



## **Loan Cancellation, Low-Income Schools – Frequently Asked Questions**

### **Do I need to work at the same Low-Income school for five consecutive years to qualify for the Loan Forgiveness Program?**

It is not necessary to work at the same low-income school to qualify for the loan forgiveness program. The requirements are five years of full-time teaching, without a break in service, at a designated low-income school.

### **How do I know if I qualify for the Teacher Loan Forgiveness Program?**

To qualify for the Teacher Loan Forgiveness Program you must work full-time for five consecutive years at a designated Low-Income school. The Federal guidelines, Low-Income School Search, and How to Apply, including the application, are located on the [Federal Student Aid Web Site](#).

### **Why isn't my school on the state's Low-Income school list this year but it qualified last year?**

Based on the data officially reported to the PA Department of Education, the school did not meet the low-income requirements. For public institutions, data is collected in the PIMS October 1 Student snapshot. For private institutions, data is collected in the Private and Nonpublic Enrollment (PNPE) each fall. For a school to be placed on the Low-Income School list, 30.1% or more of the student population must meet the Low-Income Definition.

### **Who can answer my questions regarding my Teacher Loan Forgiveness Application?**

Contact your lender for assistance with the Teacher Loan Forgiveness Application. The Federal Student Aid on the Web provides directions for completing the [Teacher Loan Forgiveness Application](#).

### **How do I view the Low-Income Reports?**

The Low-Income Reports are separated into two categories; [Private and Non-Public Schools Percent of Low-Income Reports](#) and [Public Schools Percent of Low-Income Reports](#). The reports listed under each category are separated by academic year. Select the report to view, which will open in Microsoft Excel format. Select the tab to view the report. (Note: You must have

Microsoft Excel or Excel Viewer to view the reports.) View the [instructions](#) for more details on how to view the reports (MS Word).

### **Where does the Low-Income data come from?**

Starting in 2007-08, the calculation for the public schools will use the individual student data entered into the Pennsylvania Information Management System (PIMS). (This was formerly reported to PDE by the Local Education Agencies (LEAs) on the form PDE-4034 Percent of Enrollments from Low-Income Families.) In the PIMS Fall Collection, low-income students are reported in the Poverty Code (field 88) of the October 1 Student Snapshot template.

### **How do I know if my school qualifies me for the Teacher Loan Forgiveness Program?**

The federal website contains the list of all states low-income schools. Visit the [Teacher Cancellation Low-Income Directory](#).

### **Can private schools be considered Low-Income?**

Private schools can qualify; however, in addition to the above requirements they must be non-profit. They are considered "located in a district" if they are physically located within the boundaries of the school district.

### **What are the requirements for a school to be designated low-income school for teacher loan cancellation?**

To be a designated low-income school, a school must be located in a district that qualifies for Title I funding and have more than 30.1% enrollments from low-income families. Schools qualify individually on an annual basis. It is possible for some schools in a district to qualify while others do not or for a school to qualify in one year but not another. Per federal guidelines, schools are listed in the federal designated low-income school directory one year following the submission of qualifying data. (i.e. A school that submits a qualifying percent of low-income enrollments in 2009-10 will be listed in the 2010-11 directory.)

### **How is the low-income status of a student determined?**

The following federal definition is used to identify economically disadvantaged students: In determining the number of children in low-income families, poverty data sources such as Temporary Assistance for Needy Families cases, census poor, Medicaid, children living in institutions for the neglected, the delinquent, or those supported in foster homes may be utilized. To the extent that such data is not available, the most recent reliable data available at the time of determination, such as free and reduced price lunch eligibility, may be used.

### **Do I qualify for the Loan Forgiveness Program if I work for a private contractor that provides special education/alternative programs to students?**

If the courses are special education/alternative programs you would not be eligible because the loan forgiveness program is for schools, not programs. If you are employed by a contractor you would not be eligible for the program.

**Do I qualify for the Loan Forgiveness Program if I work for a Low-Income school district and teach special education/alternative programs to students within the school district?**

If you are employed by the school district you may be considered an employee of each school sending students to the program but, each school must be listed in the low-income directory.

**If my school only qualifies once as a Low-Income school, will I still qualify for the Loan Forgiveness Program?**

If your school meets the low-income requirements for at least one year, your subsequent years of teaching at the school may be counted toward the required five consecutive years. Additional qualification information is available on the federal web site [Student Aid](#) on the Web.

**If I work for a school in a school district classified as Low-Income, why isn't my school on the list?**

The loan forgiveness program is a federal program that requires five consecutive years of full-time employment at a designated low-income school. In order to qualify for the program you must be an employee of the school district, and the school must be listed as a school with PDE.

**Can an Intermediate Unit (IU) be considered a Low-Income school?**

Although IUs were originally excluded from this federal program, the guidelines were modified to include regional education agencies like IUs. IU enrollments are used to calculate the percent of low-income enrollment. Enrollment at schools served has no impact on the IUs eligibility.