GRAND CANYON UNIVERSITY™

Exit Counseling
Direct Loan and TEACH Grant

If you did not receive Title IV aid from the Direct Loan (section I) and/or TEACH (section II) programs, as applicable, through Grand Canyon University, please disregard this information. Contact information and other resources are also provided in section III.

I. Direct Loan

Understanding your student loan rights and responsibilities is critical to successful repayment of your student loans.
Please visit https://studentaid.gov/exit-counseling/ for an extensive online exit counseling session.

Student Loan Participants

- **Borrower**: Applies for the loan and receives the proceeds (money); YOU
- **Lender/Loan Holder**: Funds education loans. U.S. Department of Education administers the Direct Loan program
- **Loan Servicer**: Administers and collects loan payments for the lender

Types of Direct Loans

- William D. Ford Federal Direct Loan Program (Subsidized and Unsubsidized)
    - **Subsidized loans**: The government pays interest that accrues during periods of at least half-time enrollment, the grace period, and authorized periods of deferment
    - **Unsubsidized loans**: You are responsible for interest. Try to pay the interest while in school to avoid a higher principal balance (interest is added to your principal balance [capitalized] if not paid)

Master Promissory Note (MPN)

Your rights and responsibilities are included in this guide and on your **Master Promissory Note (MPN).** Your MPN is the binding legal document you signed, indicating your commitment to repay your loans. The multi-year feature of your MPN is good for 10 years from the date you signed it. A new MPN will be required if:

- **you declare bankruptcy, or**
- **your initial 10-year period expires**

Record Keeping

Keep track of your loans! To monitor all your federal student loan debt, you may access online at https://studentaid.gov or call (800) 4-FED-AID. You will need your federal FSA ID to view your loan history.

Repayment Options

Federal student loans offer several repayment plans. Most borrowers can choose between a fixed payment plan or an income-driven repayment plan. You may prepay all or part of your federal student loans at any time without penalty. Making additional payments can help reduce the total interest paid over the life of the loan and may allow the loan to be paid off sooner.

Fixed Repayment Plans

Fixed plans base your payment on your loan balance and repayment term.

- **Standard Repayment:** Fixed payments, typically paid off within 10 years.
- **Tiered Standard Repayment:** Fixed payments over 10-25 years, depending on the amount borrowed.

- **Graduated Repayment:** Payments start lower and increase over time.
- **Extended Repayment:** Available to borrowers with more than $30,000 in eligible federal loans and may extend repayment up to 25 years.

If you do not select a repayment plan, your loan servicer will place you in the Standard or Tiered Standard Plan (depending on when your loans disbursed). Standard plans may result in higher monthly payments for you.

Income-Driven Repayment (IDR) Plans
IDR plans base your monthly payment on your income and family size and may provide loan forgiveness after meeting program requirements.

Available plans may include:
- Repayment Assistance Plan (RAP)
- Income-Based Repayment (IBR)
- Income-Contingent Repayment (ICR)
  - Set to sunset on 7/1/2028
- Pay As You Earn (PAYE)
  - Set to sunset on 7/1/2028
- The SAVE plan is no longer available

Eligibility varies based on loan type and when loans were borrowed.

If you borrowed Direct Loans or Parent PLUS Loans before July 1, 2026:
- Borrowers may continue using legacy repayment plans until their servicer transfers them to a new repayment option, a process that may extend through July 1, 2028.
- Borrowers may elect a different repayment plan at any time, subject to eligibility requirements, by contacting their loan servicer.

To review the available Loan Repayment plans, visit https://studentaid.gov/manage-loans/repayment/plans

Public Service Loan Forgiveness (PSLF)
Borrowers employed full-time by a qualifying public service employer may be eligible for forgiveness of their remaining Direct Loan balance after 120 qualifying payments.
- To determine if your employer qualifies for PSLP, visit https://studentaid.gov/pslf/employer-search
- To apply for PSLF, visit https://studentaid.gov/pslf/

Loan Consolidation
Borrowers with multiple federal student loans may combine them into a Direct Consolidation Loan, simplifying repayment and potentially expanding repayment plan options. https://studentaid.gov/manage-loans/consolidation

Learn More
For current repayment plans, eligibility requirements, payment estimates, and federal updates, visit StudentAid.gov and use the federal Repayment Calculator at https://studentaid.gov/repayment-calculator/

Solutions for Repayment Problems
If you are struggling to meet your monthly payments, consider a Deferment or Forbearance. The main difference between deferments and forbearances is the interest accrual.

When You Can Get a Deferment
- undergoing cancer treatment;
- experiencing economic hardship*;
- in a graduate fellowship program;
- enrolled in school at least half-time;
- performing qualifying military service;
- a post-active duty service member;
- a parent PLUS borrower with student enrolled in school;
- enrolled in a rehabilitation training program; or
- unemployed*.

*Deferments for economic hardship and unemployment will not be available for loans made on or after July 1, 2027. If you borrow loans after July 1, 2027, and are experiencing financial difficulties, reach out to your loan servicer to discuss an Income-Driven Repayment Plan.

When You Can Get a Forbearance

- experiencing financial difficulties, such as medical expenses or changes in income;
- serving in AmeriCorps;
- performing service that would qualify you for partial loan forgiveness through the U.S. Department of Defense;
- working in a medical or dental internship or residency;
- serving in the National Guard;
- have student loan payments that are high in relation to your income; or
- working as a teacher to qualify for Teacher Loan Forgiveness.

Please note there are eligibility requirements for both deferments and forbearances and you will be asked to submit documentation to qualify. If you have questions, please contact your loan servicer.

Teacher Loan Forgiveness

Eligible teachers may receive loan forgiveness up to $5,000 of the aggregate loan amount, or up to $17,500 for highly qualified special education or secondary math or science teachers, if they meet the following criteria:

- For loans received under the FFELP or Direct Loan Programs after October 1, 1998
- Teach in qualifying low-income elementary or secondary school for 5 consecutive years and meet certain other qualifications
- To find out if your school or educational service agency is classified as low-income, search the directory database at https://studentaid.gov/tcli/

To review the requirements of Teacher Loan Forgiveness, visit https://studentaid.gov/manage-loans/forgiveness-cancellation/teacher

Loan Discharge

You are generally obligated to repay your student loan, regardless of what happens. Typically, student loans may not be discharged through bankruptcy. Your loan may be discharged if:

- you die before completing repayment
- you are totally and permanently disabled and meet certain additional criteria
- your school fails to pay a refund if you withdraw
- you are unable to complete your program of study due to school closure
- your loan was falsely certified because of identity theft, or
- your school falsely certified a loan application for you without your approval

To review the requirements for loan discharge(s), visit https://studentaid.gov/manage-loans/forgiveness-cancellation

Default

If you fail to make your student loan payments for 270 days, your loan will default. The consequences of defaulting on your loan are very serious:

- Damage to credit rating, which could impact your ability to borrow
- Referral of account to a collection agency
- Collection costs
- Garnishment of wages
- Withholding of state or federal Treasury payments (including federal tax refunds, Social Security benefits, etc.)

If you have defaulted on your student loans, there are options to get your loans back on track. Visit the Defaulted Loans Support Center at https://studentaid.gov/default-support/

Rights and Responsibilities

You have the right to the following:

- Written information on loan obligations, including loan consolidation and information on my rights and responsibilities
- A copy of the promissory note and return of the note when the loan is paid in full
- Before repayment: information on interest rates, fees, the balance owed on loans, a loan repayment schedule, and an explanation of default and its consequences
- Notification, if you are in your grace period or repayment, no later than 45 days after a lender assigns, sells, or transfers your loan to another lender
- A grace period, if applicable, prepayment of the loan without penalty; and federal interest benefits, deferments, and forbearances if you qualify

You are required to do the following:

- Repay the loan according to the repayment schedule and notify the lender of anything that affects my ability to repay or eligibility for deferment or cancellation
- Notify the school and servicer if you graduate, withdraw, drop below half-time, transfer to another school, or change my name, address, or Social Security number
- Notify the servicer if you fail to enroll for the period covered by the loan
- Complete an exit interview before leaving school

For the most up to date information on your federal student loans, visit https://studentaid.gov or call them at (800) 4-FED-AID.

II. TEACH Grant Exit Counseling

Understanding your TEACH (Teacher Education Assistance for College and Higher Education) grant rights and responsibilities is critical for any TEACH grant recipient. TEACH Grant Exit Counseling is required. Below are a few highlights to complete the exit counseling. Please visit the Department of Education's website:
https://studentaid.gov/app/teachExitCounseling.action#!/teachExit/launch

The U.S. Department of Education's (ED) TEACH Grant Program provides funds to students who are completing or who plan to complete coursework that is required to begin a career in teaching and who agree to teach full-time for at least four years within an eight year period as a **highly qualified teacher; at a school serving low-income students;** *and* in a **high-need field**.

- For information regarding low-income schools/educational service agencies or high-need fields, visit https://studentaid.gov/manage-loans/forgiveness-cancellation/teacher

If you receive a TEACH Grant but do not complete the required four years of teaching service within eight years after you complete (or otherwise cease to be enrolled in) the program for which you received the grant, all TEACH Grant funds you received will be converted to an Unsubsidized Direct Loan that you must repay with interest accruing from the first disbursement.

TEACH Grant recipients will communicate directly with the U.S. Department of Education (ED) to

- Submit and manage https://studentaid.gov/manage-loans/forgiveness-cancellation/teacher, and upload suspension and discharge requests on https://studentaid.gov/fsa-id/sign-in/landing/?redirectTo=/status-center/upload-tool;
- Request a voluntary TEACH Grant conversion or reconsideration of loan conversion by contacting the TEACH servicer (MOHELA) at 1-888-866-4352; and
- Mail or fax requests for suspension, discharge, and reconsideration of loan conversion to
  Federal Student Aid Programs - TEACH
  P.O. Box 300010
  Greenville, TX 75403
  Fax: 540-212-2415
- If a grant recipients TEACH Grants are converted to loans, the Department offers TEACH Grant conversion counseling at https://studentaid.gov/teach-grant-program which explains the terms and conditions that apply to the loan, how the new loan affects the students overall loan balance, and options available to help with repayment.

Throughout your service obligation period, your TEACH Grant servicer will send you a notice at least once each year that—

- Explains the terms and conditions you must meet to satisfy your service obligation;
- Reminds you of the requirement to submit a certification of your qualifying teaching service after you have completed each year of teaching;
- Tells you the number of years of your service obligation that you have completed and the timeframe within which you must complete the remaining portion of your required 4-year service obligation;

- Explains the conditions under which you may request a temporary suspension of the period for completing your service obligation;
- Explains the conditions under which your TEACH Grants will be converted to Direct Unsubsidized Loans;
- Tells you the potential total amount of interest you would have to pay if your TEACH Grants are converted to loans;
- Explains the process by which you may contact us to request reconsideration of the conversion of your TEACH Grants to loans, provides the deadline by which you must submit the request for reconsideration, and lists the specific documentation you must provide for us to reconsider the conversion; and
- Explains that if you have decided not to teach in a qualified school or field or for any other reason no longer intend to satisfy your service obligation, you can avoid further interest accrual by requesting that we convert your TEACH Grants to Direct Unsubsidized Loans that you can begin repaying immediately.

Within 120 days after you complete or otherwise cease to be enrolled in the program for which you received your TEACH Grant, you must upload documents to https://studentaid.gov/fsa-id/sign-in/landing?redirectTo=%2Fstatus-center%2Fupload-tool that you:

- Are employed as a full-time teacher in accordance with the terms and conditions of the TEACH Grant Program; *or*
- Are not yet employed as a full-time teacher but intend to meet the terms and conditions of your service obligation

If you completed the program for which you received your TEACH Grant but are not yet employed in a qualifying teaching position, you must notify https://studentaid.gov/ at least **once each year** that you still intend to satisfy your service obligation. ED's landing page for the TEACH Grant program is https://studentaid.gov/teach-grant-program.

Once you begin your qualifying teaching service, you must provide https://studentaid.gov/ with documentation of your qualifying employment **after each year** of your four years of required teaching.

A form for documenting your qualifying teaching service will be available at https://studentaid.gov/teach-exit-counseling/demo/documenting-service. This form must be certified by the chief administrative officer of the school where you taught for the year being certified.

To complete your TEACH grant Exit interview online please visit: https://studentaid.gov/app/teachExitCounseling.action#!/teachExit/launch

III. Contact Information and Other Resources

Money Management

Learning how to manage your money in college and beyond is an important life skill that will help set you up for success. ECMC Learning works with student loan borrowers to build financial literacy and successfully repay student loans. Through our long-standing partner, ECMC, ECMC Learning is available to all GCU students, faculty and staff. Registration for an ECMC account is required in order to access this literacy program. Please visit https://www.ecmclearning.org/gcu.

Establish yourself financially by building good credit and budgeting to keep your "wants" under control:

- Open checking and savings accounts. Don't overdraw these accounts.
- Make your monthly payments for loans and services on time each month.
- Create a spending plan that meets your "wants" as well as your "needs." Your total expenses should be less than or equal to your total income.
- If things are getting out of control, contact your creditors, seek help from a reputable credit counseling service or look into debt consolidation.

Start saving now! Try paying yourself first. Start an emergency savings fund equal to **three to six months of your normal monthly earnings** first.

Use your credit cards wisely to help you establish a solid credit rating and avoid financial problems. **Every time you use your credit card, you are borrowing money**. If you don't pay your balance each month, you will have to pay a finance charge. Keep copies of all of your credit card records and receipts to compare to your monthly statements. Follow up on any errors. Shred or otherwise destroy carbons and receipts before throwing them away.

Review your credit report, a collection of information about you and your credit history. Request your free credit reports at https://www.annualcreditreport.com/index.action annually and review them to ensure the information is accurate.

Education Tax Benefits
Contact your tax advisor for additional information

- **Tax credits**
  - **American Opportunity Tax Credit**: Tax credit for qualified education expenses up to $2500 annually, maximum of four years
  - **Lifetime Learning Tax Credit**: Tax credit for qualified education expenses up to $2000 annually, no maximum of years
- **Tax deductions**
  - **College Tuition and Fees Deduction:** Reduce taxable income for higher education expenses
  - **Student Loan Interest Deduction:** Deduct a portion of interest paid on student loans

- **Other potential tax benefits:**
  - Education IRA withdrawals
  - Educational assistance provided by an employer (tuition reimbursement programs)
  - Your state may offer tax credits or deductions. Contact your state tax authority for more information

For additional information or assitance, you can contact:
GCU Loan Repayment Support team at **(602) 639-6777** or email us at **studentloanassistance@gcu.edu**

Federal Student Aid Ombudsman
The U.S. Department of Education's Federal Student Aid (FSA) Ombudsman can help resolve problems related to student loans (including TEACH Grants that have been converted to Direct Unsubsidized Loans) when other approaches have failed. It is important to keep all of your TEACH Grant papers and correspondence for your records. You should contact your TEACH Grant servicer or loan servicer first to try and resolve the problem. If you are unable to resolve the problem on your own, you may contact the FSA Ombudsman for assistance. You can reach the FSA Ombudsman at:

U.S. Department of Education
FSA Ombudsman Group
P.O. Box 1843
Monticello, KY 42633
Phone: 1-877-557-2575Fax: 1-606-396-4821
Website: https://studentaid.gov/feedback-ombudsman/disputes/prepare