PROSPECTIVE TEACHER SCHOLARSHIP LOAN (PTSL)

LOAN FORGIVENESS

The Prospective Teacher Scholarship Loan program was transferred from the Department of Public Instruction to the NCSEAA in 2005, effective January 1, 2006, to provide financial assistance in the form of a forgivable loan to North Carolina students pursuing college degrees to teach in North Carolina public schools.

A recipient who graduates or completes the PTSL and secures a qualifying position may apply to repay the loan obligation 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 seven (7) years of graduation, excluding periods of approved deferments. All worksites must be approved by the NCSEAA.

A recipient who does not qualify for loan forgiveness will be required to repay the loan in cash, which includes a 10% interest rate. 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 graduate from a teacher education program, obtain licensure to teach from the North Carolina Department of Public Instruction, and secure a qualified position as a teacher, (or special services professional if funded during 2005/2006 and prior), in North Carolina. 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 licensure from the North Carolina Department of Public Instruction.
4. Secure a full-time qualified position in North Carolina.
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 PTSL program is to increase the number of qualified educators available to the public schools in the State of North Carolina. Therefore, you must teach full-time in a North Carolina Public School, charter school, or school operated by the United States government in North Carolina in order to qualify for loan forgiveness.

A borrower who was funded during 2005/2006 and prior as a special services professional must also work full-time in a public school in North Carolina.

**What is a special services professional?**

A special services professional is a psychologist, counselor, speech-language specialist, or audiologist funded by the PTSL program to work full-time in the public schools in North Carolina. All worksites must be approved by the NCSEAA.

**What forms do I submit to the NCSEAA?**

Once you are licensed by the North Carolina Department of Public Instruction and obtain 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?**

You must work one year as a full-time teacher in a North Carolina public school for each year of funding received through the PTSL program. You must complete your loan forgiveness obligation within seven (7) years of graduation from the PTSL program.

**What if I change my work site?**

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