

Frequently Asked Questions (FAQs): Professional Development Program (PDP) Payback Requirements for FY 2025 and Later Grants

The Professional Development Program Data Collection System (PDPDCS) tracks participant information and payback obligation data for grant awards and participants funded in FY 2009 and forward. For grants awarded prior to FY 2009, please contact the Help Desk at 1-888-884-7110 for information regarding your payback obligation status.

The Office of Indian Education (OIE) PDP provides grants to eligible entities to—

1. Increase the number of qualified Indian individuals in professions that serve Indian people;
2. Provide training to qualified Indian individuals to become teachers and administrators; and
3. Improve the skills of qualified Indian individuals who serve in the education field.

Grant awards are made to eligible entities through a competitive grant process. As a condition of participating in the PDP, participants and institutions are required to comply with the payback obligation rules and requirements outlined in the program regulations at [eCFR :: 34 CFR Part 263 Subpart A -- Professional Development Program](#). The PDP was reauthorized in 2015 under the Every Student Succeeds Act (ESSA) which can be found on the Department of Education (ED) website (<https://www2.ed.gov/documents/essa-act-of-1965.pdf>) and the regulations were amended in 2025. These program regulations guide the payback obligation tracking requirements, which places the burden on OIE for ensuring that participants comply with their obligation. While OIE developed the following guidance document in response to questions frequently asked by grantees and participants, it does not cover all aspects of the regulations and should not be used alone.

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General Information

1. Who is required to perform the work-related payback?

All individuals that receive funds from the PDP are required to complete a work-related payback obligation or repay all or a pro-rated part of the assistance received under the program as a cash repayment. For each academic month participants receive assistance, they must maintain full-time employment for the equivalent length of time or repay the Federal government for the portion of assistance they received that has not been repaid through service.

2. Does the payback obligation requirement apply to all categories of PDP funding, or just certain kinds of PDP funding?

The payback obligation applies to all PDP funding assistance provided directly to the participant during their training. This includes all disbursements or credits intended to cover the cost of attendance, including tuition and fees allowances for books, supplies, transportation, miscellaneous personal expenses, allowances for room and board, stipends, dependent allowances, and travel in conjunction with training assignments. The participant's service payback obligation is based on the period of time for which the individual received financial assistance rather than on the amount of the assistance.

3. Are the payback agreements and exit certifications legally binding?

Yes. Grantees are responsible for the accuracy of the information in the payback agreement and exit certification which are legally binding documents ([34 CFR 263.12](#)). All PDP grants must use the standard payback agreement when a new participant is enrolled and the standard exit certification when the participant exits the program (found at [OIE PDPDCS](#)).

4. What is the legal basis for ED, to require grantees to provide Social Security numbers (SSNs) to the PDPDCS?

In order to ensure that participants comply with their payback requirement, ED requires grantees to provide the PDPDCS the SSNs of students who PDP funds. This is authorized under [34 CFR § 99.31](#), which states that an educational agency or institution may disclose personally identifiable information from records of a student without the student's consent if the disclosure is in connection with financial aid of the student and is necessary to enforce the terms and conditions of the aid.

Payback Obligation Information

5. How do participants fulfill their payback obligation?

Participants are required to submit to the OIE, within 30 days of completion or exit of their training program, notice of intent to fulfill their payback obligation through work-related payback or cash repayment. This notice will be submitted through the PDPDCS. If the participant proposes a work-related payback, the participant will submit one or more employment records into the PDPDCS that documents how the work-related service is eligible for service payback. Participants will enter their employment information, including all contact information for their employer, via the PDPDCS. After initial entry of their work-related service information, participants are required to go back into the PDPDCS every six months, to initiate the process for requesting credit for payback served, until the work-related payback obligation is fulfilled.

6. How is the length of the work-related payback obligation calculated?

The length of the payback obligation ([34 CFR 263.9\(b\)\(2\)](#)) is based on the participant's enrollment status during pre-service training and is calculated on a month-for-month basis as follows:

- (i) If a participant was a full-time student in a pre-service training program, the work-related payback period is equivalent to the total period of time for which pre-service training under the Professional Development program was actually received on a month-for-month basis.
- (ii) If a participant was a part-time student in a pre-service training program, the work-related payback period is proportional to the accumulated academic years for which pre-service training under the Professional Development program was actually received on a month-for-month basis, taking into consideration the typical academic calendar of the institution where the training was received.
- (iii) If a participant received pre-service training as a full-time student for a portion of the program and as a part-time student for another portion of the program, the period of work-related payback is prorated accordingly.

7. Can participants fulfill their work-related payback while still enrolled in their grant-funded training program?

No. Participants must have completed/exited their training program before they can begin to fulfill their work-related payback obligation through eligible employment.

8. If a participant is dismissed or drops out of a program for an academic or non-academic reason, will he or she be required to fulfill the work-related payback or cash repayment requirement?

Yes. The regulations apply to participants who are dismissed or drop out of a program in the same manner that they apply to all other PDP grant recipients.

9. What are the consequences of a participant's failure to satisfy the work-related payback obligation?

Participants who do not submit employment verification within the required timeframe or do not submit enough employment verification to satisfy their work-related payback obligation will automatically be referred for cash payback to fulfill their payback requirement. All participants referred to the Accounts Receivable and Banking Management Division (ARBMD) for cash payback will incur non-refundable administration fees to cover the cost of the cash payback referral. The amount referred for cash payback will begin to accrue interest charges at the federal interest rate published on the date of referral.

10. When does the work-related payback obligation begin?

For all participants the work-related payback obligation begins within twelve months from the date of completion or exit without completion from the training program¹. Participants are required to report to the OIE within 30 days of completing or leaving their program their intent to complete work-related service payback, cash repayment, or continue with their education.

11. How long do participants have to complete their work-related payback obligations?

The period of time within which a participant should complete their work-related payback is calculated by adding the number of months of training received while in the program plus 12 months. For example, if a participant received 12 months of training he/she should plan to complete his/her service payback within 24 months from the date the individual completed his/her training or exited the PDP.

12. What is full-time employment?

Full-time employment means a full-time position, as defined by the individual's employer or by the agencies served by the individual.

13. What is considered a qualifying job for the purposes of completing my work-related payback obligation?

Because the regulations that apply to the Professional Development Program were amended, the answer depends on the year in which your grant project was funded, as shown in the table below:

Grant Award Year ¹	Qualifying Employment Requirements	How to determine if working at the school you want will be considered qualifying employment
FY 2017 and earlier	Participants qualify for work-related payback if the work they are performing is in their field of study under the Professional Development Program and benefits Indian people. Employment in a school that has a significant Indian student population qualifies as work that benefits Indian people.	Visit the NCES school search website to determine if the school in question includes a population of 5% or more American Indian/Alaska Native students. Schools with less than 5 percent of American Indian/Alaska Native enrollment may be considered eligible employment for service payback and should be reviewed by OIE (ESSA 6122, 34 CFR § 263.8).

¹ Participants who exited or completed a grant-funded training program in Federal fiscal year 2020 (October 1, 2019-September 30, 2020) who do not submit employment verification within 24 months of program exit or completion, and participants with qualifying employment during Federal fiscal year 2020 who do not submit employment verification for a 24-month period, will automatically be referred for a cash payback unless the participant qualifies for a deferral as described in § 263.10.

Grant Award Year ¹	Qualifying Employment Requirements	How to determine if working at the school you want will be considered qualifying employment
FY 2018 and later	<p>Participants qualify for work-related payback if the work they are performing is in their field of study under the Professional Development Program and that benefits Indian students in a local education agency (LEA) that serves a high proportion of Indian students. An “LEA that serves a high proportion of Indian students” means</p> <p>1) An LEA, including a BIE-funded school, that serves a high proportion of Indian students in the LEA as compared to other LEAs in the State; or</p> <p>2) An LEA, including a BIE-funded school, that serves a high proportion of Indian students in the school in which the participant works compared to other LEAs in the State, even if the LEA as a whole in which the participant works does not have a high proportion of Indian students compared to other LEAs in the State.</p>	<p>See the lists of American Indian/Alaska Native student enrollment in each LEA, by State, available at:</p> <p>https://pdp.ed.gov/OIE/Content/pdf/CD_State_LEA_Average_AIAN_2023-24.pdf (source: Common Core of Data (CCD) Local Education Agency (School District) Universe Survey Data) and https://pdp.ed.gov/OIE/Content/pdf/ESEA-Title-VI-State-LEA-Average-AIAN_2023-24.pdf (source: Elementary and Secondary Education Act (ESEA) Title VI Student Counts Data) (34 CFR § 263 Subpart A)</p>

14. If an LEA is eligible for work-related payback in one of the lists of American Indian/Alaska Native student enrollment in each LEA, by State (see FAQ 13) but not the other list, is it still considered eligible?

Yes, the LEA is considered eligible if it is eligible based on either of the approved lists.

15. Which year of the lists of American Indian/Alaska Native student enrollment in each LEA, by State (see FAQ 13) should be used to determine if employment is eligible for work-related payback?

Participants should use the lists that correspond to their employment start date. If the employment start date is earlier than the oldest available lists, they should use the oldest available lists.

2018-19 School Year

[Common Core of Data \(CCD\) Local Education Agency \(School District\) Universe Survey Data](#)

2019-20 School Year

[Elementary and Secondary Education Act \(ESEA\) Title VI Student Counts](#)

2021-22 School Year

[Elementary and Secondary Education Act \(ESEA\) Title VI Student Counts](#)

[Common Core of Data \(CCD\) Local Education Agency \(School District\) Universe Survey Data](#)

2022-23 School Year

[Elementary and Secondary Education Act \(ESEA\) Title VI Student Counts](#)

[Common Core of Data \(CCD\) Local Education Agency \(School District\) Universe Survey Data](#)

2023-24 School Year

[Elementary and Secondary Education Act \(ESEA\) Title VI Student Counts](#)

[Common Core of Data \(CCD\) Local Education Agency \(School District\) Universe Survey Data](#)

16. What if I can't determine whether my employment qualifies for work-related payback using the lists of LEAs?

If the lists of American Indian/Alaska Native student enrollment in each LEA, by State (see FAQ 13) do not provide a clear determination of eligibility, you will need to obtain a letter from the school or LEA in question. This letter must be printed on official school or LEA letterhead and signed by an authorized administrator. It should state the current percentage of American Indian/Alaska Native (AI/AN) students enrolled. For the employment to qualify for work-related payback, the reported percentage must be equal to or greater than the state's LEA average percentage of AI/AN students, as outlined in the most recent CCD State LEA Average list. Steps can be found in the [Guide to Reporting Eligible Employment](#).

17. Does my job need to be directly related to the field of study in which I earned my degree?

Yes, the requirements specify that the work you perform must be directly related to the field in which you earned your degree. If you are unsure if the work is directly related to your field of study please contact the Help Desk.

18. Do substitute teacher positions qualify to be used to fulfill work-related payback?

No, substitute positions cannot be used to fulfill work-related payback.

19. When does a participant enter repayment status?

Any participant who fails to meet the work-related payback obligation through eligible employment enters repayment status on the first day of the calendar month after the earliest of the following dates:

- 1) the date the participant informs the grantee or the OIE that he or she does not plan to fulfill the payback obligation through work-related service under the agreement; or
- 2) twelve months after the date the participant's fails to begin or maintain and report employment. The PDPDCS must receive employment verification at 6 month intervals until the work-related payback obligation has been met.

Deferrals and Exceptions

20. Under what circumstances may a participant request a deferral of their payback obligation?

OIE may review a participant's payback deferral request and approve a deferral under the following conditions:

- 1) Continuing Education. ([34 CFR 263.10\(d\)](#)) If a participant completes or exits the PDP, but plans to continue his or her education as a full- or part-time course of study without interruption, in a program leading to a degree at an accredited institution of higher education, the participant may apply for a deferment. Documentation must be provided to the PDPDCS and OIE and include the name of the accredited institution the participant will be attending, a copy of the letter of admission from that institution, the degree being pursued, and the projected date of completion. If the Secretary approves the deferral, the participant is then required to submit a status report after each grading period. This report must come from an academic advisor or another authorized representative of the institution of higher education and must verify the participant's enrollment and academic status.

- 2) Active Duty in the Armed Forces. ([34 CFR 263.10\(e\)](#)) If a participant exits the PDP because he or she is called or ordered to active duty status in connection with a war, military operation, or national emergency for more than 30 days as a member of a reserve component of the Armed Forces named in 10 U.S.C. 10101, or as a member of the National Guard on full-time National Guard duty, as defined in 10 U.S.C. 101(d)(5), the Secretary may defer the payback requirement until the participant has completed the military service. Requests for deferral must be submitted to the Secretary through the program officer within 30 days of the earlier of receiving the call to military service or completing or exiting the Professional Development program, and must include:
 - a. A written statement from the participant's commanding or personnel officer certifying—
 - i. That the participant is on active duty in the Armed Forces of the United States;
 - ii. The date on which the participant's service began; and
 - iii. The date on which the participant's service is expected to end; or
 - b.
 - i. A true certified copy of the participant's official military orders; and
 - ii. A copy of the participant's military identification.
- 3) Volunteer for an Indian Tribe. ([34 CFR 263.10\(f\)](#)) To receive a payback deferral related to qualifying volunteer work, the participant must submit a request to the Secretary through the program officer that includes:
 - a. The name of the Indian Tribe at which the participant will be volunteering;
 - b. A copy of the letter appointing the participant as a full-time volunteer at the Indian Tribe;
 - c. A statement of volunteer work to be performed; and
 - d. The projected date of completion.

If the Secretary approves payback deferral, the participant must submit to the Secretary through the program officer a status report from an authorized representative from the entity with which the participant is volunteering, showing verification of continued engagement every 12 months. The Secretary may defer the payback requirement until the participant has completed his or her qualifying volunteer work, for a period not to exceed 36 months.

- 4) Temporary Disability. ([34 CFR 263.10\(g\)](#)) To receive a payback deferral for a temporary disability, the participant must submit a request to the Secretary through the program officer that includes:
 - a. An explanation of the reason for the deferral;
 - b. An indication of the length of time for which they are requesting deferral; and
 - c. Substantiating evidence.

Requests for deferrals must be made through the PDPDCS in section F. Deferrals and Exceptions of the participant's profile in the PDPDCS.

21. Under what circumstances may participants qualify for an exception?

Based upon sufficient evidence to substantiate the grounds, the Secretary may grant, in whole or in part, an exception to the repayment requirement in [§ 263.9](#) as follows:

Repayment is not required if the participant—

- 1) Is unable to continue the course of study or perform the service obligation because of a permanent disability that
 - a. Had not been diagnosed at the time the participant executed the initial agreement; or
 - b. Did not originally prevent the participant from performing the requirements of the course of study or the service obligation at the time the participant signed the agreement but subsequently worsened; or
- 2) Has died.

22. How do participants request an exception for their payback obligation?

To request an exception to payback for oneself or on behalf of another individual, a requestor must submit an explanation of the reason for the exception along with substantiating evidence to the Secretary through the program officer. Requests for an exception must be made through the PDPDCS in section F. Deferrals and Exceptions of the participant's profile in the PDPDCS or sent to the Help Desk at paybackobligations@ed.gov.

Operational

23. What is a grantee's obligation with respect to participant service payback agreements and exit certifications?

A grantee receiving a PDP grant must ensure that any participant receiving funding from the grant signs and dates a standard payback agreement upon recruitment and prior to the initial disbursement of any grant funds on his or her behalf, including the payment or crediting of tuition and an exit certification at the time of exit from the program ([34 CFR 263.12\(c\)](#)). The grantee must fully disclose to the participant the terms and conditions of the repayment requirement in the application for funding under the PDP grant.

Along with the payback agreement and exit certification, all program participants must also complete a Certificate of Eligibility for Federal Assistance form ([ED Form 80-0016](#)) which the grantee will maintain on file.

24. Which entity is responsible for receiving and maintaining information and tracking the payback obligation of the participants via the PDPDCS?

The OIE is responsible for ensuring that program participants fulfill their payback obligations. OIE has established the PDPDCS to track and verify service payback fulfillment for all PDP grant participants. The PDPDCS is monitored by OIE staff.

25. When will participants have access to their payback information?

Once a participant record is submitted by the grantee at the time of enrollment, a participant is given access to the database so he or she can monitor their payback information while in the program. Grantees are required to update the participant payback information in the PDPDCS at the end of each semester. Participants will have real-time information regarding their future service obligation and the amount of funds received.

26. How are the payback obligations of participants be monitored?

The PDPDCS was established to monitor the fulfillment of service payback obligations required of students who received PDP grant funds. PDPDCS tracks participant service payback for grants awarded in federal fiscal year 2009 and forward. PDPDCS staff is available to answer questions and provide technical support for the online system, by which all grantee’s and participants input information regarding their involvement in OIE PDP grants. The PDPDCS is monitored by OIE staff.

27. Who collects the funds repaid by a participant if they do not fulfill the work-related payback obligation through eligible employment?

If a participant does not comply with the service payback requirement they will be referred to ARBMD for a cash payback. ED is responsible for collecting any funds to be repaid; however, the actual collection may be conducted by ED, the U.S. Department of Treasury, a private collection agency, or the Internal Revenue Service.

PDPDCS HELP DESK CONTACT INFORMATION

Email: paybackobligations@ed.gov

Phone: 1-888-884-7110

Hours: Monday-Friday, 8 a.m. – 8 p.m. Washington, DC time