

completion of the service obligation as provided in § 686.41;

(ii) Re-enrolled in a TEACH Grant-eligible program; or

(iii) Begun creditable teaching service as described in § 686.12(b);

(4) The grant recipient completes the course of study for which a TEACH Grant was received and does not actively confirm to the Secretary, at least annually, his or her intention to satisfy the agreement to serve; or

(5) The grant recipient has completed the TEACH Grant-eligible program but has failed to begin or maintain qualified employment within the timeframe that would allow that individual to complete the service obligation within the number of years required under § 686.12.

(b) A TEACH Grant that converts to a loan, and is treated as a Federal Direct Unsubsidized Loan, is not counted against the grant recipient's annual or any aggregate Stafford Loan limits.

(c) A grant recipient whose TEACH Grant has been converted to a Federal Direct Unsubsidized Loan—

(1) Enters a six-month grace period prior to entering repayment, and

(2) Is eligible for all of the benefits of the Direct Loan Program, including an in-school deferment.

(d) A TEACH Grant that is converted to a Federal Direct Unsubsidized Loan cannot be reconverted to a grant.

(Authority: 20 U.S.C. 1070g, *et seq.*)

PART 690—FEDERAL PELL GRANT PROGRAM

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AUTHORITY: 20 U.S.C. 1070a, 1070g, unless otherwise noted.

Subpart A—Scope, Purpose and General Definitions

SOURCE: 50 FR 10717, Mar. 15, 1985, unless otherwise noted.

§ 690.1 Scope and purpose.

The Federal Pell Grant Program awards grants to help financially needy

students meet the cost of their postsecondary education.

(Authority: 20 U.S.C. 1070a)

[50 FR 10717, Mar. 15, 1985, as amended at 59 FR 54730, Nov. 1, 1994]

§ 690.2 Definitions.

(a) The following definitions are contained in the regulations for Institutional Eligibility under the Higher Education Act of 1965, as amended, 34 CFR part 600:

- Award year
- Clock hour
- Correspondence course
- Secretary
- State

(b) The following definitions are contained in subpart A of the Student Assistance General Provisions, 34 CFR part 668:

- Academic Competitiveness Grant (ACG) Program
- Academic year
- Dependent student
- Eligible program
- Enrolled
- Expected family contribution
- Federal Family Education Loan (FFEL) Program
- Federal Pell Grant Program
- Federal Perkins Loan Program
- Federal Supplemental Educational Opportunity Grant Program
- Federal Work-Study Program
- Full-time student
- Half-time student
- HEA
- Independent student
- National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) Program
- Parent
- Payment period
- Teacher Education Assistance for College and Higher Education (TEACH) Grant Program
- TEACH Grant
- Three-quarter-time student
- Undergraduate student
- William D. Ford Federal Direct Loan Program

(c) Other terms used in this part are:

Annual award: The Federal Pell Grant award amount a full-time student would receive under the Payment Schedule for a full academic year in an award year, and the amount a three-quarter-time, half-time, and less-than-half-time student would receive under the appropriate Disbursement Schedule

for being enrolled in that enrollment status for a full academic year in an award year.

Central processor: An organization under contract with the Secretary that calculates an applicant's expected family contribution based on the applicant's application information, transmits an ISIR to each institution designated by the applicant, and submits reports to the Secretary on the correctness of its computations of the expected family contribution amounts and the accuracy of the answers to questions on application forms for the previous award year cycle.

Disbursement Schedule: A table showing the annual awards that three-quarter, half-time, and less-than-half-time students at term-based institutions using credit hours would receive for an academic year. This table is published annually by the Secretary and is based on—

- (1) A student's expected family contribution, as determined in accordance with title IV, part F of the HEA; and
- (2) A student's attendance costs as defined in title IV, part F of the HEA.
- (3) The amount of funds available for making Federal Pell Grants.

Electronic Data Exchange: An electronic exchange system between the central processor and an institution under which—

- (1) A student is able to transmit his or her application information to the central processor through his or her institution and an ISIR is transmitted back to the institution;
- (2) A student through his or her institution is able to transmit any changes in application information to the central processor; and
- (3) An institution is able to receive an ISIR from the central processor for a student.

Eligible student: An eligible student as described in 34 CFR part 668, subpart C.

Enrollment status: Full-time, three-quarter-time, half-time, or less-than-half-time depending on a student's credit-hour work load per academic term at an institution using semesters, trimesters, quarters, or other academic terms and measuring progress by credit hours.