PHYSICAL EDUCATION COACHING SCHOLARSHIP LOAN PROGRAM (PEC)

LOAN FORGIVENESS

The Physical Education-Coaching Scholarship Loan Program was established by the North Carolina General Assembly in 2005 to provide financial assistance in the form of a forgivable loan to North Carolina students pursuing baccalaureate degrees to teach and coach in North Carolina Public Schools.

A recipient who graduates from the PEC program and secures a qualifying position may apply to repay the loan through loan forgiveness. The NCSEAA shall forgive one academic year of funding for each year of full-time qualified employment. A recipient must complete loan forgiveness within five (5) years of graduation, excluding periods of approved deferments. All worksites must be approved by the NCSEAA.

A recipient who does not successfully complete the program will be required to repay the loan in cash, which includes a 10% interest rate beginning ninety (90) days after graduation. For additional instructions on cash repayment click on the Cash Repayment link.

How to apply for loan forgiveness.

In order to qualify for loan forgiveness, you must first successfully complete the program, obtain licensure from the North Carolina Department of Public Instruction, and secure full-time employment in a qualified position. To apply for loan forgiveness you must follow the steps out-lined below. You are responsible for submitting the appropriate forms to the NCSEAA on time.

1. Submit verification of graduation to the NCSEAA.
2. Notify the NCSEAA of your intent to repay through loan forgiveness within 90 days of graduation.
3. Obtain teacher licensure from the North Carolina Department of Public Instruction.
4. Secure a qualified position.
5. Complete a Loan Forgiveness Application form and return it to the NCSEAA for approval.

What is a qualified position? Am I required to work in a designated shortage area in North Carolina?

The purpose of the PEC loan program is to increase the number of qualified teacher-coaches available to the public schools in North Carolina. You must teach and coach full-time in a North Carolina public school in order to qualify for loan forgiveness.
**What forms do I submit to the NCSEAA?**

Once you are licensed by the North Carolina Department of Public Instruction and secure employment in a qualifying position, you must submit a [Loan Forgiveness Application](#) form to the NCSEAA for approval.

**How long must I work to fulfill my loan obligation?**

For each year of qualifying employment completed, the NCSEAA will forgive one year of funding, plus any accrued interest. Credit for loan forgiveness is approved annually by the NCSEAA at the end of each year of employment. You must complete your loan forgiveness obligation within five (5) years of graduation from the PEC loan program.

**What if I change my worksite?**

If there is a worksite change before you complete your obligation, you must seek approval from the NCSEAA prior to the change to ensure that the new site qualifies for loan forgiveness. Should you have a break in employment prior to completing your obligation, you should notify the NCSEAA immediately of the status change.

**What if I have a break in employment?**

If you have a break in employment prior to the completion of your obligation to the State of North Carolina, you may be eligible to postpone or defer payments. To apply for deferment, you must submit a [Postponement Request Form](#) to the NCSEAA for approval. Eligible deferments include: personal illness, family medical leave, full-time student enrollment, and unemployment.

**What happens if I cannot fulfill my loan forgiveness obligation?**

You made a commitment to repay this loan when you signed the promissory note accepting education funding from the NCSEAA. If you cannot repay the loan through loan forgiveness, then you must repay it in cash within ten (10) years of graduation or withdrawal from the PEC program. For additional instructions on cash repayment, click on the [Cash Repayment](#) link.

**Whom should I contact if I have additional questions concerning loan forgiveness?**

Additional information is available in the [PEC Rules and Regulations](#) or you may contact Repayment Services staff at [Contact Us](#) between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

[PEC REPAYMENT HOME](#)