

Chapter 2

TEACH Grant Counseling, and the Agreement to Serve or Repay

Before receiving a TEACH Grant, a student must first complete counseling and then sign an Agreement to Serve or Repay. TEACH Grant recipients must also complete counseling before they cease attendance at the school where they received their grants. We describe these requirements in the sections that follow.

TEACH Grant counseling

Initial and subsequent counseling

Schools must ensure that all students who have requested TEACH Grants complete initial counseling before they receive their first grant and subsequent counseling before they receive each subsequent TEACH Grant. [TEACH Grant initial and subsequent counseling](#) must be completed on the Department's [StudentAid.gov](#) website. Because the information provided in initial counseling and subsequent counseling is similar, there is a single online counseling session that covers both counseling types.

Initial and subsequent counseling explain the terms and conditions of the TEACH Grant service obligation and emphasize that if the grant recipient fails to complete the service obligation, all TEACH Grants they received will be converted to Direct Unsubsidized Loans that must be repaid in full, with interest charged from the disbursement date of each grant. Students are required to complete initial and subsequent counseling before they can sign and submit the TEACH Grant Agreement to Serve or Repay.

Exit counseling

Schools that participate in the TEACH Grant Program must also ensure that all grant recipients complete exit counseling before they cease enrollment at the school where they received TEACH Grants, at a time determined by the school. Schools may provide the exit counseling themselves or may require grant recipients to complete [TEACH Grant exit counseling](#) on the StudentAid.gov site.

TEACH Grant Exit Counseling explains the terms and conditions of the TEACH Grant service obligation, the circumstances under which a TEACH Grant will be converted to a Direct Unsubsidized Loan, and the grant recipient's responsibility for repayment if their TEACH Grants are converted to loans.

If a TEACH Grant recipient withdraws without the school's knowledge or fails to complete exit counseling as required, exit counseling must be provided either in person, through interactive electronic means, or by mailing written counseling materials to the student's last known address within 30 days after the school learns of the withdrawal or failure to complete exit counseling. The requirement to mail written counseling materials can be met by mailing the [TEACH Grant Exit Counseling Guide](#) or sending the student a **direct link** to the counseling guide.

Schools that choose to provide TEACH Grant exit counseling themselves must ensure that the counseling covers all the information required by the TEACH Grant exit counseling regulations (see the regulatory citations below).

TEACH Grant counseling requirements

[34 CFR 686.32\(a\)](#) (initial counseling)

[34 CFR 686.32\(b\)](#) (subsequent counseling)

[34 CFR 686.32\(c\)](#) (exit counseling)

Notification of completed counseling

Schools receive a TEACH Grant Counseling Response from the Common Origination and Disbursement (COD) System when a TEACH Grant recipient has completed TEACH Grant counseling on StudentAid.gov. The counseling type field in the response will indicate the type of counseling (initial/subsequent or exit) that the student completed.

Agreement to Serve or Repay

To receive a TEACH Grant, a student must complete and submit a Free Application for Federal Student Aid (FAFSA) form, complete required counseling, and sign an Agreement to Serve or Repay (Agreement). A student must sign a new Agreement each award year before receiving the first disbursement of a TEACH Grant. Students must complete the Agreement online at [TEACH Grant Program | Federal Student Aid](#).

As explained earlier in the chapter, a student must complete TEACH Grant initial and subsequent counseling before they can sign and submit the Agreement. Schools receive a response from the COD System once a student has completed an Agreement on StudentAid.gov.

The Agreement explains that as a condition for receiving a TEACH Grant, the student must agree to:

- Serve as a full-time teacher for a total of at least four elementary or secondary school years at a school or educational service agency (see below) that serves low-income students (qualifying schools and educational service agencies are listed in the Department's [Teacher Cancellation Low-Income Directory](#));
- Meet all state certification requirements for teaching in the state where the grant recipient teaches (this may include meeting the requirements through certification obtained through alternate routes to teaching);
- Teach (in the majority of classes) in a high-need field; and
- Complete the required four years of teaching within eight years after the student graduates from or otherwise ceases to be enrolled at the institution of higher education where they received their TEACH Grants.

An educational service agency is a regional, public multi-service agency authorized by state law to develop, manage, and provide services or programs to local educational agencies.

The Agreement further explains that if the student does not meet the terms and conditions of the TEACH Grant service obligation, all TEACH Grants the student received will be converted to Direct Unsubsidized Loans that must be repaid in full, with interest charged from the date that each TEACH Grant was disbursed. If a grant recipient's TEACH Grants are converted to loans, the Department offers [TEACH Grant conversion counseling](#) on StudentAid.gov that explains the terms and conditions that apply to the loan, how the new loan affects the student's overall loan balance, and options available to help with repayment.

The Agreement describes in detail the terms and conditions of the TEACH Grant service obligation, including the conditions under which the eight-year period for completing the required four years of teaching may be temporarily suspended, and the conditions under which a TEACH Grant that has been converted to a Direct Unsubsidized Loan may be changed back to a TEACH Grant. It also explains that if a TEACH Grant recipient decides not to teach in a qualified school or field or for any other reason no longer intends to satisfy the service obligation, they can avoid further interest accrual by requesting that the U.S. Department of Education (the Department) convert their TEACH Grants to Direct Unsubsidized Loans that they can begin repaying immediately.

A TEACH Grant recipient must complete one four-year service obligation for all TEACH Grants received for undergraduate study, and one four-year service obligation for all TEACH Grants received for graduate study. This means that a student who receives TEACH Grants for an undergraduate program and then later receives additional TEACH Grants for a master's degree program has two separate four-year service obligations. However (as explained in the Agreement, with examples), in some cases the same teaching service may count toward satisfying more than one service obligation. For more detail on the requirements of the TEACH Grant service obligation, refer to the Agreement (see the link below).

Agreement to Serve or Repay

[34 CFR 686.12](#)

[TEACH Grant Agreement to Serve or Repay | Federal Student Aid](#) (read-only version of Agreement to Serve or Repay)

[34 CFR 686.32\(e\)](#) (conversion counseling)

[34 CFR 686.43](#) (obligation to repay the grant)