average (GPA) on a 4.0 scale each period of enrollment (i.e. semester or trimester) and must maintain satisfactory academic progress in the approved program of study in accordance with the attending institution's policy.
- C. The applicant must possess a current, valid Class "A" Mississippi Educator License.
- D. The applicant must have expressed in writing a present intention to serve as a Dyslexia Therapist in the State of Mississippi in a public school/district or public charter school, and must diligently pursue the course of study and requirements for the appropriate teaching license and endorsement.
- E. The applicant must not presently or previously have defaulted on an educational loan.
- F. CNDT recipients are not eligible for any other state aid but may apply for federal and institutional aid.

## 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.
2. Submit a copy of the applicant's letter of acceptance into the graduate program of study. The letter of acceptance should indicate that the applicant has been fully admitted or admitted as a regular student. Provisional or conditional admission is not accepted. The letter of acceptance should be submitted as soon as possible, but must be received by June 30.
3. Possess a valid Class "A" Mississippi Educator License and submit verification of such to the Board by the document deadline date of April 30.
4. Have a cumulative college GPA of 3.0 on a 4.0 scale, be enrolled full-time in a master's level program of study leading to a Class "AA" Mississippi Educator License with a 203 endorsement for Dyslexia Therapy, and be making satisfactory academic progress in accordance with the attending institution's policy. Evidence of academic eligibility will be automatically provided to the Board by the attending institution, unless specifically requested from the applicant.
5. Participate in Entrance Counseling, signify understanding of the CNDT 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.*

### 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 cumulative 3.0 college GPA on a 4.0 scale per period of enrollment (i.e. semester or trimester) and remain in a master's level program of study leading to a Class "AA" Mississippi Educator License with a 203 endorsement for Dyslexia Therapy, 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.

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

- A. The amount of the annual award for full-time students shall equal the total cost for tuition, materials and fees at the college or university in which the student is enrolled.
- B. Students may receive a lifetime maximum of two (2) annual awards.
- C. Awards shall be disbursed directly to the school of attendance, to be applied first toward tuition.
- D. Awards are not provided for out-of-state tuition costs.
- E. In order to receive CNDT funds, a student who previously received funds under the other state-supported undergraduate teacher programs, William Winter Teacher Forgivable Loan (WWTS), William Winter Alternate Route Teacher Forgivable Loan (WWAR), Critical Needs Teacher Forgivable Loan (CNTP), Critical Needs Alternate Route Teacher Forgivable Loan (CNAR), Teacher Education Scholars Forgivable Loan (TES) or Mississippi Teacher Loan Repayment (MTLR), must have discharged his/her previous loan through service or payment in full.
- F. CNDT recipients are not eligible for any other state aid but may apply for federal and institutional aid.

### **IV. RECIPIENT RESPONSIBILITIES**

- A. A CNDT recipient must maintain good standing at the educational institution in which he/she is enrolled at all times.
- B. A CNDT recipient must maintain a cumulative 3.0 minimum GPA on a 4.0 scale per period of enrollment (i.e. semester or trimester). A CNDT recipient who fails to maintain the minimum GPA will be suspended from participation in the program for the following period of enrollment. An official transcript or grade verification sent directly to the Board by the attending institution evidencing a cumulative 3.0 GPA on a 4.0 scale for the non-eligible period of enrollment will entitle a CNDT recipient for renewal priority.
- C. A CNDT recipient must remain in school, complete an approved program of study and obtain the appropriate educator's license. A CNDT 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 CNDT awards, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty.

- D. While receiving funds, the CNDT 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 CNDT recipient's student account online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid). Once in repayment, the CNDT 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 CNDT 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 CNDT 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 service or by loan repayment.
- B. Cancellation through Service
  - 1. A CNDT forgivable loan recipient must meet all of the following criteria to qualify for debt cancellation through service:
    - a) Obtain a "AA" Mississippi Educator License with a 203 Dyslexia Therapy designation.
    - b) Serve full-time, as defined by the State Board of Education, as a Dyslexia Therapist. Invalid positions include, but are not limited to, the following: assistant teacher, full-time substitute, high school counselor, curriculum specialist or administrator.
    - c) Provide dyslexia therapy for students in grades kindergarten through twelve (K-12) in a Mississippi public school/district or public charter school. *NOTE: It is fully understood that it is the responsibility of the forgivable loan recipient to seek and secure employment as a Dyslexia Therapist in an appropriate school/district. Neither the Board nor the State Board of Education assumes the obligation to perform that function. 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 CNDT forgivable loan debt shall be cancelled on the basis of one year's service for one annual forgivable loan award received. For all CNDT recipients, such service shall never be less than one (1) year 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 CNDT 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. At the end of each service deferment period, the CNDT forgivable loan recipient must request in writing a cancellation of the equivalent of one annual award.
5. The service deferment and cancellation must be requested in writing and approved each year until the debt is fully satisfied.

C. Loan Repayment

1. Unless granted a grace period or other deferment, a CNDT forgivable loan recipient shall become liable to the Board for the sum of all CNDT forgivable loan awards made to that person less the corresponding amount of debt previously cancelled through teaching service, 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 forgivable loan awards made to the recipient less any amount previously cancelled through service.

3. The rate of interest charged a CNDT 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 CNDT 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 CNDT forgivable loan recipient who does not complete the approved program of study will not be granted a 12-month grace period and will enter repayment immediately upon separation from the approved program of study. Such a recipient *may* be eligible for an in-school deferment as defined in Section VI.B.

B. In-School Deferment

1. A CNDT forgivable loan recipient who does not complete the approved program of study, but remains enrolled at least part-time in a first master's 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 second master's, specialist or doctorate 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 CNDT 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 CNDT 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 CNDT forgivable loan 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 CNDT 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

CNDT forgivable loans are nondischargeable in bankruptcy.

## **VIII. WARRANTY**

The acceptance of the CNDT 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 CNDT 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 CNDT 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.* § 37-106-71.