

Title 10: Education Institutions and Agencies

Part 663: Graduate Teacher Forgivable Loan Program (GTS) Rules and Regulations

Part 663 Chapter 1: Graduate Teacher Forgivable Loan Program (GTS) Rules and Regulations

Rule 1.1 Graduate Teacher Forgivable Loan Program (GTS) 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 Graduate Teacher Forgivable Loan program (GTS).

I. GENERAL ELIGIBILITY

- A. The applicant must be a current legal resident of Mississippi. Resident status for purposes of receiving GTS shall be determined in the same manner as resident status for tuition purposes as set forth in Sections 37-103-1 through 37-103-29 of Ms. Code Ann., with the exception of Section 37-103-17.
- B. The applicant must be currently under contract as a full-time teacher, as defined by the State Board of Education, in a K-12 Mississippi public school or public charter school for a full academic year. 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. The applicant must hold a valid Class "A" Mississippi educator's license.
- D. The applicant must be fully admitted as a regular student seeking a first master's degree in a program of study leading to a Class "AA" educator license at one (1) accredited Board-approved four year institution of higher learning in the State of Mississippi. Provisional or conditional admission is not accepted.
- E. The recipient must maintain satisfactory academic progress in the approved program of study in accordance with the attending institution's policy.
- 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 by the deadline date of March 31.
2. If residency has not been established, submit two forms of documentation of current legal residency to be received by the document deadline of April 30. Acceptable forms of residency documentation are listed in the General Administration Rules and Regulations and published online at www.mississippi.edu/financialaid.
3. 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.
4. Submit a copy of the applicant's valid Class "A" Mississippi educator's license to be received by the document deadline of April 30.
5. Submit a copy of the applicant's employment contract for the current year, verifying employment for the full academic year as a full-time teacher in a Mississippi K-12 public school or public charter school to be received by the document deadline of April 30.
6. Signify understanding of the GTS 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.*
7. Be enrolled in a first master's degree in a program of study leading to a Class "AA" Mississippi educator license, 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.

B. Renewal applicants must:

1. Complete an application online at www.mississippi.edu/financialaid by the deadline date of March 31.
2. Submit a copy of the applicant's employment contract for the current year, verifying continued employment for the full academic year as a full-time

teacher in a Mississippi K-12 public school or public charter school to be received by the document deadline of April 30.

3. Remain in a program of study leading to a Class “AA” Mississippi 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.
4. Complete, sign and return the Self Certification of a Private Loan form.

III. AMOUNT AND LENGTH OF FORGIVABLE LOAN

- A. The forgivable loan program provides reimbursement of earned graduate hours, not to exceed the required hours for the approved program of study. Undergraduate classes taken for graduate credit do not qualify for reimbursement.
- B. The forgivable loan program will provide reimbursement in an amount not less than \$125 per earned graduate credit hour, not to exceed twelve (12) earned, graduate credit hours per period of enrollment (summer, fall, winter, spring) as reported by the institution.
- C. Award disbursements will be made at the end of each period of enrollment after grade and enrollment files are received from the attending institution and processed by the Board.
- D. Awards shall be disbursed directly to the attending institution. The institution, in turn, will reimburse the student. The student is responsible for all financial arrangements with the school until such time as payment is made. Also, the student is responsible for financial arrangements prior to reimbursement which may affect the student’s ability to secure school records.
- E. The student assumes all responsibility for returning any portion of a refund by the school which is later determined to be inconsistent with the number of hours reported by the school. Failure to return funds will result in the suspension of eligibility.

IV. RECIPIENT RESPONSIBILITIES

- A. A GTS recipient must maintain good standing at the educational institution in which he/she is enrolled at all times.
- B. A GTS recipient must continue to work under contract as a full-time teacher in a Mississippi K-12 public school or public charter school while receiving funds.

- C. A GTS recipient must remain in school, complete an approved program of study, and obtain the appropriate educator's license. A GTS recipient who ceases to work under contract as a full-time teacher in a Mississippi K-12 public school or public charter school while receiving GTS funds, 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 GTS awards, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty.
- D. While receiving funds, the GTS 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 GTS recipient's student account online at www.mississippi.edu/financialaid. Once in repayment, the GTS 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 GTS 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 GTS forgivable loan recipient enters repayment when the recipient completes the approved program of study, ceases to work under contract as a full-time teacher in a Mississippi K-12 public school or public charter school while receiving GTS funds, withdraws from school, fails to complete the approved program of study, or fails to obtain the appropriate educator's license. 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 GTS 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, while receiving funds. Qualifying positions include teacher and school librarian; invalid positions include, but are not limited to: assistant teacher, full-time substitute, high school counselor, or administrator.
 - c) Serve full-time, as defined by the State Board of Education, after degree completion. Qualifying positions include teacher, school

librarian, counselor, or administrator; invalid positions include, but are not limited to: assistant teacher or full-time substitute.

- d) Serve in a K-12 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.

- 2. A GTS forgivable loan debt shall be cancelled on the basis of continued full-time service while receiving GTS funds and one full year's service following degree completion.
- 3. At the time of separation from the approved program of study, unless granted a grace period or other type of deferment, the GTS 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 the one-year service deferment period, the GTS forgivable loan recipient must request in writing a cancellation of the loan amount.
- 5. The service deferment and cancellation must be requested in writing and approved for the debt to be fully satisfied.

C. Loan Repayment

- 1. Unless granted a grace period or other deferment, a GTS forgivable loan recipient shall become liable to the Board for the sum of all GTS 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 ceases to work under contract as a full-time teacher in a Mississippi K-12 public school or public charter school while receiving funds;
 - b) The recipient withdraws from school;
 - c) The recipient fails to complete the approved program of study;
 - d) The recipient fails to obtain the appropriate educator's license; or

- e) 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 GTS 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 full within 30 days. If the recipient fails to repay his/her loan (principal, penalty, and interest thereon) in full within 30 days, 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 GTS forgivable loan recipient will be granted a 4-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 GTS forgivable loan recipient who does not complete the approved program of study will not be granted a 4-month grace period and will enter repayment immediately upon separation from the approved program of study.

B. Temporary Disability Deferment

1. A GTS 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.

C. 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 Graduate Teacher 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 GTS 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 GTS 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

GTS forgivable loans are nondischargeable in bankruptcy.

VIII. WARRANTY

The acceptance of the GTS forgivable loan shall serve to appoint the Secretary of State of the State of Mississippi by each recipient 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 GTS program, 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 GTS 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.* § 37-106-47.