

Business Operations Change Request Form

As Of: 6/3/15 4:30:31PM

Administrative Information

CR: 3188

Drafted: 5/5/15 8:19:12AM

Submitted: 5/7/15 11:02:01AM

Title: NO New TEACH Grant Award and Enrolled Scenario

Sponsor: Janel Grossinger

Business Analyst: Rochelle Whittington

Anticipated Implementation Date: 08/03/2015

Change Request Details

Reason (Business Need):

In light of TEACH regulations and the current Agreement to Serve (ATS) approved by OMB, FSA acknowledged there is no regulatory basis or requirement that supports the conversion of a grant to a loan for recipients identified as still actively enrolled at the same institution where the TEACH Grant was originated, who were not awarded with a "new grant" for the subsequent award year, and who failed to re-certify. There are valid reasons for a recipient not to receive a TEACH award in a subsequent award year, and it should not be concluded that they have left the program of study entirely. Recipients, still enrolled in a TEACH Grant-eligible program, may not receive a new grant or return the re-certification letter for any of the following reasons, including but not limited to:

- GPA not met;
- Did not file a valid FAFSA application;
- Awarded with other financial aid assistance, total aid package met the cost of attendance

Description (Requirements):

Revised 3.10.7 Requirement and Artificat:

TEACH Requirement 3.10.7 shall be updated from:

3.10.7 Requirement Description

If a new TEACH Grant disbursement is not received for the award year that follows the award year of the last TEACH Grant disbursement while the recipient is attending school, servicer will send a certification request.

The in-house web application will show the recipient received a TEACH Grant disbursement for the prior award year, but did not receive a new TEACH Grant disbursement for the following award year. If the recipient is actively enrolled with no New TEACH award, they will receive a certification request – upon failure to re-certified results in conversion of a Direct Unsubsidized Loan.

New Requirement Description

If a new TEACH Grant disbursement is not received for the award year that follows the award year of the last TEACH Grant disbursement while the recipient is attending school, servicer will send the certification letter to include new options for recipients to re-certify that they are or are not enolled in a TEACH-eligible program.

The in-house web application will show that the recipient received a TEACH Grant disbursement for the prior year, but did not receive a new TEACH Grant disbursement for the subsequent award year. If the recipient is actively enrolled with "no New TEACH grant award", they will receive a certification request that includes options to re-certify; however, if the recipient does not reply to the re-certification letter there will be no immediate ramifications to convert the grant to a loan. If "no New grant" is made for the subsequent enrollment year(s), the servicer shall send the same ceritification letter as a follow-up notificaion requesting that recipients self-certify their enrollment in the TEACH-eligible program. If no response is made in the subsequent year(s), there will be no immediate ramifications to convert the grant to a loan.

1.101 Servicer shall draft a new certification letter that specifically targets in-school recipients with "no New TEACH award" to request that they voluntarily re-certify their enrollment in an eligible TEACH Grant Program of Study. In this certification letter, it shall explain the consequences if they fail to reply to the re-certification notification (interest accrues, missed annual certification timeline, adjustment to the 8-year clock to complete service obligations).

1.102 If "no New Grant" is made for the subsequent enrollment years, the Servicer shall follow up with another certification letter requesting for a response. If no response is made, there will be no immediate ramifications to convert the grant to a loan.

Additional Information:

Servicer will take immedicate action, in order to prevent additional negative impact on grant recipients. If the revised 3.10.7 requirements is not made immediatly, then this requirement will be out of compliance with TEACH regulations. This will results in an escalation of complaints by recipients and the need for servicer to review each complaint, and manually re-convert the loans back to a grant status.

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? No

IST Anticipated/Post-Implementation Validation: No

FSA Service/System/Area Impacted

PHEAA
TEACH

Validation - Artifacts and Corresponding Requirement IDs (Required for Services)
Compliance Statement

Artifacts Due Date: 08/03/2015

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission: Completed: Defer:

Requestor: : Chad Keller/Denise Leifeste

CR Title: TEACH Grand Conversion Disputes

BA: Rochelle Whittington

ID: 2486

Date Drafted: 4/15/14

Date Received: 4/16/14

Anticipated Implementation Date:

FSA Service/System/Area Impacted

- | | | |
|---|---|--|
| <input type="checkbox"/> Title IV Servicers (TIVAS) | <input type="checkbox"/> Ancillary Services | <input type="checkbox"/> Call Centers |
| <input type="checkbox"/> Not-for-Profits (NFPs) | <input type="checkbox"/> COD | <input type="checkbox"/> FMS |
| <input type="checkbox"/> PSLF | <input type="checkbox"/> NSLDS | <input type="checkbox"/> Security Architecture |
| <input checked="" type="checkbox"/> TEACH | <input type="checkbox"/> ADM/FPDM | <input type="checkbox"/> EAI |
| <input type="checkbox"/> TPD | <input type="checkbox"/> CPS | <input type="checkbox"/> PEPS/IPM |
| <input type="checkbox"/> Perkins | <input type="checkbox"/> EDEExpress | <input type="checkbox"/> SAIG |
| <input type="checkbox"/> DMCS/DMCS2 | <input type="checkbox"/> eCampus-Based | <input type="checkbox"/> AIMS |
| <input type="checkbox"/> DLCS | <input type="checkbox"/> Participation Management | <input type="checkbox"/> Other: _____ |
| <input type="checkbox"/> Notification Only: _____ | | |

Reason for Change (Business Need):

Defining requirements for TEACH Grant conversion disputes that can be resolved by PHEAA and disputes that should be forwarded to FSA.

Description of Change Requested (Requirements):

This CR affects only FedLoan Servicing in their capacity as the TEACH Grant servicer. This is a procedural CR updating the procedures for forwarding TEACH Grant disputes to FSA.

FedLoan Servicing shall resolve TEACH Grant conversion disputes, including converting loans back to grants, without forwarding to FSA under the following circumstances:

- 1) The grant converted to a loan within one year of the student's graduation.
- 2) The student is continuously enrolled in the TEACH program when the grant converted.
- 3) FedLoan Servicing Compliance will deny requests where certification requests were sent and the sole issue is that the recipient failed to certify as required.
- 4) Instances where FLS made an obvious servicing error that resulted in the grant converting to a loan.
- 5) Instances where FLS (or the prior servicer) incorrectly denied certification resulting in the grant converting to a loan when certification obviously should have been approved.

Other disputes shall be forwarded to FSA for final review, including:

- 1) All escalated disputes including Congressional, Ombudsman, Better Business Bureau, etc.
- 2) Any dispute that has previously been denied by FLS and the recipient is appealing that decision.
- 3) Disputes involving poor servicing or poor or conflicting information provided by FLS or the prior servicer that may have confused the recipient about certification requirements and potentially resulted in the grant converting to a loan.

Additional Information (All OPERATIONAL impacts must be assessed):

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? (THIS FIELD IS REQUIRED)

No Yes

IST Anticipation (THIS FIELD AND DATE ARE REQUIRED):

No Yes; Anticipated Date(s):

Post-Implementation Validation (THIS FIELD IS REQUIRED):

No Yes

Validation (REQUIRED FOR SERVICERS ONLY):

Requirement ID	Requirement	Validation Artifact(s)	Due Date

TEACH Disputes Trends

Conversion Reason	Dispute Type	Total Calendar Days to Decision							Total
		0-10	11-30	31-60	61-90	91-120	121-150	151+	
Converted Less Than 30 Days from Final Certification Request	Escalated	12	2	5	6	9	6	23	63
	Standard	125	71	149	112	145	154	496	1,252
Converted within One Year from Graduation Date	Escalated	15	7	4	7	4	4	34	75
	Standard	291	88	65	66	45	48	570	1,173
Did Not Respond Timely to Certification Requests	Escalated	60	84	64	80	25	14	40	367
	Standard	1,374	439	244	576	119	109	818	3,679
Grant Converted Prior to Cert Due Date (Sep Date Backdate)	Escalated	3	1	1	0	1	1	4	11
	Standard	75	30	14	16	9	10	107	261
Other	Escalated	6	16	14	9	4	0	1	50
	Standard	65	207	44	48	20	10	19	413
Pending Account Update	Escalated	1	0	0	0	1	0	0	2
	Standard	20	3	0	6	1	1	0	31
Recipient Confusion/Servicing Error	Escalated	23	19	22	28	9	13	56	170
	Standard	266	161	122	199	105	78	693	1,624
Identified as conversion in error with prior servicer (ACS) - FSA CR 3002	Escalated	2	0	0	0	0	0	0	2
	Standard	1,589	61	19	2	1	0	0	1,672
Recipient did not return reinstatement request - FSA CR 3002	Escalated	1	1	0	0	0	0	0	2
	Standard	128	7	4	2	2	0	14	157
Total Disputes by Type:		4,056	1,197	771	1,157	500	448	2,875	11,004

TEACH Disputes as of 09/07/2018

Business Operations Change Request Form

As Of: 6/1/15 3:40:36PM

Administrative Information

CR: 3231 **Drafted:** 5/13/15 3:35:21PM **Submitted:** 5/14/15 8:51:33AM

Title: BBR -- TEACH Grant to Loan Dispute Notification Message Added to All Grant to Loan Conversion Communications

Sponsor: Debbe Johnson **Business Analyst:** Nina Patel

Anticipated Implementation Date: 09/30/2015

Mandated Legislation Effective 1/1/16

Change Request Details

Reason (Business Need):

In an ongoing effort to improve borrower communications, and in conjunction with the Borrower Bill of Rights, FSA is requiring additional information be developed and provided to all FedLoan Servicing TEACH Grant recipients whose grants are converting to loans. This additional information would be included on all Grant to Loan Conversion correspondence and will identify how the recipient can contact the TEACH Loan Servicer to discuss/dispute their grant to loan conversion.

Description (Requirements):

Add contact information to all Grant to Loan Conversion correspondence for recipients to discuss/dispute their grant to loan conversion.

Additional Information (All OPERATIONAL impacts must be assessed):

1.0 The servicer shall send additional information on all Grant to Loan Conversion correspondence identifying the ways a recipient can contact the TEACH Grant Servicer to discuss/dispute their grant to loan conversion. The additional information should specify that there are no options to dispute based on personal or extenuating circumstance. Example of information to be added: If you believe this conversion has been completed in error, please contact your TEACH Loan Servicer at ____ (phone), _____(email), _____(text), or visit our website at ____.

1.01 Further explanation of the information on how a recipient can contact the TEACH Loan Servicer if they feel their loan to grant conversion has been completed in error should be added to FedLoan's website.

1.02 FedLoan will add Questions/Answers to their website for TEACH Grant Recipients to explain this additional information on their Grant to Loan Conversion communications if applicable.

1.03 FedLoan will provide additional scripting to their Customer Servicer Representatives so CSR's can accurately answer questions regarding the new information included on the Grant to Loan Conversion communications.

Does this change require a new network connection

(Secure File Transfer Protocol is mandatory for all new connections)? No

IST Anticipated/Post-Implementation Validation: No

FSA Service/System/Area Impacted

PHEAA

Validation - Artifacts and Corresponding Requirement IDs (Required for Services)

The servicer shall add language and contact information on all Grant to Loan Conversion communications for the recipients to discuss or dispute their grant to loan conversion.

Artifact needed:

- Samples of all Grant to Loan Conversion communications with added language and contact information.
- Screen Shots of website and Q/A updates.
- Scripting provided to CSR's.

Artifacts Due Date: 09/01/2015

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Page of Pages
1 9

2. AMENDMENT MODIFICATION NO. 0076
3. EFFECTIVE DATE DEC 08, 2014
4. REQUISITION/PURCHASE REQ. NO.
5. PROJECT NO. (if applicable)

6. ISSUED BY CODE FSA-FS2
United States Department of Education
Federal Student Aid/Mission Support Group
830 First St NE - Suite 91F3
Washington DC 20202
Amber Jones 202-377-3873 Amber.Jones@ed.gov
7. ADMINISTERED BY (If other than item 6) CODE
See Block 6

8. NAME AND ADDRESS OF CONTRACTOR (NO., Street, Country, State and ZIP Code)
HIGHER EDUCATION ASSISTANCE AGENCY, PENNSYLVANIA DUNS: 007368103
1200 NORTH 7TH STREET Cage Code: 41UK7
FINANCIAL MANAGEMENT 5TH FLOOR
HARRISBURG PA 171021444
9A. AMENDMENT OF SOLICITATION NO.
9B. DATED (SEE ITEM 11)
10A. MODIFICATION OF CONTRACT/ORDER NO. ED-FSA-09-D-0014
10B. DATED (SEE ITEM 13) JUN 17, 2009
CODE 00030774 FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers is extended, is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:
(a) By completing items 8 and 15, and returning _____ copies of amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OR OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
See Schedule
Modification Amount: \$0.00
Modification Obligated Amount: \$0.00

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

Check One
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
 C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: 52.212-4(c), Changes (TAILORED)
D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible)
The purpose of Modification 0076 to Contract Number ED-FSA-09-D-0014 is to incorporate the attached, revised TEACH Grant Servicing Requirements, into Section C (Statement of Objectives) of the Base IDIQ Contract.

All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)
Daniel C. Weigle
Vice President, Federal Servicing
16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
Karen Gibson
202-377-4381 karen.gibson@ed.gov

15B. CONTRACTOR/OFFEROR (b)(6)
15C. DATE SIGNED 12/8/14
16B. UNITED STATES OF AMERICA (b)(6)
16C. DATE SIGNED DEC 08, 2014
(Signature of person authorized to sign) (Signature of Contracting Officer)

Attachment Page

TEACH Grant Requirements Version 4.0--November 25, 2014

Req.	Category	Sub Category	Requirement / Business Rule Description	Validation Artifact Required
1.0	TEACH Grant	Accept & Process	Server will accept and process TEACH Grant transaction data received from COD.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
1.1	TEACH Grant	Accept & Process	Server will accept TEACH Grant transaction data received in exclusive transmission files using a unique interface ID received from COD.	
1.2	TEACH Grant	Accept & Process	Server will process TEACH Grant transaction data contained in transmission files received from COD.	
1.3	TEACH Grant	Accept & Process	Server will send acknowledgements and error transactions to COD when TEACH Grant transaction data is processed.	
1.4	TEACH Grant	Accept & Process	Server will accept and process amount adjustments and apply disbursement date changes on TEACH Grant disbursements based on disbursement adjustment transactions received from COD.	
2.0	TEACH Grant	Load	Server will load TEACH Grants.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
2.1	TEACH Grant	Load	Server will uniquely identify and track separately TEACH Grants from Direct Loans.	
2.2	TEACH Grant	Load	Server will uniquely identify TEACH Grants while the recipient is in an In-School status.	
2.3	TEACH Grant	Load	Server will track TEACH Grants with different separation dates separately.	
2.4	TEACH Grant	Load	Server will assign same interest rate as Direct Unsubsidized Stafford Loans to TEACH Grants based on grant disbursement date.	
2.5	TEACH Grant	Load	Server will accrue "potential" interest from the disbursement date of record for TEACH Grants.	
3.0	TEACH Grant	Service	Server will service TEACH Grants while grant recipients are in school.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.1	TEACH Grant	Service	Server will notify TEACH Grant recipients at least quarterly about the amount of interest that has accrued on their TEACH Grant disbursements and the obligation to repay that interest along with the amount disbursed. If they fail to fulfill their teaching obligations.	
3.2	TEACH Grant	Service	Server will calculate interest from the grant disbursement date at the same rate as Direct Unsubsidized loan.	
3.3	TEACH Grant	Service	Server will NOT accept payments for TEACH Grants while in grant status. If a payment is received during grant status, the payment is returned to the recipient with notification as to why the payment cannot be applied; a TEACH Grant payment cannot be applied to any other loans.	
3.4	TEACH Grant	Service	TEACH Grant refunds shall be included in monthly reconciliation reporting.	
3.5	TEACH Grant	Service	A grant recipient can request a TEACH Grant be converted to a Direct Unsubsidized Loan at anytime.	
3.6	TEACH Grant	Service	Server will service TEACH Grants upon a grant recipient's graduation or separation.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.6.1	TEACH Grant	Service	A TEACH Grant recipient must complete a service obligation for each program of study for which they received a TEACH Grant.	
3.6.2	TEACH Grant	Service	Server will track service obligation periods for each TEACH Grant-eligible program of study (undergraduate versus graduate with different separation dates) separately.	
3.6.3	TEACH Grant	Service	Server will manage the certification process for a grant recipient that has graduated or separated from the TEACH Grant eligible program of study and has not started teaching.	
3.7	TEACH Grant	Service	Grant recipients must certify, within 120 days of completing or otherwise ceasing to be enrolled in the program for which they received a TEACH Grant, that (1) they are performing qualifying teaching service or (2) they are not yet teaching, but intend to fulfill the service obligation. This requirement applies both to students who completed the program as well as to students who left the program before completing it. For students who completed the program for which they received a TEACH Grant, but who have not yet begun teaching, there is a requirement to annually certify their intent to fulfill the service obligation. The annual certification requirement applies only to students who completed the program for which they received a TEACH Grant.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.7.1	TEACH Grant	Service	Server will send a notice to grant recipients 75 days after separation, reminding them to submit the required certification within 45 days (by day 120).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.7.2	TEACH Grant	Service	For grant recipients who did not complete the program for which they received a TEACH Grant:	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.7.3	TEACH Grant	Service	If the student does not certify that he or she is teaching, or that he/she is not teaching but intends to fulfill the service obligation, another notice will be sent 120 days after separation warning the recipient that the grant will convert to a loan.	
3.7.4	TEACH Grant	Service	If certification has not been received by the 150 th day after separation, the grant will be converted to a loan and a notice will be sent to the borrower.	
3.7.5	TEACH Grant	Service	The server must have the capability of adjusting the start date of the 8-year clock for a student if we (FSA) determine that a particular student ceased enrollment in a TEACH-eligible program prior to ceasing enrollment at the school (separation process).	
3.7.6	TEACH Grant	Service	For grant recipients who COMPLETED the program for which a TEACH Grant was received, but have not begun teaching, loan conversion occurs if they do not annually certify their intent to fulfill the service obligation.	
3.8	TEACH Grant	Service	Server will manage the TEACH Grant Certification Process for a recipient that has not started teaching.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.8.1	TEACH Grant	Service	Server will track and store a record of each academic year a TEACH Grant recipient responds to the certification request that they are not yet teaching, but intend to fulfill either TEACH Grant service obligations.	
3.8.2	TEACH Grant	Service	If a TEACH Grant recipient graduates, server will send the initial Annual Certification Cover Letter along with the Annual Certification Request Form to the TEACH Grant recipient a minimum of 30 days prior to the certification due date.	
3.8.3	TEACH Grant	Service	Server will send the Annual Certification Request Form to a TEACH Grant recipient annually.	
3.8.4	TEACH Grant	Service	Server will convert a recipient's TEACH Grants into Direct Unsubsidized Loans when no response has been received within 30 days of the date the final Certification Request is sent. Server will send the TEACH Grant Conversion Confirmation notice to recipient in this event.	
3.8.5	TEACH Grant	Service	Server will send a Follow-up Certification letter to a TEACH Grant recipient when no response has been received in 30 days or less following the generation of the Annual Certification Request.	
3.8.6	TEACH Grant	Service	Server will send a final certification request to a TEACH Grant recipient when no response has been received in 30 days or less following the generation of the follow-up certification request.	
3.8.7	TEACH Grant	Service	REMOVED	
3.9	TEACH Grant	Service	Server will service TEACH Grants while recipients are completing their service obligation once employed as a teacher.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.

Attachment Page

TEACH Grant Requirements Version 4.0 - November 25, 2014

3.11.1	TEACH Grant	Service	<p>Service will collect and track annually evidence of teaching for each academic year of service from their grant recipient. The annual certification date will be one year from the recipient's suspension date.</p> <p>Service will track and store the subject(s) a TEACH Grant recipient is teaching in: (1) Bilingual education and English language acquisition; (2) Foreign language; (3) Mathematics; (4) Reading specialist; (5) Science; (6) Special education; and (7) Any other field that has been identified as high-need by the Federal Government, a State government, or a local education agency (LEA), and approved by the Secretary and listed in the U.S. Department's annual Teacher Shortage Area Nationwide Listing (Nationwide List).</p>	
3.11.2	TEACH Grant	Service	<p>Upon completion of each academic year of service, the grant recipient must submit certification by a chief administrative officer of the school or educational service agency.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.12	TEACH Grant	Service	<p>Grant recipient must serve in a federally designated low-income school. A school qualifies as low-income in subsequent years for the purpose of completing service obligations, if the school that the recipient is teaching at meets the requirements of a low-income school during the first year of employment and fails in subsequent years.</p>	
3.12.1	TEACH Grant	Service	<p>Grant recipient must teach in a high-need field. A field is considered high-need as listed in the Department's annual Teacher Shortage Area Nationwide Listing (Nationwide List).</p>	
3.12.2	TEACH Grant	Service	<p>A grant recipient may satisfy the requirement to teach in a high-need field if he or she (1) teaches in a field designated as high-need in the Nationwide List for the state in which the grant recipient is teaching at the time he or she begins teaching, or (2) beginning with the 2010-2011 school year, teaches in a field that was designated as high-need in the Nationwide List for the state in which the grant recipient is teaching for any award year in which the student received a TEACH Grant, even if the high-need field is no longer designated as high-need for that state when the grant recipient begins teaching.</p>	
3.12.3	TEACH Grant	Service	<p>Grant recipient must serve as a full-time teacher for a total of 4 academic years within an 8-year timeframe.</p>	
3.12.4	TEACH Grant	Service	<p>Grant recipient is teaching part-time at two qualifying schools during an academic year and can demonstrate that the combined teaching was equivalent of full-time.</p>	
3.12.5	TEACH Grant	Service	<p>Service will count the following situations as a full academic year when considering the completion of TEACH Grant service requirements, if the recipient completes at least one-half of an academic year and the school employer considers the recipient to have fulfilled their contractual obligation for the full academic year, although the recipient is unable to complete the full academic year of teaching before:</p>	
3.12.6	TEACH Grant	Service	<p>Of a condition that is a qualifying reason for leave under the Family and Medical Leave Act (FMLA) (see 34 CFR 602.102)(1).</p>	
3.12.6.1	TEACH Grant	Service	<p>A call or order to active duty status for more than 30 days in connection with a war, military operation, or national emergency.</p>	
3.12.6.2	TEACH Grant	Service	<p>Service will adjust a recipient's TEACH Grant Service Obligation Tracking Period End Date by the number of months spent in a Tracking Suspension.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.13	TEACH Grant	Service	<p>When a recipient has completed or separated from their TEACH Grant eligible program, service shall allow a TEACH Grant recipient the ability to suspend the tracking of their eight-year teaching obligation period as a result of one of the following conditions:</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.14	TEACH Grant	Service	<p>Enrollment in another TEACH Grant-eligible program (example: graduate program) or enrollment in a program that has been determined by a state to satisfy the requirements for certification/licensure to teach in the state's elementary or secondary schools.</p>	
3.14.1	TEACH Grant	Service	<p>A condition that is a qualifying reason for leave under the Family and Medical Leave Act (FMLA) (see 34 CFR 602.102)(1).</p>	
3.14.2	TEACH Grant	Service	<p>A call or order to active duty status for more than 30 days in connection with a war, military operation, or national emergency.</p>	
3.14.3	TEACH Grant	Service	<p>This suspension of tracking the obligation period will be granted in one-year increments, but cannot exceed six years (4 years combined for qualifying enrollment/licensing/FMLA, and 2 years for military service). A grant recipient who has completed or who has otherwise ceased enrollment in a TEACH Grant-eligible program for which he or she received TEACH Grant funds and has exceeded the maximum three-year suspension period allowed for military service may qualify for a proportional discharge of his or her service obligation due to an extended call or order to active duty status. A grant recipient who meets the condition must apply for a military discharge in writing.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.15	TEACH Grant	Service	<p>The grant recipient must request a suspension of the period for completing the service obligation prior to being subject to any of the conditions that would cause the grant to be converted to a loan.</p>	
3.15.1	TEACH Grant	Service	<p>Service will allow TEACH Grant recipients to suspend tracking of their teaching obligation due to military service for no more than a total of three years (separate from the combined maximum 3-year allowance for enrollment in an eligible program of study or for conditions that qualify for leave under the Family Medical Leave Act (FMLA)).</p>	
3.15.2	TEACH Grant	Service	<p>Service will inform TEACH Grant recipients that tracking of their teaching obligation can be suspended for no more than a total of three years for military service.</p>	
3.15.3	TEACH Grant	Service	<p>Service will require TEACH Grant recipients to request suspension of their teaching obligations in writing, prior to one of the conditions that could cause their TEACH Grants to be converted into Direct Unsubsidized Loans.</p>	
3.15.4	TEACH Grant	Service	<p>Service will inform TEACH Grant recipients that suspension of their teaching obligations must be requested, in writing, prior to one of the conditions that could cause their TEACH Grants to be converted into Direct Unsubsidized Loans.</p>	
3.15.5	TEACH Grant	Service	<p>Service will suspend the tracking of a recipient's eight-year Service Obligation Tracking Period as a result of an approved Suspension Request (suspension to be granted in 3-year increments).</p>	
3.15.6	TEACH Grant	Service	<p>Service will limit the application of a suspension to six years (3 years combined for qualifying enrollment/licensing/FMLA, and 3 years for military service).</p>	
3.15.7	TEACH Grant	Service	<p>Service will uniquely identify TEACH Grant recipients who have received a Tracking Suspension.</p>	
3.15.8	TEACH Grant	Service	<p>Service will evaluate a TEACH Grant recipient's ability to satisfy his/her TEACH Grant service obligations.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.16	TEACH Grant	Service	<p>Service will evaluate the TEACH Grant recipient's ability to satisfy his/her TEACH Grant service obligation starting at the beginning of the 5th year from the TEACH Grant Service Obligation Tracking Period Start Date and annually thereafter.</p>	
3.16.1	TEACH Grant	Service	<p>Service will determine whether or not it is possible for a TEACH Grant recipient to satisfy his/her TEACH Grant service obligations prior to reaching the TEACH Grant Service Obligation Tracking Period End Date.</p>	
3.16.2	TEACH Grant	Service		

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3.16.3	TEACH Grant	Service	Certification of a recipient's intent to TEACH will initiate conversion if there is no longer enough time remaining to satisfy the 4-year teaching agreement by the service obligation end date.	
3.16.4	TEACH Grant	Service	Service will convert TEACH Grants into Direct Unsubsidized Loans for a recipient who has been determined to not be able to satisfy his/her TEACH Grant service obligations within the remaining time frame.	
3.17	TEACH Grant	Service	Service will send the TEACH Grant Conversion Confirmation notice to notify a TEACH Grant recipient when his/her TEACH Grants are converted into Direct Unsubsidized Loans.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.18	TEACH Grant	Service	Service will validate a TEACH Grant recipient's teaching service to determine if they have been satisfied according to the Agreement to Serve (ATS).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.19	TEACH Grant	Service	Service will uniquely identify TEACH Grants where the recipient has satisfied his/her TEACH Grant service obligations, in accordance with the Agreement to Serve (ATS).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.20	TEACH Grant	Service	Service will confirm that all service requirements have been satisfied for TEACH Grant service obligations (50 percent forgiveness will be given as the TEACH Grant recipient is required to meet all TEACH Grant service obligations as outlined in the Agreement to Serve (ATS)).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.21	TEACH Grant	Service	Service will conclude verification and tracking activities when a TEACH Grant recipient has satisfied his/her TEACH Grant service obligations.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.22	TEACH Grant	Service	Service will reduce the balance of TEACH Grants to zero when the recipient has satisfied his/her TEACH Grant service obligations in accordance with the Agreement to Serve (ATS). (50 percent forgiveness will be given as the TEACH Grant recipient is required to meet all TEACH Grant service obligations outlined in the Agreement to Serve (ATS)).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.23	TEACH Grant	Service	Upon a recipient's satisfaction of his/her service obligation, the Service will generate a unique financial accounting transaction to FMS to report the reduction of the TEACH Grant balance to zero for the principal and interest amount funds.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.24	TEACH Grant	Service	Service will report TEACH Grants with a satisfied status to NSDS.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.25	TEACH Grant	Service	Service will send the TEACH Grant Service Obligation Notice-Satisfied Confirmation notice when recipient has satisfied his/her service obligation.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.26	TEACH Grant	Service	Service will send the TEACH Grant Service Obligation Notice-Request for Additional Information notice when additional information is needed to determine if the recipient has satisfied his/her service obligation.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
3.27	TEACH Grant	Service	Service will generate a unique financial accounting transaction to FMS to report the reversal of a TEACH Grant that was previously reported as satisfied to restore the balance for the principal and amount funds.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
4.0	TEACH Grant	Conversion & Un-Conversion	Service will convert TEACH Grants into Direct Unsubsidized Loans.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
4.1	TEACH Grant	Conversion & Un-Conversion	Service will convert a TEACH Grant to a Direct Unsubsidized Loan (TEACH) when a TEACH Grant recipient fails to carry out their service obligations.	
4.2	TEACH Grant	Conversion & Un-Conversion	The sum of the amounts of any TEACH Grants shall be converted to a Direct Unsubsidized loan subject to repayment including interest accrued from the date of the grant disbursement.	
4.3	TEACH Grant	Conversion & Un-Conversion	Service will convert a TEACH Grant to a Direct Unsubsidized Loan when a grant recipient prevents conversion.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
4.3.1	TEACH Grant	Conversion & Un-Conversion	Fails to certify within 370 days of ceasing enrollment prior to completing the TEACH Grant eligible program.	
4.3.2	TEACH Grant	Conversion & Un-Conversion	Within one year of ceasing enrollment prior to completing the TEACH Grant eligible program has not re-enrolled in a TEACH Grant eligible program, begun creditable teaching service or been determined eligible for a tracking suspension of the eight-year obligation period.	
4.3.3	TEACH Grant	Conversion & Un-Conversion	Completes a TEACH Grant eligible program but fails to certify annually, intention to satisfy service agreement.	
4.3.4	TEACH Grant	Conversion & Un-Conversion	Completes a TEACH Grant eligible program but fails to begin or maintain qualified employment within the timeframe to meet the eight-year obligation period.	
4.3.5	TEACH Grant	Conversion & Un-Conversion	Once a TEACH Grant has been converted to a Direct Unsubsidized loan (TEACH), the same business rules for Direct Unsubsidized Loans will apply. When a Direct Unsubsidized Loan (TEACH) becomes greater than 360 days delinquent, the loan shall be transferred to DMCS.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
4.4	TEACH Grant	Conversion & Un-Conversion	A TEACH Grant converted to a Direct Unsubsidized loan can be consolidated. A TEACH Grant in grant status cannot be consolidated.	
4.5	TEACH Grant	Conversion & Un-Conversion	Once a TEACH Grant is converted to a Direct Unsubsidized loan (TEACH), it cannot be converted back to a grant unless it is an exception granted by FSA. A grant recipient whose TEACH Grant is converted to a loan receives a 6-month grace period before entering repayment.	
4.6	TEACH Grant	Conversion & Un-Conversion	TEACH Grants converted to Direct Unsubsidized Loans (TEACH) shall be serviced as any other Direct Loan.	
4.7	TEACH Grant	Conversion & Un-Conversion	TEACH Grants converted to Direct Unsubsidized Loans (TEACH) shall not be included in the borrower's annual loan limit or in the aggregate loan limit.	
4.8	TEACH Grant	Conversion & Un-Conversion	Service will include Direct Unsubsidized Loans (TEACH) in a borrower's total indebtedness when determining repayment priority and calculating payments.	
4.9	TEACH Grant	Conversion & Un-Conversion	Direct Unsubsidized Loans (TEACH) shall not be considered for the purpose of calculating and applying cohort default rates.	
4.10	TEACH Grant	Conversion	Service will apply borrower payments.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
5.0	TEACH Grant	Payment	Service will not apply borrower payments to TEACH Grants, and will not apply any payments received specifically directed to a TEACH Grant to any of the recipient's other loans.	
5.1	TEACH Grant	Payment	Service will apply payment received from a Borrower/Recipient who has both TEACH Grants and loans, and who does not specify or request where to apply the payment, to any existing loan accounts.	
5.2	TEACH Grant	Payment	Service will exclude TEACH Grants when processing payments via automatic debit.	
5.3	TEACH Grant	Payment	Service will allow borrowers to prepay, will manage any payments that could not be immediately applied to a borrower's recipient's account, and initiate borrower/recipient refund requests.	
5.4	TEACH Grant	Payment	If a payment is received, specifically directed to a TEACH Grant, Service will refund the payment and send a letter informing the recipient that payments cannot be applied to TEACH Grants. The letter should also describe the option of converting the grant to a loan, the consequences of doing so, and the actions the recipient must take in order for the conversion to take place.	
5.5	TEACH Grant	Payment	Service will not process cash cancellations on TEACH grants. See requirement 5.6 for handling of TEACH grant payments.	
5.6	TEACH Grant	Payment	Removed.	
5.7	TEACH Grant	Payment	Service will discharge TEACH Grant obligations.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
6.0	TEACH Grant	Discharge		

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6.1	TEACH Grant	Discharge	If the recipient becomes disabled.	
6.2	TEACH Grant	Discharge	In the event of the grant recipient's death.	
6.3	TEACH Grant	Discharge	Based on qualifying active duty military service in excess of the maximum three year suspension period.	
6.3.1	TEACH Grant	Discharge	A grant recipient may receive a one year discharge of his or her service obligation if a call or order to active duty status is for more than three years; two-year discharge of his or her service obligation if a call or order to active duty status is for more than four years; three-year discharge of his or her service obligation if a call or order to active duty status is more than five years; or full discharge of his or her service obligation if a call or order to active duty status is more than six years.	
6.3.2	TEACH Grant	Discharge	A grant recipient must provide a written statement from the commanding or personnel officer certifying that the grant recipient is on active duty in the Armed Forces of the United States; date which the grant recipient's service began and expected to end; or a copy of the grant recipient's official military orders and copy of the grant recipient's military identification.	
6.3.3	TEACH Grant	Discharge	Based on a request for a military discharge, the servicer notifies the grant recipient of the outcome of the discharge request. For the portion of the service obligation that remains, the grant recipient remains responsible for fulfilling such service obligation.	
6.4	TEACH Grant	Discharge	Servicer will discharge TEACH grant upon fulfillment of service obligation.	
6.5	TEACH Grant	Discharge	Servicer will distinguish the 4 Teach grant discharge types on borrower accounts on their servicing system: 1- fulfillment of service obligation 2- death 3- disability, and 4- military service (full discharge or partial discharge that results in fulfillment of service obligation)	
7.0	TEACH Grant	Accounting	Servicer will provide financial reporting to FMS.	Provide correspondence, screen shots, or website display, as applicable to demonstrate sequence of events and processing steps.
7.1	TEACH Grant	Accounting	Servicer will provide financial reporting to FMS by uniquely identifying TEACH Grants via the Grant Reform Code.	
7.2	TEACH Grant	Accounting	Servicer will report TEACH Grant disbursements and adjustments and potential interest that accrues to FMS during school status.	
7.3	TEACH Grant	Accounting	Servicer will store all disbursement adjustment amounts applied due to adjustments from COD for TEACH Grants.	
7.4	TEACH Grant	Accounting	REMOVED	
7.5	TEACH Grant	Accounting	Servicer will send a separate transaction to FMS to report interest accrued as the time an applied Booking Transaction is processed on a borrower account when the effective date of the disbursement is prior to the accrued through date on the servicing system for TEACH Grants.	
7.6	TEACH Grant	Accounting	Servicer will send a separate transaction to FMS to report accrued interest associated with the posting of a disbursement transaction to a borrower account (if applicable) for all TEACH Grants.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
7.6.1	TEACH Grant	Accounting	Servicer will ensure every financial transaction that can be applied on TEACH Grants on their system is mapped to a corresponding FMS summary transaction code.	
7.6.2	TEACH Grant	Accounting	Servicer will ensure that all servicer transactions for all TEACH Grants activity are accurately translated (mapped) from the servicer's subsidiary ledger to FMS.	
7.6.3	TEACH Grant	Accounting	Servicer will ensure every financial transaction posted on TEACH Grant recipient accounts on their system shall also be sent as equivalent FMS summary transactions in the same day's GL summary file for posting to FMS.	
7.6.4	TEACH Grant	Accounting	Servicer will provide an audit trail that efficiently links their detailed transactions in the subsidiary ledger to summarized transactions in FSA's general ledger for all TEACH Grant activity.	
7.6.5	TEACH Grant	Accounting	Servicer will ensure that all servicer transactions and FMS summary transactions for all TEACH Grant activity include all fields as required by FMS and all amounts applicable to each transaction type.	
7.6.6	TEACH Grant	Accounting	Servicer will send financial data to FMS on a daily, weekly (if applicable) and monthly basis for all daily, weekly, and monthly activity that is posted on the servicing system for all TEACH Grant activity.	
7.6.7	TEACH Grant	Accounting	Servicer will use FSA's secure SALS mailbox to send daily, weekly, and monthly files containing TEACH Grant activity to FMS for processing.	
7.6.8	TEACH Grant	Accounting	Servicer will use the FMS Q/L Summary File crosswalk mapping that will be provided by FSA CIO FMS for sending TEACH Grant activity to FMS.	
7.6.9	TEACH Grant	Accounting	Servicer will, on a daily basis, reconcile all daily posting activity at the detail servicing transaction code level to the FMS summary transactions being sent to FMS in the Q/L summary file for TEACH Grants.	
7.6.10	TEACH Grant	Accounting	Servicer shall perform a monthly reconciliation between Servicing Trial Balance by Portfolio and FMS Trial Balance for each individual balance sheet account (balances and activity) for all TEACH Grants.	
7.6.11	TEACH Grant	Accounting	Servicer will ensure TEACH Grants and TEACH Grants that have been converted to Direct Unsubsidized Loans will be reported separately.	
7.6.12	TEACH Grant	Accounting	Servicer will produce daily cumulative Work in Process reporting by interface system/source and by Loan Program for all financial activity associated with TEACH Grants.	
7.6.13	TEACH Grant	Accounting	Servicer will produce daily summary posting reports at the internal transaction code level and at the FMS summary transaction code level by interfacing system/source and by Loan Program for all financial transaction activity that is applied to borrower accounts on TEACH Grants and sent to FMS in the daily Q/L summary file.	
7.6.14	TEACH Grant	Accounting	Servicer will produce monthly summary posting reports at the internal transaction code level and at the FMS summary transaction code level by interfacing system/source and by Loan Program for all financial transaction activity that was applied to borrower accounts on TEACH Grants within each month, including all interest accruals.	
7.6.15	TEACH Grant	Accounting		

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			<p>Server will send to FMS both the TCCDNV and TLEDNV transactions upon conversion of teach grants to teach loans. Upon conversion from Grant to Loan the transactions sent are TCCDNV for negative PBO_AMT and IAB_AMT for exact outstanding loan balance at the time of conversion to reduce the Teach Grant balance to 0 (with Loan Program TPG) and equal and offsetting TLEDNV for positive PBO_AMT and IAB_AMT to restate the same exact balances as a Teach Loan with Loan Program TPG. These offsetting portfolio balance changes must be simultaneous (cannot have balances in both statuses at the same time on the servicing systems) and the transactions must be reported to FMS at the same time. The same for conversion reversals. Upon conversion from Loan to Grant the transactions sent are TCCDNV for negative PBO_AMT and IAB_AMT for exact outstanding loan balance at the time of conversion to reduce the Teach Loan balance to 0 (with Loan Program TPG) and equal and offsetting TLEDNV for positive PBO_AMT and IAB_AMT to restate the same exact loan balances as a Grant with Loan Program TPG. These offsetting transactions must be reported to FMS at the same time.</p>	
7.70	TEACH Grant	Accounting	<p>Server will accept disbursement adjustments received on manual spreadsheets from FSA as determined by and/or verified by COD for adjustments on Teach Grants that have been identified during auditor by COD during post year close out activities.</p>	
7.80	TEACH Grant	Accounting	<p>Server will accept disbursement adjustments from COD for Teach Grants after the Grants were converted to Teach Loans and those loans have been transferred to other servicers. Server will follow the existing manual spreadsheet process for sending the adjustments on to other servicers via FSA.</p>	
7.90	TEACH Grant	Accounting	<p>Server will accept disbursement adjustments from COD for Teach Grants that have been converted to Teach Loans. COD is unaware when a Teach Grant has been converted to a Teach Loan and COD has no requirement for accepting or retaining this information from the servicer. Server will accept disbursement adjustments as Loan Program TPG but will process the disbursement adjustment transactions to Loan Program TPG or will process the disbursement adjustment to Loan Program TPG and convert the balance to Loan Program TPG.</p>	
7.10	TEACH Grant	Accounting	<p>Server will process subsequent disbursements and new disbursements for borrowers under loan program TPG only. The servicer will not send teach loan TPG DISBUR transactions to FMS.</p>	
7.11	TEACH Grant	Accounting	<p>Server will submit a COD to FMS reconciliation for teach grants separate from the COD to FMS reconciliation for direct loans that is currently performed for direct loans received from COD.</p>	
7.12	TEACH Grant	Accounting	<p>Server will submit to FMS the DISADIT transaction when DMSI informs the servicer of a teach grant overpayment that was set up in DMSI and the servicer has adjusted the teach grant of teach loan balances. The servicer will reduce the disbursement amount by the overpayment amount being serviced by DMSI and adjust accrued interest accordingly and submit the DISADIT transaction to FMS for this principal and interest activity.</p>	
7.13	TEACH Grant	Accounting	<p>Server will not send to FMS the STATOC transaction as this transaction is to record default status changes on servicing systems that service both defaulted and non-defaulted loans for which none yet exist.</p>	
7.14	TEACH Grant	Accounting	<p>Server will include loan program TPG and Fund 42922XNY activity for teach grants in all existing reconciliations.</p>	
7.15	TEACH Grant	Accounting	<p>Server will include loan program TPG transactions and teach grants received from COD in all system balancing reporting. The servicer will address system balancing issues by identifying equal and offsetting transactions in the system balancing for DISBUR transactions received as loan program TPG and applied and reported to FMS as loan program TPG or as manually transferred out with loan program TPG.</p>	
7.16	TEACH Grant	Accounting	<p>Server will send loan program TPG DISBUR and DISADIT transactions to FMS for loan program disbursements and disbursement adjustments respectively received from COD. Server will adjust accrued interest on the Teach Grant to align with an adjustment (reducing interest for a downward adjustment and increasing interest for an upward adjustment) and report to FMS as INTACC for IAB_AMT. The servicer will report the accrued potential interest on Teach Grants to FMS by sending the INTACC transaction under loan program TPG.</p>	
7.17	TEACH Grant	Accounting	<p>Server will send the SWTDIF transactions for PBO_AMT and IAB_AMT to FMS under loan program TPG to report the 4 types of teach grant discharges.</p>	
7.18	TEACH Grant	Accounting	<p>Server will receive the Federal Servicer Loan Transfer File TEACH Grant (Record 19 and Record 33) data elements (TEACH Grant Reports to Loan Transfer Files) in accordance with the Loan Transfer File Layout Version 4.0 use instructions, applicable data field conditional requirements, valid values, formats, and definitions.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
8.0	TEACH Grant	Federal Transfers	<p>Server will verify loan payoff information required for loan verification certification (LVC) requests, including TEACH Grants.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
9.0	TEACH Grant	Consolidation	<p>After 7/31/2013, the TEACH Servicer will refer all TPD inquiries to the TPD servicer. Upon receipt of a lender notification (LN) from the TPD servicer that a TEACH Grant recipient intends to apply for TPD discharge, the TEACH Servicer will apply a TPD view suspension on Grant activity.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.
10.0	TEACH Grant	TPD	<p>Upon receipt of a lender notification (LN) from the TPD servicer that a TEACH Grant recipient has applied for TPD discharge, the TEACH Servicer will apply a suspension on Grant activity until notified of the outcome of the recipient's TPD application.</p>	
10.1	TEACH Grant	TPD	<p>Servicer will leave TEACH Grant borrowers that are suspended due to a request for disability discharge in a TEACH Grant status, and will uniquely identify these accounts as suspended due to a request for disability. The servicer will no longer send any communication to the borrower once a TEACH Grant is placed in suspend due to a request for disability discharge.</p>	
10.1.1	TEACH Grant	TPD	<p>Servicer will raise the active TEACH Grant servicing if notified by the TPD servicer that the application for TPD discharge was not approved.</p>	
10.2	TEACH Grant	TPD	<p>When notified via an updated LN by the TPD servicer of the discharge approval, the servicer will send Grant information to the TPD servicer via spreadsheet. The TPD servicer will perform all communications with the TEACH recipient whose service obligation is discharged due to disability throughout the 3-year post-discharge monitoring period.</p>	
10.3	TEACH Grant	TPD	<p>Effective the date of notification of the discharge approval, the servicer will not transfer the discharged Grant via the EA27, but retain the Grant and write the balance down to zero.</p>	
10.4	TEACH Grant	TPD	<p>Servicer will complete the FMS reporting of the TEACH Grant to show as written off (WROFF) once approved for TPD discharge.</p>	
10.4.1	TEACH Grant	TPD	<p>Servicer will report the TEACH Grant to NSID as discharged due to TPD.</p>	
10.4.2	TEACH Grant	TPD	<p>Servicer will accept any COD adjustments on the TEACH Grant during the 3-year post-discharge monitoring period.</p>	
10.5	TEACH Grant	TPD		

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10.6	TEACH Grant	TPD	<p>servicer will resume active TEACH Grant servicing if notified by the TPD servicer that the TEACH Grant service obligation should be reinstated at any time during the 3-year post discharge monitoring period.</p> <p>i. The servicer will resume TEACH Grant servicing effective the date of the notification.</p> <p>ii. The servicer will reverse the write-off to reinstate the balance. This reversal will report to FMS as a WRITE OFF to offset the original write off.</p> <p>iii. The servicer will ensure no interest accrual applies during the period it was suspended due to TPD discharge.</p> <p>iv. The servicer will resume communications with the TEACH Grant recipient, including interest statements, service obligation period remaining, etc.</p> <p>v. The servicer will complete the needed NSLDS reporting to show the TEACH Grant was reinstated.</p>	
11.0	TEACH Grant	DMCS	<p>Servicer will receive notification from DMCS when a TEACH Grant POVR or a TEACH Grant POVR adjustment is received by DMCS.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
11.1	TEACH Grant	DMCS	<p>Servicer will receive the amount of the overpayment along with the Loan/Award ID and recipient's SSN in the notification from DMCS for a TEACH Grant POVR that is received by DMCS.</p>	
11.2	TEACH Grant	DMCS	<p>Servicer will receive the amount of the overpayment adjustment along with the Loan/Award ID and recipient's SSN in the notification from DMCS for a TEACH Grant POVR that is received by DMCS.</p>	
11.3	TEACH Grant	DMCS/Accounting	<p>Servicer will apply financial adjustments to TEACH Grants for TEACH Grant POVR activity received from DMCS.</p>	
11.4	TEACH Grant	DMCS/Accounting	<p>Servicer will adjust the TEACH Grant balance downward by the amount of a TEACH Grant POVR as reported by DMCS.</p>	
11.5	TEACH Grant	DMCS/Accounting	<p>Servicer will adjust the TEACH Grant balance upward or downward by the amount of a TEACH Grant POVR adjustment as reported by DMCS.</p>	
11.6	TEACH Grant	DMCS/Accounting	<p>Servicer will use a unique, non-cash adjustment transaction different from a disbursement adjustment transaction (to distinguish receipt from a non-origating source) when adjusting a TEACH Grant balance based on a TEACH Grant POVR or TEACH Grant POVR adjustment.</p>	
11.7	TEACH Grant	DMCS/Accounting	<p>Servicer will use a unique, non-cash adjustment reversal transaction when reversing adjustments that were applied to a TEACH Grant based on a TEACH Grant POVR or TEACH Grant POVR adjustment.</p>	
11.8	TEACH Grant	DMCS/Accounting	<p>Servicer will report financial adjustments applied to TEACH Grants based on TEACH Grant POVR activity received from DMCS.</p>	
11.9	TEACH Grant	DMCS/Accounting	<p>Servicer will provide financial reporting to FMS upon the processing of an adjustment or adjustment reversal to a TEACH Grant due to a TEACH Grant POVR/POVR reversal.</p>	
11.10	TEACH Grant	DMCS/Accounting	<p>Servicer will provide system balancing reporting upon the receipt of TEACH Grant POVR activity from DMCS.</p>	
12.0	TEACH Grant	Correspondence	<p>Servicer will create TEACH correspondence.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.1	TEACH Grant	Correspondence	<p>Servicer will provide the ability to regenerate on demand, any notice that has been previously generated to a TEACH Grant borrower.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.2	TEACH Grant	Correspondence	<p>Servicer will send correspondence to inform a borrower/recipient of the discharge of his or her student loan(s) (TEACH Grant(s)).</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.3	TEACH Grant	Correspondence	<p>The Notice of Loan/TEACH Grant Discharge correspondence will be sent when a borrower's recipient's loan is discharged.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.4	TEACH Grant	Correspondence	<p>The Notice of Loan/TEACH Grant Discharge correspondence will be sent to inform a deceased recipient/borrower's estate that the borrower's recipient's loans have been discharged.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.5	TEACH Grant	Correspondence	<p>Servicer will generate and send the Notice of Incomplete or Missing Documents when a loan/TEACH Grant holder submits a loan/TEACH Grant for disability discharge with incomplete or missing documentation.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.6	TEACH Grant	Correspondence	<p>Servicer will generate, send, and provide electronically upon request the TEACH Grant Welcome Correspondence to TEACH Grant recipients.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.7	TEACH Grant	Correspondence	<p>Servicer will supply the following financial information on initial and subsequent TEACH Grant Disbursement Correspondence: School Disbursement Amount, Most Recent Date Disbursed, Potential First Interest Rate, and adjustment activity from the receipt of the disbursement until it is generated.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.8	TEACH Grant	Correspondence	<p>Servicer will include text on the TEACH Grant Welcome Correspondence that will advise TEACH Grant recipients of their teaching obligations and provide them with general TEACH Grant Program information along with contact information.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.9	TEACH Grant	Correspondence	<p>Servicer will generate the TEACH Grant Welcome Correspondence when a new disbursement for a new TEACH Grant is received by the servicer, following the servicer's receipt of the disbursement activity, and when a subsequent disbursement for an existing TEACH Grant is received.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.10	TEACH Grant	Correspondence	<p>Servicer will generate and send the TEACH Grant Disbursement Adjustment Made Correspondence to TEACH Grant recipients.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.11	TEACH Grant	Correspondence	<p>Servicer will generate and send the TEACH Grant Disbursement Date Change Correspondence to TEACH Grant recipients.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.12	TEACH Grant	Correspondence	<p>Servicer will send the Annual Certification Request Form to TEACH Grant recipients.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.13	TEACH Grant	Correspondence	<p>For grant recipients who did not complete the program for which they received a TEACH Grant: if the recipient does not certify that he or she is teaching, or that he or she is not teaching but intends to fulfill the service obligation, another notice will be sent 30 days after separation warning the recipient that the grant will convert to a loan.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.14	TEACH Grant	Correspondence	<p>For grant recipients who did not complete the program for which they received a TEACH Grant: if certification has not been received by the 30th day after separation, the grant will be converted to a loan and a notice will be sent to the borrower.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.15	TEACH Grant	Correspondence	<p>Servicer will send the Consequence Failure to Refulfill (CFFR) (TEACH Grant(s)) discharged in Disability correspondence to inform the borrower/recipient of the consequences of failing to reaffirm a loan/TEACH Grant discharged in disability.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.16	TEACH Grant	Correspondence	<p>Servicer will send the Annual Certification Request for Additional Information notice to TEACH Grant recipients when an annual certification has been denied and/or when additional information is needed to determine if a recipient meets their obligations for line annual certification.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
12.17	TEACH Grant	Correspondence	<p>Servicer will send the TEACH Grant Interest Notice correspondence to notify the recipient of the total potential interest that has accrued from the date of disbursement at quarter end, and list the TEACH Grant activity on the recipient's account during that quarter.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>
13.0	TEACH Grant	Reporting/NSLDS	<p>Removed</p>	
13.1	TEACH Grant	Reporting/NSLDS	<p>Removed</p>	
13.2	TEACH Grant	Reporting/NSLDS	<p>Servicer will report loan/TEACH Grant portfolio data to NSLDS in accordance with the most current version of the Federal Loan Servicer Data Provider Instructions (DLI).</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps.</p>

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13.3	TEACH Grant	Reporting/NSLDS	<p>Server will report to NSLDS when TEACH Grants have been converted into Direct Unsubsidized Loans in accordance with the most current Federal Loan Servicer Data Provider instruction (DPI).</p> <p>Server will report to NSLDS when TEACH Grants that have been converted to Direct Unsubsidized Loans are un-converted back into TEACH Grants in accordance with the most current Federal Loan Servicer Data Provider instructions (DPI).</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
13.4	TEACH Grant	Reporting/NSLDS	<p>Server will report on Direct Loans and TEACH Grants in its portfolio until those Direct Loans and TEACH Grants are closed or transferred to another party and such information has been accepted by NSLDS in accordance with the Federal Loan Servicer Data Provider instructions (DPI).</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
13.5	TEACH Grant	Reporting/NSLDS	<p>Server will report to NSLDS when TEACH Grants have been reinstated from FPD in accordance with the most current Federal Loan Servicer Data Provider instructions (DPI).</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
13.6	TEACH Grant	Reporting/NSLDS	<p>Server will report to NSLDS when TEACH Grants that have been converted to Direct Unsubsidized Loans have been reinstated from FPD in accordance with the most current Federal Loan Servicer Data Provider instructions (DPI).</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
13.7	TEACH Grant	Reporting/NSLDS	<p>Server shall capture and report the total number of TEACH grants to the Department on a monthly basis and ad hoc as requested by FSA.</p>	<p>Provide sample report.</p>
13.8	TEACH Grant	Reporting/Ops	<p>Server shall capture and report the total number of TEACH grant recipients to the Department on a monthly basis and ad hoc as requested by FSA.</p>	<p>Provide sample report.</p>
13.9	TEACH Grant	Reporting/Ops	<p>Server shall capture and report the total number of TEACH grants converted to loans to the Department on a monthly basis and ad hoc as requested by FSA.</p>	<p>Provide sample report.</p>
13.10	TEACH Grant	Reporting/Ops	<p>Server shall capture and report the total number of TEACH loan borrowers to the Department on a monthly basis and ad hoc as requested by FSA.</p>	<p>Provide sample report.</p>
13.11	TEACH Grant	Reporting/Ops	<p>Server shall capture and report the duration of service completed (0, 1, 2, 3, or 4 years) for all TEACH grant recipients to the Department on a monthly basis and ad hoc as requested by FSA. A recipient may be counted more than once if has more than one award.</p>	<p>Provide sample report.</p>
13.12	TEACH Grant	Reporting/Ops	<p>Server shall capture the recipient's teaching location, including the school/local education agency, and State where the recipient is teaching and report only at FSA request. Note-a recipient may be counted more than once if teaching at a different location in subsequent years.</p>	<p>Provide sample report.</p>
13.13	TEACH Grant	Reporting/Ops	<p>Server shall capture the number of recipients by subject taught (i.e. (1) Bilingual education and English language acquisition, (2) Foreign language, (3) Mathematics, (4) Reading specialist, (5) Science, (6) Special and (7) Other high-need field) and report only at FSA request. Note-a recipient may be counted more than once if teaching a different qualifying subject in subsequent years.</p>	<p>Provide sample report.</p>
13.14	TEACH Grant	Reporting/Ops	<p>Server shall capture and report the number of TEACH grant recipients who have requested a period of suspension and report only at FSA request.</p>	<p>Provide sample report.</p>
13.15	TEACH Grant	Reporting/Ops	<p>Server will provide the ability for recipient to access TEACH Grant information electronically.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
13.16	TEACH Grant	Web	<p>Server will allow a recipient to certify intent to satisfy his/her TEACH Grant service obligation(s) via the server website.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>

SCHEDULE Continued

ITEM NO.	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE \$	AMOUNT \$
	<p>Contracting Officer: Karen Gibson, 202-377-4381, karen.gibson@ed.gov</p> <p>Primary Contracting Officer Representative: Tammy Connelly, 202.377.3298, tammy.connelly@ed.gov</p> <p>Alternate Contracting Officer Representative(s): Lynn Smith, 202-377-3577, lynn.smith@ed.gov Patrice Washington, (202) 377-3845, Patrice.Washington@ed.gov</p> <p>Primary Technical Point of Contact: None</p> <p>Alternate Technical Point of Contact(s): None</p>				

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Req.	Category	Sub Category	Requirement / Business Rule Description	Validation Artifact Required
1.0	TEACH Grant	Accept & Process	Service will accept and process TEACH Grant transaction data received from COD.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
1.1	TEACH Grant	Accept & Process	Service will accept TEACH Grant transaction data received in exclusive transmission files using a unique interface ID received from COD.	
1.2	TEACH Grant	Accept & Process	Service will process TEACH Grant transaction data contained in transmission files received from COD.	
1.3	TEACH Grant	Accept & Process	Service will send acknowledgement and error transactions to COD when TEACH Grant transaction data is processed.	
1.4	TEACH Grant	Accept & Process	Service will accept and process amount adjustments and apply disbursement date changes on TEACH Grant disbursements based on disbursement adjustment transactions received from COD.	
2.0	TEACH Grant	Load	Service will load TEACH Grants	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
2.1	TEACH Grant	Load	Service will uniquely identify and track separately TEACH Grants from Direct Loans.	
2.2	TEACH Grant	Load	Service will uniquely identify TEACH Grants while the recipient is in an In School status.	
2.3	TEACH Grant	Load	Service will track TEACH Grants with different separation dates separately.	
2.4	TEACH Grant	Load	Service will assign same interest rate as Direct Unsubsidized Stafford Loans to TEACH Grants based on grant disbursement date.	
2.5	TEACH Grant	Load	Service will accrue "potential" interest from the disbursement date of record for TEACH Grants.	
3.0	TEACH Grant	Service	Service will service TEACH Grants while grant recipients are in school.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.1	TEACH Grant	Service	Service will notify TEACH Grant recipients at least quarterly about the amount of interest that has accrued on their TEACH Grant disbursements and the obligation to repay that interest along with the amount disbursed if they fail to fulfill their teaching obligations.	
3.2	TEACH Grant	Service	Service will calculate interest from the grant disbursement date at the same rate as Direct Unsubsidized Loan.	
3.3	TEACH Grant	Service	Service will NOT accept payments for TEACH Grants while in grant status. If a payment is received during grant status, the payment is returned to the recipient with notification as to why the payment cannot be applied; a TEACH Grant payment cannot be applied to any other loans.	
3.4	TEACH Grant	Service	TEACH Grant refunds shall be included in monthly reconciliation reporting.	
3.5	TEACH Grant	Service	A grant recipient can request a TEACH Grant be converted to a Direct Unsubsidized Loan at anytime.	
3.6	TEACH Grant	Service	Service will service TEACH Grants upon a grant recipient's graduation or separation.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.6.1	TEACH Grant	Service	A TEACH Grant recipient must complete a service obligation for each program of study for which they received a TEACH Grant.	
3.6.2	TEACH Grant	Service	Service will track service obligation periods for each TEACH Grant-eligible program of study (undergraduate versus graduate with different separation dates) separately.	
3.6.3	TEACH Grant	Service	Service will manage the certification process for a grant recipient that has graduated or separated from the TEACH Grant eligible program of study and has not started teaching.	
3.7	TEACH Grant	Service	Grant recipients must certify, within 120 days of completing or otherwise ceasing to be enrolled in the program for which they received a TEACH Grant, that (1) they are performing qualifying teaching service, or (2) they are not yet teaching, but intend to fulfill the service obligation.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.7.1	TEACH Grant	Service	This requirement applies both to students who completed the program as well as to students who left the program before completing it. For students who completed the program for which they received a TEACH Grant, but who have not yet begun teaching, there is a requirement to annually certify their intent to fulfill the service obligation. This annual certification requirement applies only to students who completed the program for which they received a TEACH Grant.	
3.8	TEACH Grant	Service	Service will send a notice to grant recipients 75 days after separation, reminding them to submit the required certification within 45 days (by day 120).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.9	TEACH Grant	Service	For grant recipients who did not complete the program for which they received a TEACH Grant:	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.9.1	TEACH Grant	Service	If the student does not certify that he or she is teaching, or that he/she is not teaching but intends to fulfill the service obligation, another notice will be sent 120 days after separation warning the recipient that the grant will convert to a loan.	
3.9.2	TEACH Grant	Service	If certification has not been received by the 150 th day after separation, the grant will be converted to a loan and a notice will be sent to the borrower.	
3.9.3	TEACH Grant	Service	The servicer must have the capability of adjusting the start date of the 8-year clock for a student if we (FSA) determine that a particular student ceased enrollment in a TEACH-eligible program prior to ceasing enrollment at the school (exception process).	
3.9.4	TEACH Grant	Service	For grant recipients who COMPLETED the program for which a TEACH Grant was received, but have not begun teaching, loan conversion occurs if they do not annually certify their intent to fulfill the service obligation.	
3.10	TEACH Grant	Service	Service will manage the TEACH Grant Certification Process for a recipient that has not started teaching.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.10.1	TEACH Grant	Service	Service will track and store a record of each academic year a TEACH Grant recipient responds to the certification request that they are not yet teaching, but intend to fulfill his/her TEACH Grant service obligations.	
3.10.2	TEACH Grant	Service	If a TEACH Grant recipient graduates, service will send the initial Annual Certification Cover Letter along with the Annual Certification Request Form to the TEACH Grant recipient a minimum of 30 days prior to the certification due date.	
3.10.3	TEACH Grant	Service	Service will send the Annual Certification Request Form to a TEACH Grant recipient annually.	
3.10.4	TEACH Grant	Service	Service will convert a recipient's TEACH Grants into Direct Unsubsidized Loans when no response has been received within 30 days of the date the Final Certification Request is sent. Service will send the TEACH Grant Conversion Confirmation notice to recipient in this event.	
3.10.5	TEACH Grant	Service	Service will send a follow-up certification letter to a TEACH Grant recipient when no response has been received in 30 days or less following the generation of the Annual Certification Request.	
3.10.6	TEACH Grant	Service	Service will send a final certification request to a TEACH Grant recipient when no response has been received in 30 days or less following the generation of the follow-up certification request.	
3-10-7	TEACH Grant	Service	REMOVED	
3.11	TEACH Grant	Service	Service will service TEACH Grants while Recipients are Completing their Service Obligation once employed as a teacher.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps

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3.11.1	TEACH Grant	Service	Service will collect and track annually evidence of teaching for each academic year of service from the grant recipient. The annual certification date will be one year from the recipient's separation date.	
3.11.2	TEACH Grant	Service	Service will track and store the subject(s) a TEACH Grant recipient is teaching (i.e. (1) Bilingual education and English language acquisition; (2) Foreign Language; (3) Mathematics; (4) Reading specialist; (5) Science; (6) Special education; and (7) Any other field that has been identified as high-need by the Federal Government, a State government, or a local education agency (LEA), and approved by the Secretary and listed in the U.S. Department's annual Teacher Shortage Area Nationwide Listing (Nationwide List).	
3.12	TEACH Grant	Service	Upon completion of each academic year of service, the grant recipient must submit certification by a chief administrative officer of the school or educational service agency.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.12.1	TEACH Grant	Service	Grant recipient must serve in a federally designated low-income school. A school qualifies as low-income in subsequent years for the purpose of completing service obligations; if the school that the recipient is teaching at meets the requirements of a low-income school during the first year of employment and fails in subsequent years.	
3.12.2	TEACH Grant	Service	Grant recipient must teach in a high-need field. A field is considered high-need as listed in the Department's annual Teacher Shortage Area Nationwide Listing (Nationwide List)	
3.12.3	TEACH Grant	Service	A grant recipient may satisfy the requirement to teach in a high-need field if he or she (1) teaches in a field designated as high-need in the Nationwide list for the state in which the grant recipient is teaching at the time he or she begins teaching, or (2) beginning with the 2010-2011 school year, teaches in a field that was designated as high-need in the Nationwide List for the state in which the grant recipient is teaching for any award year in which the student received a TEACH Grant, even if the high-need field is no longer designated as high-need for that state when the grant recipient begins teaching.	
3.12.4	TEACH Grant	Service	Grant recipient must serve as a full-time teacher for a total of 4 academic years within an 8 year timeframe.	
3.12.5	TEACH Grant	Service	Grant Recipient is teaching part-time at two qualifying schools during an academic year and can demonstrate that the combined teaching was equivalent of full-time.	
3.12.6	TEACH Grant	Service	Service will count the following situations as a full academic year when considering the completion of TEACH Grant service requirements, if the recipient completes at least one-half of an academic year and the school employer considers the recipient to have fulfilled their contractual obligation for the full academic year, although the recipient is unable to complete the full academic year of teaching because:	
3.12.6.1	TEACH Grant	Service	Of a condition that is a qualifying reason for leave under the Family and Medical Leave Act (FMLA) See 34 CFR 686.40(e)(1)	
3.12.6.2	TEACH Grant	Service	A call or order to active duty status for more than 30 days in connection with a war, military operation, or national emergency.	
3.13	TEACH Grant	Service	Service will adjust a recipient's TEACH Grant Service Obligation Tracking Period End Date by the number of months spent in a Tracking Suspende.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.14	TEACH Grant	Service	When a recipient has completed or separated from their TEACH Grant eligible program, service shall allow a TEACH Grant recipient the ability to suspend the tracking of their eight-year teaching obligation period as a result of one of the following conditions:	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.14.1	TEACH Grant	Service	Enrollment in another TEACH Grant-eligible program (example: graduate program) or enrollment in a program that has been determined by a state to satisfy the requirements for certification/licensure to teach in the state's elementary or secondary schools.	
3.14.2	TEACH Grant	Service	A condition that is a qualifying reason for leave under the Family and Medical Leave Act (FMLA) See 34 CFR 686.40(e)(1)	
3.14.3	TEACH Grant	Service	A call or order to active duty status for more than 30 days in connection with a war, military operation, or national emergency.	
3.15	TEACH Grant	Service	This suspension of tracking the obligation period will be granted in one year increments, but cannot exceed six years (3 years combined for qualifying enrollment/qualifying FMLA, and 3 years for military service). A grant recipient who has completed or who has otherwise ceased enrollment in a TEACH Grant eligible program for which he or she received TEACH Grant funds and has exceeded the maximum three year suspension period allowed for military service may qualify for a proportional discharge of his or her service obligation due to an extended call or order to active duty status. A grant recipient, who meets this condition, must apply for a military discharge in writing.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.15.1	TEACH Grant	Service	The grant recipient must request a suspension of the period for completing the service obligation prior to being subject to any of the conditions that would cause the grant to be converted to a loan.	
3.15.2	TEACH Grant	Service	Service will allow TEACH Grant recipients to suspend tracking of their teaching obligation due to military service for no more than a total of three years (separate from the combined maximum 3-year allowance for enrollment in an eligible program of study or for conditions that qualify for leave under the Family Medical Leave Act (FMLA)).	
3.15.3	TEACH Grant	Service	Service will inform TEACH Grant recipients that tracking of their teaching obligation can be suspended for no more than a total of three years for military service.	
3.15.4	TEACH Grant	Service	Service will require TEACH Grant recipients to request suspension of their teaching obligations, in writing, prior to one of the conditions that could cause their TEACH Grants to be converted into Direct Unsubsidized Loans.	
3.15.5	TEACH Grant	Service	Service will inform TEACH Grant recipients that suspension of their teaching obligations must be requested, in writing, prior to one of the conditions that could cause their TEACH Grants to be converted into Direct Unsubsidized Loans.	
3.15.6	TEACH Grant	Service	Service will suspend the tracking of a recipient's eight-year Service Obligation Tracking Period as a result of an approved Suspension Request (suspension to be granted in 1-year increments).	
3.15.7	TEACH Grant	Service	Service will limit the application of a Suspension to six years (3 years combined for qualifying enrollment/qualifying FMLA, and 3 years for military service).	
3.15.8	TEACH Grant	Service	Service will uniquely identify TEACH Grant recipients who have received a Tracking Suspension.	
3.16	TEACH Grant	Service	Service will evaluate a TEACH Grant recipient's ability to satisfy his/her TEACH Grant service obligations.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.16.1	TEACH Grant	Service	Service will evaluate the TEACH Grant recipient's ability to satisfy his/her TEACH Grant service obligation starting at the beginning of the 5th year from the TEACH Grant Service Obligation Tracking Period Start Date and annually thereafter.	
3.16.2	TEACH Grant	Service	Service will determine whether or not it is possible for a TEACH Grant recipient to satisfy his/her TEACH Grant service obligations prior to reaching the TEACH Grant Service Obligation Tracking Period End Date.	

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3.16.3	TEACH Grant	Service	Certification of a recipient's intent to TEACH will initiate conversion if there is no longer enough time remaining to satisfy the 4 year teaching agreement by the service obligation end date.	
3.16.4	TEACH Grant	Service	Service will convert TEACH Grants into Direct Unsubsidized Loans for a recipient who has been determined to not be able to satisfy his/her TEACH Grant service obligations within the remaining time frame.	
3.17	TEACH Grant	Service	Service will send the TEACH Grant Conversion Confirmation notice to notify a TEACH Grant recipient when his/her TEACH Grants are converted into Direct Unsubsidized Loans.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.18	TEACH Grant	Service	Service will validate a TEACH Grant recipient's teaching service to determine if they have been satisfied according to the Agreement to Serve (ATS).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.19	TEACH Grant	Service	Service will uniquely identify TEACH Grants where the recipient has satisfied his/her TEACH Grant service obligations in accordance with the Agreement to Serve (ATS).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.20	TEACH Grant	Service	Service will confirm that all service requirements have been satisfied for TEACH Grant service obligations. (NO prorated forgiveness will be given as the TEACH Grant recipient is required to meet all TEACH Grant service obligations as outlined in the Agreement to Serve (ATS).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.21	TEACH Grant	Service	Service will conclude certification and tracking activities when a TEACH Grant recipient has satisfied his/her TEACH Grant service obligations.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.22	TEACH Grant	Service	Service will reduce the balance of TEACH Grants to zero when the recipient has satisfied his/her TEACH Grant service obligations in accordance with the Agreement to Serve (ATS). (NO prorated forgiveness will be given as the TEACH Grant recipient is required to meet all TEACH Grant service obligations outlined in the Agreement to Serve (ATS).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.23	TEACH Grant	Service	Upon a recipient's satisfaction of his/her service obligation, the Service will generate a unique financial accounting transaction to FMS to report the reduction of the TEACH Grant balance to zero for the principal and interest amount fields.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.24	TEACH Grant	Service	Service will report TEACH Grants with a satisfied status to NSLDS.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.25	TEACH Grant	Service	Service will send the TEACH Grant Service Obligation Notice-Satisfied Confirmation notice when recipient has satisfied his/her service obligation.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.26	TEACH Grant	Service	Service will send the TEACH Grant Service Obligation Notice-Request for Additional Information notice when additional information is needed to determine if the recipient has satisfied his/her service obligation.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
3.27	TEACH Grant	Service	Service will generate a unique financial accounting transaction to FMS to report the reversal of a TEACH Grant that was previously reported as satisfied to restore the balance for the principal and amount fields.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
4.0	TEACH Grant	Conversion & Un-Conversion	Service will convert TEACH Grants into Direct Unsubsidized Loans.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
4.1	TEACH Grant	Conversion & Un-Conversion	Service will convert a TEACH Grant to a Direct Unsubsidized Loan (TEACH) when a TEACH Grant recipient fails to carry out their service obligations.	
4.2	TEACH Grant	Conversion & Un-Conversion	The sum of the amounts of any TEACH Grants shall be converted to a Direct Unsubsidized Loan subject to repayment including interest accrued from the date of the grant disbursement.	
4.3	TEACH Grant	Conversion & Un-Conversion	Service will convert a TEACH Grant to a Direct Unsubsidized Loan when a grant recipient:	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
4.3.1	TEACH Grant	Conversion & Un-Conversion	Requests conversion	
4.3.2	TEACH Grant	Conversion & Un-Conversion	Fails to certify within 120 days of ceasing enrollment prior to completing the TEACH Grant eligible program.	
4.3.3	TEACH Grant	Conversion & Un-Conversion	Within one year of ceasing enrollment prior to completing the TEACH Grant eligible program has not re-enrolled in a TEACH Grant eligible program, begun creditable teaching service or been determined eligible for a tracking suspension of the eight-year obligation period.	
4.3.4	TEACH Grant	Conversion & Un-Conversion	Completes a TEACH Grant eligible program but fails to certify annually intention to satisfy service agreement.	
4.3.5	TEACH Grant	Conversion & Un-Conversion	Completes a TEACH Grant eligible program but fails to begin or maintain qualified employment within the timeframe to meet the eight-year obligation period	
4.4	TEACH Grant	Conversion & Un-Conversion	Once a TEACH Grant has been converted to a Direct Unsubsidized loan (TEACH), the same business rules for Direct Unsubsidized Loans will apply. When a Direct Unsubsidized Loan (TEACH) becomes greater than 360 days delinquent, the loan shall be transferred to DMCS.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
4.5	TEACH Grant	Conversion & Un-Conversion	A TEACH Grant converted to a Direct Unsubsidized loan can be consolidated. A TEACH Grant in grant status cannot be consolidated.	
4.6	TEACH Grant	Conversion & Un-Conversion	Once a TEACH Grant is converted to a Direct Unsubsidized Loan (TEACH), it cannot be converted back to a grant unless it is an exception granted by FSA. A grant recipient whose TEACH Grant is converted to a loan receives a 6-month grace period before entering repayment.	
4.7	TEACH Grant	Conversion & Un-Conversion	TEACH Grants converted to Direct Unsubsidized Loans (TEACH) shall be serviced as any other Direct Loan	
4.8	TEACH Grant	Conversion & Un-Conversion	TEACH Grants converted to Direct Unsubsidized Loans (TEACH) shall not be included in the borrower's annual loan limit or in the aggregate loan limit.	
4.9	TEACH Grant	Conversion & Un-Conversion	Service will include Direct Unsubsidized Loans (TEACH) in a borrower's total indebtedness when determining repayment plan eligibility and calculating payments.	
4.10	TEACH Grant	Conversion & Un-Conversion	Direct Unsubsidized Loans (TEACH) shall not be considered for the purpose of calculating and applying cohort default rates.	
5.0	TEACH Grant	Payment	Service will apply borrower payments	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
5.1	TEACH Grant	Payment	Service will not apply borrower payments to TEACH Grants and will not apply any payments received specifically directed to a TEACH Grant to any of the recipient's other loans.	
5.2	TEACH Grant	Payment	Service will apply payment received from a Borrower/Recipient who has both TEACH Grants and Loans, and who does not specify or request where to apply the payment, to any existing Loan accounts.	
5.3	TEACH Grant	Payment	Service will exclude TEACH Grants when processing payments via automatic debit.	
5.4	TEACH Grant	Payment	Service will allow borrowers to prepay, will manage any payments that could not be immediately applied to a borrower's/recipient's account, and initiate borrower/recipient refund requests.	
5.5	TEACH Grant	Payment	If a payment is received, specifically directed to a TEACH Grant, Service will refund the payment and send a letter informing the recipient that payments cannot be applied to TEACH Grants. The letter should also describe the option of converting the grant to a loan, the consequences of doing so, and the actions the recipient must take in order for the conversion to take place.	
5.6	TEACH Grant	Payment	Service will not process cash cancellations on TEACH grants. See requirement 5.5 for handling of TEACH grant payments.	
5.7	TEACH Grant	Payment	Removed	
6.0	TEACH Grant	Discharge	Service will discharge TEACH Grant obligations	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps

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6.1	TEACH Grant	Discharge	If the recipient becomes disabled.	
6.2	TEACH Grant	Discharge	In the event of the grant recipient's death	
6.3	TEACH Grant	Discharge	Based on qualifying active duty military service in excess of the maximum three year suspension period	
6.3.1	TEACH Grant	Discharge	A grant recipient may receive a one year discharge of his or her service obligation if a call or order to active duty status is for more than three years; two-year discharge of his or her service obligation if a call or order to active duty status is for more than four years; three-year discharge of his or her service obligation if a call or order to active duty status is more than five years; or full discharge of his or her service obligation if a call or order to active duty status is more than six years.	
6.3.2	TEACH Grant	Discharge	A grant recipient must provide a written statement from the commanding or personnel officer certifying that the grant recipient is on active duty in the Armed Forces of the United States; date which the grant recipient's service began and expected to end; or a copy of the grant recipient's official military orders and copy of the grant recipient's military identification.	
6.3.3	TEACH Grant	Discharge	Based on a request for a military discharge, the servicer notifies the grant recipient of the outcome of the discharge request. For the portion on the service obligation that remains, the grant recipient remains responsible for fulfilling his or her service obligation.	
6.4	TEACH Grant	Discharge	Servicer will discharge TEACH grant upon fulfillment of service obligation.	
6.5	TEACH Grant	Discharge	Servicer will distinguish the 4 Teach grant discharge types on borrower accounts on their servicing system. 1-fulfillment of service obligation 2-death 3-disability, and 4-military service (full discharge or partial discharge that results in fulfillment of service obligation)	
7.0	TEACH Grant	Accounting	Servicer will provide financial reporting to FMS	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
7.1	TEACH Grant	Accounting	Servicer will provide financial reporting to FMS by uniquely identifying TEACH Grants via the Credit Reform Code.	
7.2	TEACH Grant	Accounting	Servicer will report TEACH Grant disbursements and adjustments and potential interest that accrues to FMS during in school status.	
7.3	TEACH Grant	Accounting	Servicer will store all disbursement adjustment amounts applied due to adjustments from COD for TEACH Grants.	
7.4	TEACH Grant	Accounting	REMOVED	
7.5	TEACH Grant	Accounting	Servicer will send a separate transaction to FMS to report interest accrued at the time an applied booking transaction is processed on a borrower account when the effective date of the disbursement is prior to the accrued through date on the servicing system for TEACH Grants.	
7.6	TEACH Grant	Accounting	Servicer will send a separate transaction to FMS to report accrued interest associated with the posting of a disbursement transaction to a borrower account (if applicable) for all TEACH Grants.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
7.6.1	TEACH Grant	Accounting	Servicer will establish processes to correctly record all transactions on their database and to post summary transactions to FMS on the same business day they are generated for all TEACH Grant activity.	
7.6.2	TEACH Grant	Accounting	Servicer will ensure every financial transaction that can be applied on TEACH Grants on their system is mapped to a corresponding FMS summary transaction code.	
7.6.3	TEACH Grant	Accounting	Servicer will ensure that all servicer transactions for all TEACH Grant activity are accurately translated (mapped) from the Servicer's subsidiary ledger to FMS.	
7.6.4	TEACH Grant	Accounting	Servicer will ensure every financial transaction posted on TEACH Grant recipient accounts on their system shall also be sent as equivalent FMS summary transactions in the same day's G/L summary file for posting in FMS.	
7.6.5	TEACH Grant	Accounting	Servicer will provide an audit trail that efficiently links their detailed transactions in the subsidiary ledger to summarized transactions in FSA's general ledger for all TEACH Grant activity.	
7.6.6	TEACH Grant	Accounting	Servicer will ensure that all servicer transactions and FMS summary transactions for all TEACH Grant activity include all fields as required by FMS and all amounts applicable to each transaction type.	
7.6.7	TEACH Grant	Accounting	Servicer will send financial data to FMS on a daily, weekly (if applicable) and monthly basis for all daily, weekly, and monthly activity that is posted on the servicing system for all TEACH Grant activity.	
7.6.8	TEACH Grant	Accounting	Servicer will use FSA's secure SAIG mailbox to send daily, weekly, and monthly files containing TEACH Grant activity to FMS for processing.	
7.6.9	TEACH Grant	Accounting	Servicer will use the FMS G/L Summary File crosswalk mapping that will be provided by FSA CFO FMS for sending TEACH Grant activity to FMS.	
7.6.10	TEACH Grant	Accounting	Servicer will, on a daily basis, reconcile all daily posting activity at the detail servicing transaction code level to the FMS summary transactions being sent to FMS in the G/L summary file for TEACH Grants.	
7.6.11	TEACH Grant	Accounting	Servicer shall perform a monthly reconciliation between Servicing Trial Balance by Portfolio and FMS trial balance for each individual balance sheet account (balances and activity) for all TEACH Grants.	
7.6.12	TEACH Grant	Accounting	Servicer will ensure TEACH Grants and TEACH Grants that have been converted to Direct Unsubsidized Loans will be reported separately.	
7.6.13	TEACH Grant	Accounting	Servicer will produce daily cumulative Work in Process reporting by interfacing system/source and by Loan Program for all financial activity associated with TEACH Grants.	
7.6.14	TEACH Grant	Accounting	Servicer will produce daily summary posting reports at the internal transaction code level and at the FMS summary transaction code level by interfacing system/source and by loan Program for all financial transaction activity that is applied to borrower accounts on TEACH Grants and sent to FMS in the daily G/L summary file.	
7.6.15	TEACH Grant	Accounting	Servicer will produce monthly summary posting reports at the internal transaction code level and at the FMS summary transaction code level by interfacing system/source and by Loan Program for all financial transaction activity that was applied to borrower accounts on TEACH Grants within each month, including all interest accruals.	

7.70	TEACH Grant	Accounting	<p>Servicer will send to FMS both the TGCONV and TLCONV transactions upon conversion of teach grants to teach loans. Upon conversion from Grant to Loan the transactions sent are TGCONV for negative PBO_AMT and IRB_AMT for exact outstanding loan balance at the time of conversion to reduce the Teach Grant balance to \$0 (with Loan Program TPG) and equal and offsetting TLCONV for positive PBO_AMT and IRB_AMT to reinstate the same exact balances as a Teach Loan with Loan Program TPL. These offsetting portfolio balance changes must be simultaneous (cannot have balances in both statuses at the same time on the servicing system) and the transactions must be reported to FMS at the same time. The same for conversion reversals. Upon conversion from Loan to Grant the transactions sent are TLCONV for negative PBO_AMT and IRB_AMT for exact outstanding loan balance at the time of conversion to reduce the Teach Loan balance to \$0 (with Loan Program TPL) and equal and offsetting TGCONV for positive PBO_AMT and IRB_AMT to reinstate the same exact loan balances as a Grant with Loan Program TPG. These offsetting transactions must be reported to FMS at the same time.</p>	
7.80	TEACH Grant	Accounting	<p>Servicer will accept disbursement adjustments received on manual spreadsheets from FSA as determined by and/or verified by COD for adjustments on Teach Grants that have been identified during audits or by COD during post year close out activities.</p>	
7.90	TEACH Grant	Accounting	<p>Servicer will accept disbursement adjustments from COD for Teach Grants after the Grants were converted to Teach Loans and those loans have been transferred to other servicers. Servicer will follow the existing manual spreadsheet process for sending the adjustments on to other servicers via FSA.</p>	
7.10	TEACH Grant	Accounting	<p>Servicer will accept disbursement adjustments from COD for Teach Grants that have been converted to Teach Loans. COD is unaware when a Teach Grant has been converted to a Teach Loan and COD has no requirement for accepting or retaining this information from the Servicer. Servicer will accept disbursement adjustments as Loan Program TPG but will process the disbursement adjustment transactions to Loan Program TPL or will process the disbursement adjustment to Loan Program TPG and convert the balance to Loan Program TPL.</p>	
7.11	TEACH Grant	Accounting	<p>Servicer will process subsequent disbursements and new disbursements for borrowers under loan program TPG only. The Servicer will not send teach loan TPL DISBUR transactions to FMS.</p>	
7.12	TEACH Grant	Accounting	<p>Servicer will submit a COD to FMS reconciliation for teach grants separate from the COD to FMS reconciliation for direct loans that is currently performed for direct loans received from COD.</p>	
7.13	TEACH Grant	Accounting	<p>Servicer will submit to FMS the DSBADT transaction when DMCS informs the servicer of a teach grant overpayment that was set up in DMCS and the servicer has adjusted the teach grant or teach loan balances. The servicer will reduce the disbursement amount by the overpayment amount being serviced by DMCS and adjust accrued interest accordingly and submit the DSBADT transaction to FMS for this principal and interest activity.</p>	
7.14	TEACH Grant	Accounting	<p>Servicer will not send to FMS the STATCG transaction as this transaction is to record default status changes on servicing systems that service both defaulted and non-defaulted loans for which none yet exist.</p>	
7.15	TEACH Grant	Accounting	<p>Servicer will include loan program TPG and fund 4290XNY activity for teach grants in all existing reconciliations.</p>	
7.16	TEACH Grant	Accounting	<p>Servicer will include loan program TPG transactions and teach grants received from COD in all system balancing reporting. The Servicer will address system balancing issues by identifying equal and offsetting variances in the system balancing for DSBADJ transactions received as loan program TPG and applied and reported to FMS as loan program TPL or as manually transferred out with loan program TPL.</p>	
7.17	TEACH Grant	Accounting	<p>Servicer will send loan program TPG DISBUR and DSBADJ transactions to FMS for teach grant disbursements and disbursement adjustments respectively received from COD. Servicer will adjust accrued interest on the Teach Grant to align with an adjustment (reducing interest for a downward adjustment and increasing interest for an upward adjustment) and report to FMS as INTACC for IRB_AMT. The Servicer will report the accrued potential interest on Teach Grants to FMS by sending the INTACC transaction under loan program TPG.</p>	
7.18	TEACH Grant	Accounting	<p>Servicer will send the WRTOFF transactions for PBO_AMT and IRB_AMT to FMS under Loan Program TPG to report the 4 types of teach grant discharges.</p>	
8.0	TEACH Grant	Federal Transfers	<p>Servicer will receive the Federal Servicer Loan Transfer File TEACH Grant Record (Record 19 and Record 20) data elements (TEACH Grant Records to Loan Transfer Files) in accordance with the Loan Transfer File Layout Version 4.0 use instructions, applicable data field conditional requirements, valid values, formats, and definitions.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
9.0	TEACH Grant	Consolidation	<p>Servicer will certify loan payoff information required for Loan Verification Certification (LVC) requests, excluding TEACH Grants.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
10.0	TEACH Grant	TPD	<p>After 7/1/2013, the TEACH Servicer will refer all TPD inquiries to the TPD servicer. Upon receipt of a Lender Notification (LN) from the the TPD servicer that a TEACH Grant recipient intends to apply for TPD discharge, the TEACH Servicer will apply a 120-day suspension on Grant activity.</p>	<p>Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps</p>
10.1	TEACH Grant	TPD	<p>Upon receipt of a Lender Notification (LN) from the the TPD servicer that a TEACH Grant recipient has applied for TPD discharge, the TEACH Servicer will apply a suspension on Grant activity until notified of the outcome of the recipient's TPD application.</p>	
10.1.1	TEACH Grant	TPD	<p>Servicer will leave TEACH Grant borrowers that are suspended due to a request for disability discharge in a TEACH Grant status, and will uniquely identify these accounts as suspended due to a request for disability. The Servicer will no longer send any communication to the borrower once a TEACH Grant is placed in suspense due to a request for disability discharge.</p>	
10.2	TEACH Grant	TPD	<p>Servicer will resume active TEACH Grant servicing if notified by the TPD servicer that the application for TPD discharge was not approved.</p>	
10.3	TEACH Grant	TPD	<p>When notified via an updated LN by the TPD servicer of the discharge approval, the servicer will send Grant information to the TPD servicer via spreadsheet. The TPD servicer will perform all communications with the TEACH recipient whose service obligation is discharged due to disability throughout the 3-year post-discharge monitoring period.</p>	
10.4	TEACH Grant	TPD	<p>Effective the date of notification of the discharge approval, the servicer will not transfer the discharged Grant via the EA27, but retain the Grant and write the balance down to zero.</p>	
10.4.1	TEACH Grant	TPD	<p>Servicer will complete the FMS reporting of the TEACH Grant to show as written off (WRTOFF) once approved for TPD discharge.</p>	
10.4.2	TEACH Grant	TPD	<p>Servicer will report the TEACH Grant to NSLDS as discharged due to TPD.</p>	
10.5	TEACH Grant	TPD	<p>Servicer will accept any COD adjustments on the TEACH Grant during the 3-year post-discharge monitoring period.</p>	

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10.6	TEACH Grant	TPD	<p>Servicer will resume active TEACH Grant servicing if notified by the TPD servicer that the TEACH Grant service obligation should be reinstated at any time during the 3-year post discharge monitoring period.</p> <p>i. The servicer will resume TEACH Grant servicing effective the date of the notification</p> <p>ii. The servicer will reverse the write-off to reinstate the balance. This reversal will report to FMS as a WRTOFF to offset the original write off.</p> <p>iii. The servicer will ensure no interest accrual applies during the period it was suspended due to TPD discharge.</p> <p>iv. The servicer will resume communications with the TEACH Grant recipient, including interest statements, service obligation period remaining, etc.</p> <p>v. The servicer will complete the needed NSLDS reporting to show the TEACH Grant was reinstated.</p>	
11.0	TEACH Grant	DMCS	<p>Servicer will receive notification from DMCS when a TEACH Grant POVR or a TEACH Grant POVR adjustment is received by DMCS.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
11.1	TEACH Grant	DMCS	<p>Servicer will receive the amount of the overpayment along with the Loan/Award ID and recipient's SSN in the notification from DMCS for a TEACH Grant POVR that is received by DMCS.</p>	
11.2	TEACH Grant	DMCS	<p>Servicer will receive the amount of the overpayment adjustment along with the Loan/Award ID and recipient's SSN in the notification from DMCS for a TEACH Grant POVR that is received by DMCS.</p>	
11.3	TEACH Grant	DMCS/Accounting	<p>Servicer will apply financial adjustments to TEACH Grants for TEACH Grant POVR activity received from DMCS.</p>	
11.4	TEACH Grant	DMCS/Accounting	<p>Servicer will adjust the TEACH Grant balance downward by the amount of a TEACH Grant POVR as reported by DMCS.</p>	
11.5	TEACH Grant	DMCS/Accounting	<p>Servicer will adjust the TEACH Grant balance upward or downward by the amount of a TEACH Grant POVR adjustment as reported by DMCS.</p>	
11.6	TEACH Grant	DMCS/Accounting	<p>Servicer will use a unique, non-cash adjustment transaction different from a disbursement adjustment transaction (to distinguish receipt from a non-originating source) when adjusting a TEACH Grant balance based on a TEACH Grant POVR or TEACH Grant POVR adjustment.</p>	
11.7	TEACH Grant	DMCS/Accounting	<p>Servicer will use a unique, non-cash adjustment reversal transaction when reversing adjustments that were applied to a TEACH Grant based on a TEACH Grant POVR or TEACH Grant POVR adjustment.</p>	
11.8	TEACH Grant	DMCS/Accounting	<p>Servicer will report financial adjustments applied to TEACH Grants based on TEACH Grant POVR activity received from DMCS.</p>	
11.9	TEACH Grant	DMCS/Accounting	<p>Servicer will provide financial reporting to FMS upon the processing of an adjustment or adjustment reversal to a TEACH Grant due to a TEACH Grant POVR/POVR reversal.</p>	
11.10	TEACH Grant	DMCS/Accounting	<p>Servicer will provide system balancing reporting upon the receipt of TEACH Grant POVR activity from DMCS.</p>	
12.0	TEACH Grant	Correspondence	<p>Servicer will create TEACH correspondence</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.1	TEACH Grant	Correspondence	<p>Servicer will provide the ability to regenerate on-demand, any notice that has been previously generated to a TEACH Grant borrower.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.2	TEACH Grant	Correspondence	<p>Servicer will send correspondence to inform a borrower/recipient of the discharge of his or her student loan(s)/TEACH Grant(s).</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.3	TEACH Grant	Correspondence	<p>The Notice of Loan/TEACH Grant Discharge correspondence will be sent when a borrower's /recipient's loan is discharged.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.4	TEACH Grant	Correspondence	<p>The Notice of Loan/TEACH Grant Discharge correspondence will be sent to inform a deceased recipient's/borrower's estate that the borrower's/recipient's loans have been discharged.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.5	TEACH Grant	Correspondence	<p>Servicer will generate/send the Notice of Incomplete or Missing Documents when a loan/TEACH Grant holder submits a loan/TEACH Grant for disability discharge with incomplete or missing documentation.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.6	TEACH Grant	Correspondence	<p>Servicer will generate, send, and provide electronically upon request the TEACH Grant Welcome Correspondence to TEACH Grant recipients.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.7	TEACH Grant	Correspondence	<p>Servicer will supply the following financial information on initial and subsequent TEACH Grant Welcome Correspondence: School, Disbursement Amount, Most Recent Date Disbursed, Potential Fixed Interest Rate, and adjustment activity from the receipt of the disbursement until it is generated.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.8	TEACH Grant	Correspondence	<p>Servicer will include text on the TEACH Grant Welcome Correspondence that will advise TEACH Grant recipients of their teaching obligations and provide them with general TEACH Grant Program information along with contact information.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.9	TEACH Grant	Correspondence	<p>Servicer will generate the TEACH Grant Welcome Correspondence when a new disbursement for a new TEACH Grant is received by the servicer, following the servicer's receipt of the disbursement activity, and when a subsequent disbursement for an existing TEACH Grant is received.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.10	TEACH Grant	Correspondence	<p>Servicer will generate and send the TEACH Grant Disbursement Adjustment Made Correspondence to TEACH Grant recipient.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.11	TEACH Grant	Correspondence	<p>Servicer will generate and send the TEACH Grant Disbursement Date Change Correspondence to TEACH Grant recipients.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.12	TEACH Grant	Correspondence	<p>Servicer will send the Annual Certification Request Form to TEACH Grant recipients.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.13	TEACH Grant	Correspondence	<p>For grant recipients who did not complete the program for which they received a TEACH Grant: If the recipient does not certify that he or she is teaching, or that he or she is not teaching but intends to fulfill the service obligation, another notice will be sent 120 days after separation warning the recipient that the grant will convert to a loan.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.14	TEACH Grant	Correspondence	<p>For grant recipients who did not complete the program for which they received a TEACH Grant: If certification has not been received by the 150th day after separation, the grant will be converted to a loan and a notice will be sent to the borrower.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.15	TEACH Grant	Correspondence	<p>Servicer will send the Consequence-Failure to Reaffirm Loan(s)/TEACH Grant(s) discharged in Disability correspondence to inform the borrower/recipient of the consequences of failing to reaffirm a loan/TEACH Grant discharged in disability.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.16	TEACH Grant	Correspondence	<p>Servicer will send the Annual Certification Request for Additional Information notice to TEACH Grant recipients when an annual certification has been denied and/or when additional information is needed to determine if a recipient met his/her obligations for the annual certification.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
12.17	TEACH Grant	Correspondence	<p>Servicer will send the TEACH Grant Interest Notice correspondence to notify the recipient of the total potential interest that has accrued from the date of disbursement at quarter end, and list the TEACH Grant activity on the recipient's account during that quarter.</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
13.0	TEACH Grant	Reporting/NSLDS	Removed	
13.1	TEACH Grant	Reporting/NSLDS	Removed	
13.2	TEACH Grant	Reporting/NSLDS	<p>Servicer will report loan/TEACH Grant portfolio data to NSLDS in accordance with the most current version of the Federal Loan Servicer Data Provider Instructions (DPI).</p>	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps

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13.3	TEACH Grant	Reporting/NSLDS	Servicer will report to NSLDS when TEACH Grants have been converted into Direct Unsubsidized Loans in accordance with the most current Federal Loan Servicer Data Provider Instruction (DPI).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
13.4	TEACH Grant	Reporting/NSLDS	Servicer will report to NSLDS when TEACH Grants that have been converted to Direct Unsubsidized Loans are un-converted back into TEACH Grants in accordance with the most current Federal Loan Servicer Data Provider Instructions (DPI).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
13.5	TEACH Grant	Reporting/NSLDS	Servicer will report on Direct Loans and TEACH Grants in its portfolio until those Direct Loans and TEACH Grants are closed or transferred to another party and such information has been accepted by NSLDS in accordance with the Federal Loan Servicer Data Provider Instructions (DPI).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
13.6	TEACH Grant	Reporting/NSLDS	Servicer will report to NSLDS when TEACH Grants have been reinstated from TPD in accordance with the most current Federal Loan Servicer Data Provider Instructions (DPI).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
13.7	TEACH Grant	Reporting/NSLDS	Servicer will report to NSLDS when TEACH Grants that have been converted to Direct Unsubsidized Loans have been reinstated from TPD in accordance with the most current Federal Loan Servicer Data Provider Instructions (DPI).	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
13.8	TEACH Grant	Reporting/Ops	Servicer shall capture and report the total number of TEACH grants to the Department on a monthly basis and ad hoc as requested by FSA.	Provide sample report.
13.9	TEACH Grant	Reporting/Ops	Servicer shall capture and report the total number of TEACH grant recipients to the Department on a monthly basis and ad hoc as requested by FSA.	Provide sample report.
13.10	TEACH Grant	Reporting/Ops	Servicer shall capture and report the total number of TEACH grants converted to loans to the Department on a monthly basis and ad hoc as requested by FSA.	Provide sample report.
13.11	TEACH Grant	Reporting/Ops	Servicer shall capture and report the total number of TEACH loan borrowers to the Department on a monthly basis and ad hoc as requested by FSA.	Provide sample report.
13.12	TEACH Grant	Reporting/Ops	Servicer shall capture and report the duration of service completed (0,1,2, 3, or 4 years) for all TEACH grant recipients to the Department on a monthly basis and ad hoc as requested by FSA. A recipient may be counted more than once if has more than one award.	Provide sample report.
13.13	TEACH Grant	Reporting/Ops	Servicer shall capture the recipient's teaching location, including the school/local education agency, and State where the recipient is teaching and report only at FSA request. Note--a recipient may be counted more than once if teaching at a different location in subsequent years.	Provide sample report.
13.14	TEACH Grant	Reporting/Ops	Servicer shall capture the number of recipients by subject taught (i.e. (1) Bilingual education and English language acquisition; (2) Foreign Language; (3) Mathematics; (4) Reading specialist; (5) Science; (6) Special and (7) Other high-need field) and report only at FSA request. Note--a recipient may be counted more than once if teaching a different qualifying subject in subsequent years.	Provide sample report.
13.15	TEACH Grant	Reporting/Ops	Servicer shall capture and report the number of TEACH grant recipients who have requested a period of suspension and report only at FSA request.	Provide sample report.
14.0	TEACH Grant	Web	Servicer will provide the ability for recipient to access TEACH Grant information electronically.	Provide correspondence, screen shots, or website display as applicable to demonstrate sequence of events and processing steps
14.1	TEACH Grant	Web	Servicer will allow a recipient to certify intent to satisfy his/her TEACH Grant service obligation(s) via the servicer website.	