



## **SC-CREATE SCHOLARSHIP LOAN AGREEMENT**

**SOUTH CAROLINA DEPARTMENT OF EDUCATION  
Office of Special Education Services**

*Complete and fax to 1.252.565.0082, or email as attachment to [director@sccreate.org](mailto:director@sccreate.org)*

The Recipient will provide the following:

\_\_\_\_\_  
Recipient (Print Name)

\_\_\_\_\_  
Employer (School District or Agency)

\_\_\_\_\_  
Full-time Position (e.g., Teacher Asst.)

\_\_\_\_\_  
Licensure Area of Pursuit (e.g., SLP)

\_\_\_\_\_  
Program (e.g., Degree, Add-on, or PACE-ED)

\_\_\_\_\_  
Coursework to Commence (Semester & Year)

THIS PROMISSORY NOTE AND SOUTH CAROLINA CENTERS FOR THE RE-EDUCATION AND ADVANCEMENT OF TEACHERS IN SPECIAL EDUCATION AND RELATED SERVICES PERSONNEL (SC-CREATE) SCHOLARSHIP LOAN AGREEMENT (hereinafter “the Note”) is by and between the undersigned (hereinafter “the Recipient”) and the State of South Carolina through the South Carolina Department of Education (SCDE), as a SC-CREATE Scholarship Loan (hereinafter “the Scholarship Loan”).

WHEREAS, the Office of Special Education Services (OSES) is the SCDE’s agent for purposes of applicable sections of this Note. The Recipient shall submit this completed and signed Note, and all notices and information outlined in this Note directly to the SC-CREATE program director at his/her principal office by email/fax. The SCDE may delegate to the OSES any of the SCDE’s duties or powers with regard to the administration of the SC-CREATE program.

WHEREAS, the Scholarship Loan is designed to provide financial support to qualified, full-time employees in instructional and non-instructional positions in South Carolina K-12 public/charter schools and SCDE-operated programs who are enrolled in coursework at SC-CREATE participating institutions of higher education (IHE) that lead to state licensure as a special education teacher, secondary transition specialist, or speech-language pathologist, or national certification as a behavior interventionist, orientation and mobility specialist, school psychologist, or other related service area; and subsequently, securing employment in the newly obtained licensure area in a South Carolina K-12 public/charter school or SCDE-operated program.

WHEREAS, the Recipient has voluntarily elected to participate in the SC-CREATE scholarship program and to receive the Scholarship Loan thereunder.

NOW, THEREFORE, for and in consideration of the Scholarship Loan provided herein, the Recipient agrees as follows that the total principal amount of all scholarship funds advanced under this Note, with interest on the principal at the subsidized rate of the Stafford Student Loan program, are subject to the following terms and conditions:

Initial and date here to indicate you have read and understand this page: \_\_\_\_\_

## TERMS AND CONDITIONS

The Recipient's failure to comply with any condition specified in this Note shall be a default (see Section 1) hereunder. In the event that the SCDE determines such a default has occurred, the SCDE shall notify the Recipient in writing of this determination. Upon the SCDE providing such notice, interest at the rate stated herein shall begin to accrue on the principal sum, and all sums shall be due and payable as provided in Section 2 hereof.

### 1. DEFAULT

The Recipient is in default upon withdrawal from SC-CREATE per Section 2 (Item A, B, or C). In the event of a default by the Recipient, the SCDE may declare the entire unpaid amount of indebtedness by this Note, including interest, as provided in Section 2 according to the repayment schedule, immediately due and payable. At the sole discretion of the SCDE, a default hereunder may preclude further participation by the Recipient in SC-CREATE. Default of the Scholarship Loan may result in referral to the SCDE for appropriate action, which may include suspension of any/all South Carolina educator licenses. The following events, in addition to otherwise set forth herein and not by way of limitation, shall be considered a default hereunder:

- A. failure to comply with any of the terms and conditions herein;
- B. failure to notify the SCDE of a change in the Recipient's name, address, telephone number, or school employment status within thirty days of the change;
- C. failure to maintain full-time employment in a South Carolina public school or state-operated program for the duration of participation in SC-CREATE;
- D. revocation of an educator license or expulsion from a SC-CREATE participating IHE due to inappropriate conduct;
- E. resignation, retirement, or other separation from employment in a South Carolina public school or state-operated program during pursuit of licensure program coursework, passing associated licensure exam(s), or during the three-year return service period (Note: One year of full-time service or experience is defined by SCDE as a minimum of eight-tenths of the contract year but in no case fewer than 152 days; per State Board Regulation 43-57.1, *Computing the Experience of Teachers*);
- F. any representation, warranty, or statement made or furnished to the SCDE by or on behalf of the Recipient in connection with this Note proving to have been false in any material respect when made or furnished;
- G. failure to perform any obligation, liability, or agreement contained or referred to herein;
- H. conviction or pleas of guilt of a felony/other crime other than minor traffic violations; or
- I. failure to follow the terms of the repayment schedule per Section 2.

Failure of the SCDE or any subsequent holder of this Note to exercise any option available to said holder shall not constitute a waiver of the right to exercise such option in the event of a future default. No delay or omission on the part of the SCDE or any subsequent holder of this Note in exercising any right hereunder shall operate as a waiver of such right or of any other right of such holder nor shall any delay, omission, or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion.

Upon default, the SCDE will notify the Recipient, in writing, of such default. The notice of default will be by certified United States Postal Service (USPS) mail, return receipt requested, addressed to the Recipient at the last home address on file with the SCDE. Refusal or non-delivery at that address shall be deemed delivery after seven days.

Upon default, the SCDE may disclose that the Recipient defaulted, along with other relevant information, to employment and credit bureau organizations.

## 2. REPAYMENT

Whenever repayment of the indebtedness evidenced by this Note is referred to herein, repayment with interest shall begin within six months of the official SCDE determination, which shall include the terms and conditions of the repayment schedule. Failure of the SCDE to collect payments for a period of time is not an indicator that the Recipient's loan has been forgiven. The repayment decision and subsequent terms are based on one of the three Recipient withdrawal actions described in this section (A–C). (Note: The Recipient must complete and submit the SC-CREATE *Withdrawal Notification* form.)

### A. FAILURE TO COMPLETE LICENSURE PROGRAM COURSEWORK

The Recipient who chooses not to complete his/her respective licensure program coursework underwritten by SC-CREATE funds may be subject to repayment to the SCDE for the entire scholarship loan amount with interest.

### B. INABILITY TO OBTAIN LICENSURE

Upon completion of the licensure program of coursework, if the Recipient does not pass the associated licensure exam(s) within two years, he/she may be subject to repayment to the SCDE for the entire scholarship loan amount with interest.

### C. SEPARATION FROM EMPLOYMENT IN SC PUBLIC SCHOOLS OR STATE-OPERATED PROGRAM

The Recipient who resigns, retires, or otherwise separates from employment in a South Carolina public school or state-operated program, and who fails to return three years of service (See Section 1, Item E) in a program commensurate with the newly obtained licensure area in a South Carolina K–12 public school or state-operated program within the five-year period following completion of the licensure program, pursuant to SCDE document, *Required Credentials for Professional Staff Members in the Instructional Programs of South Carolina's Public Schools*, may be subject to repayment to the SCDE for the entire scholarship loan amount with interest. If the Recipient returns fewer than three years of service (See Section 1, Item E), he/she may be subject to repay a prorated sum of the Scholarship Loan, as determined by SCDE.

## 3. PREPAYMENT

The Recipient may prepay, without penalty, any or all of the principal or accrued interest evidenced by this Note at any time.

## 4. LIABILITY FOR COLLECTION EXPENSES

The Recipient acknowledges and agrees that in the event that the SCDE deems it necessary to refer all or any portion of the unpaid principal or interest evidenced by this Note to an attorney or collection agency for collection, the Recipient shall be charged and bound to pay the amount of attorney and/or collection agency fees resulting from said referral. The Recipient agrees to pay all charges and other costs, including attorney fees that are permitted by federal and state laws and regulations.

## 5. TRANSFER

The Recipient acknowledges and agrees that the SCDE may transfer this Note and the underlying debt and upon such transfer, the undersigned shall have the same rights and responsibilities with regard to the new holder that the Recipient had with the SCDE.

**6. WAIVERS AND EXTENSIONS**

Following review by the SCDE and in its sole discretion, the Scholarship Loan and interest may be waived or the time period required to meet the terms and conditions may be extended upon (a) the death of the Recipient; (b) the Recipient suffering total and permanent disability; (c) the Recipient suffering temporary disability resulting from severe injury or disease; (d) the Recipient experiencing reduction-in-force (RIF) from employment; (e) the Recipient and/or spouse experiencing military transfer out-of-state. Should the Recipient face require a waiver or extension resulting from conditions other than the items noted above (a–e), he/she may appeal in writing directly to the SC-CREATE program director.

**7. FORGIVENESS**

The Scholarship Loan and any interest will be forgiven when the Recipient fulfills each of the following:

- A. completes all licensure program coursework at a SC-CREATE participating IHE;
- B. achieves a passing score on exam(s) associated with SCDE licensure (for special education teachers) or national certification (for board certified behavior analysts and speech-language pathologists) within two years of program completion; and
- C. returns three years of service (See Section 1, Item E) in a program commensurate with the newly obtained licensure area in a South Carolina K–12 public school or state-operated program within the five-year period following completion of the licensure program, pursuant to SCDE document, *Required Credentials for Professional Staff Members in the Instructional Programs of South Carolina's Public Schools*.

**8. GENERAL PROVISIONS**

The Recipient hereby acknowledges receipt of a copy of this Note. This Note shall be deemed to have been made under, and shall be governed by, the laws and regulations of the State of South Carolina in all respects, including matters of construction, validity, and performance. The indebtedness evidenced by this Note is unsecured, and the Recipient shall not be obligated to provide security for this Note.

**9. RECIPIENT'S RESPONSIBILITY**

The Recipient hereby acknowledges and agrees that so long as said Recipient is participating in the SC-CREATE program and during the three-year return service (See Section 1, Item E) period, he/she shall:

- A. remain employed full-time and provide verification of employment in a South Carolina K–12 public or state-operated program, annually; and
- B. keep a current name, address, and telephone number on file with the SCDE.

**10. INVALID PROPOSITION**

Wherever possible, each provision of this Note shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of any such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.

**11. PARAGRAPH HEADINGS**

The paragraph headings are for the convenience of reference only and shall not be considered terms of this Note at any time.

