

TEACH Grant Program

Service Agreement: Proposed Rules

The service agreement (aka “Agreement to Serve”) contains the terms, conditions, and other requirements with which a grant recipient must comply to avoid conversion of the TEACH Grant to a Direct Unsubsidized Loan. A student must sign an Agreement to Serve for each award year in which he or she receives a TEACH Grant.

The Department of Education will design, collect, and maintain Agreements to Serve. Students will access and sign the Agreement electronically via an ED Web site.

Signing an Agreement to Serve is a student eligibility criterion for a TEACH Grant. Funds may not be disbursed until the Agreement is signed. (A late disbursement may not be made unless the TEACH Grant was originated before the student ceased to be enrolled; origination requires a signed Agreement.)

Contents of the Service Agreement (Service Obligation)

For each program of study for which a student received TEACH Grant funds, the grant recipient must fulfill a service obligation by:

- Serving as a full-time teacher for a total of not less than four elementary or secondary academic years within eight calendar years after completing the program or otherwise ceasing to be enrolled in the program for which the recipient received the TEACH Grant—
 - In a low-income school
 - As a highly-qualified teacher
 - In a high-need field in the majority of classes taught during each elementary and secondary academic year
- Submitting, upon completion of each year of service, documentation of the service in the form of a certification by a chief administrative officer of the school
- Complying with the terms, conditions, and other requirements consistent with 686.40–686.43 that the Secretary determines to be necessary

Proposed Definitions

Elementary school: A nonprofit institutional day or residential school, including a public elementary charter school, that provides elementary education, as determined under State law

- From section 9101(18) of the Elementary and Secondary Education Act of 1965 (ESEA)

Elementary or secondary academic year: One complete school year, or two complete and consecutive half-years from different school years, excluding summer sessions, that generally fall within a 12-month period. If a school has a year-round program of instruction, a minimum of nine consecutive months is considered to be the equivalent of an academic year.

- Adopted from the definition of “academic year” used for teacher loan forgiveness in the Federal Family Education Loan (FFEL) program regulations

Service Agreement

- “*Consecutive* half-years” and “*excluding* summer sessions” ensure that a grant recipient could not complete the four-year service obligation in less than four years; full-time teaching in a summer session is not considered equivalent to full-time teaching in a regular school term
- Nine months of full-time teaching within a 12-month period in a year-round program is the equivalent of an academic year

Full-time teacher: A person who provides direct classroom teaching or classroom-type teaching in a non-classroom setting, including special education teachers and reading specialists

- Taken from the FFEL program regulations for teacher loan forgiveness
- Would not include counselors, administrators, or other types of school personnel who may be listed in the Department’s annual Teacher Shortage Area Nationwide Listing but who do not provide classroom or classroom-type teaching
- Full-time means the standard used by the State in defining full-time employment as a teacher
- For an individual teaching in more than one school, the determination of full-time is based on the combination of all qualifying employment

Highly-qualified: Has the meaning set forth in section 9101(23) of the Elementary and Secondary Education Act of 1965 (ESEA) or in section 602(10) of the Individuals With Disabilities Education Act (IDEA)

- Taken from the ESEA for teachers in all high-need fields with the exception of special education teachers
- Special education teachers must satisfy the definition of highly-qualified in the IDEA

High-need field: Includes:

- (1) Bilingual education and English language acquisition
 - (2) Foreign language
 - (3) Mathematics
 - (4) Reading specialist
 - (5) Science
 - (6) Special education
 - (7) Another field documented as high-need by the Federal Government, a State government or a local educational agency (LEA), and approved by ED and listed in ED’s annual Teacher Shortage Area Nationwide Listing (Nationwide List) in accordance with 682.210(q); see <http://www.ed.gov/about/offices/list/oep/pol/tsa.html>
- The field which the student teaches must be listed as high-need for the State in which he or she is teaching, *at the time the grant recipient begins teaching*, regardless of whether that field was high-need when the student undertook the educational program for which the grant was received

Secondary school: A nonprofit institutional day or residential school, including a public secondary charter school, that provides secondary education, as determined under State law, except that the term does not include any education beyond grade 12

- Taken from section 9101(38) of the ESEA

Low-income school: An elementary or secondary school that—

- (1) Is in the school district of a local educational agency (LEA) that is eligible for assistance pursuant to title I of the ESEA
 - (2) Has been determined by the Secretary to be a school in which more than 30 percent of the school's total enrollment is made up of children who qualify for services provided under title I of the ESEA
 - (3) Is listed in the Department's Annual Directory of Designated Low- Income Schools for Teacher Cancellation Benefits. The Secretary considers all elementary and secondary schools operated by the Bureau of Indian Education (BIE) in the Department of the Interior or operated on Indian reservations by Indian tribal groups under contract or grant with the BIE to qualify as schools serving low-income students
- From section 465(a)(2)(A) of the HEA, which provides for loan cancellation for teachers in the Federal Perkins Loan Program
 - The designation of a low-income school is made at the level of the individual school (rather than the school district)

Grants Received for More Than One Program of Study

A grant recipient must complete a service obligation for each program of study for which he or she received TEACH Grant funds

- Each service obligation begins following the completion or other cessation of enrollment by the student in the TEACH Grant-eligible program for which the student received TEACH grant funds
- Creditable teaching service may apply to more than one service obligation
- A grant recipient may request a suspension of the eight-year time period for circumstances defined in regulation (proposed 686.41)

Repayment for Failure to Complete Service Obligation

If a grant recipient fails or refuses to carry out the required service obligation described in paragraph (b) of this section, the TEACH Grants received by the recipient must be repaid and will be treated as a Federal Direct Unsubsidized Loan, with interest accruing from the date of each TEACH Grant disbursement, in accordance with applicable borrower provisions of the Direct Loan regulations.