



## **Nursing Faculty Loan Program**

The University of Virginia has been awarded funds from the Nurse Reinvestment Act to provide special loans to graduate students who intend to become nursing faculty. We have approximately \$80,000 to distribute this year.

### **Eligibility:**

- US citizen or permanent resident enrolled full-time for at least two sessions in the year (fall, spring, or summer)
- MSN, DNP or PhD student (students in Post-MSN certificate programs are not eligible).
- Considering a nursing faculty position after receiving your graduate degree.

### **Details:**

- You may borrow up to the amount of tuition/books for the year (including summer study). You cannot receive NFLP funds for living expenses.
- You cannot use the NFLP to cover the same fees that are being covered by other federal grants (NRSA, Federal Nurse Traineeship, etc). You may borrow on the 'difference' between actual University costs (plus books), and what support you are receiving.
- Loan recipients have a 9-month 'grace' period after graduation before loan payment begins.
- If you become a fulltime faculty member, up to 85% of the NFLP loan will be cancelled (a cancellation of 20% per year for Years 1-3, and 25% for Year 4). You would pay an interest rate of 3% for the loan, and would have 10 years to repay.
- If you do not become a fulltime faculty member, you would repay the loan to the University over 10 years at the general market rate.
- NFLP Recipients will receive a check from the Student Accounts office approximately 2 weeks after their loan application has been reviewed by the SON.
- The NFLP is not need-based. All full-time degree students are eligible.

### **Application:**

Please submit the attached 3 forms (Loan Application, Student Rights/Responsibilities, and Promissory Note) to Clay Hysell in OASS by November 1. Loans will be dispersed on a first-come, first-served basis.



**NURSE FACULTY LOAN PROGRAM (NFLP)**

**LOAN APPLICATION**  
(To be completed by the Borrower)

This form must be completed in its entirety and returned to the Office of Admissions & Student Services before a NFLP loan may be advanced on any loan. (PLEASE PRINT)

**WARNING:** Any person who knowingly makes a false statement or Misrepresentation in a NFLP transaction, bribes or attempts to bribe a Federal official, fraudulently obtains a NFLP loan or commits any other illegal action in connection with a Federal NFLP loan is subject to a fine or imprisonment under Federal statute.

**SECTION I**

<b>1a. APPLICANT NAME</b> (Last) (First) (M.I.)		<b>2. SOCIAL SECURITY NUMBER (SSN)</b>
<b>1b. OTHER NAMES USED</b> (Last) (First) (M.I.)		<b>3. DATE OF BIRTH (Month/Day/Year)</b>
<b>4. CURRENT ADDRESS (Number , Street, Apartment Number, City, State, Zip Code)</b>		<b>5a. DAYTIME PHONE (Area Code/Number)</b> ( )
		<b>5b. EVENING PHONE (Area Code/Number)</b> ( )
<b>6. EMAIL ADDRESS</b>		<b>7. DRIVER'S LICENSE NUMBER AND STATE</b>
<b>8. DEGREE PROGRAM:</b> _____ <b>EXPECTED GRADUATION DATE:</b> _____		<b>9. EDUCATION LEVEL:</b> <input type="checkbox"/> MASTER'S <input type="checkbox"/> DOCTORAL
<b>10. PERSONAL REFERENCES -- Friend(s) and Relative(s)</b>		
<b>1) NAME</b> _____		<b>ADDRESS:</b> _____ _____
<b>2) NAME</b> _____		<b>ADDRESS:</b> _____ _____

**SECTION II**

**11. ACKNOWLEDGEMENT**

I, the above named applicant, have been informed that I must agree to the service obligation associated with the Nurse Faculty Loan Program in order to be eligible to receive a loan under this program.

THE ABOVE INFORMATION IS CORRECT AND COMPLETE AND I HEREBY AUTHORIZE VERIFICATION AS REQUIRED BY THE SCHOOL.

**Printed Name** \_\_\_\_\_ **Signature** \_\_\_\_\_

**Date** \_\_\_\_\_



## **Nursing Faculty Loan Program Statement of Rights and Responsibilities**

1. I understand that I must, without exception, report any of the following changes to lending School if:
  - a. I withdraw as full-time nurse faculty from the school of nursing
  - b. I transfer my employment as full-time nurse faculty to another school of nursing
  - c. I should be called to ACTIVE military service
  - d. I change my address
  - e. I change my name (for example, because of marriage)
2. I understand that when I graduate or withdraw from the lending School, I must be available for the School to conduct an exit interview.
3. I understand that the NFLP service obligation requires me to be employed as full-time nurse faculty in a school of nursing. In return, I will receive cancellation of my unpaid loan balance (including interest) and postponement of installment payments of my NFLP loan.
4. I understand that my first installment payment will be due 9 months after I, 1) graduate; or 2) cease to be a full-time student;
5. I understand that if I terminate my employment as full-time nurse faculty at a school of nursing, repayment of the NFLP loan must begin immediately.
6. I understand that:
  - a. an annual percentage rate of 3 percent will be charged on the unpaid loan balance that will begin to accrue 3 months after I graduate from the advanced education nursing program;
  - b. during the period of time that I am employed as full-time nurse faculty at a school of nursing, the unpaid loan balance will bear interest at 3 percent per annum; and
  - c. if I cease to be employed full-time or terminate employment as nurse faculty at a school of nursing, the unpaid loan balance will bear interest at the prevailing market rate.
7. I understand that cancellation will be granted for death or permanent and total disability. I also understand that I must inform the lending School of my disability.
8. I understand that if I am called to ACTIVE military service (i.e. Army, Navy, Marine Corps, Air Force, Coast Guard, the National Oceanic and Atmospheric Administration Corps, or the U.S. Public Health Service Commissioned Corps), I am eligible for deferment for up to three years.
9. I understand that the lending School may, based on its discretion, place my NFLP loan in forbearance when extraordinary circumstances such as poor health or hardships temporarily affect the my ability to make scheduled loan repayments.

10. I understand that if I fail to repay my loan as agreed in the NFLP Promissory Note, the total loan may become due and payable immediately and legal action could be taken against me.
11. I understand that I must promptly answer any communication from the lending School regarding my NFLP loan.
12. I authorize the lending School to contact any school of nursing, in which I may be employed to obtain information concerning my employment status, my period of employment or termination, my transfer to another school of nursing, or my current address.
13. I authorize the lending School to report any delinquency or default on this loan to credit bureaus.

ANNUAL PERCENTAGE RATE	AMOUNT of LOAN	PREPAYMENT
The annual percentage rate on the NFLP loan:  <u>3% or the Prevailing Market Rate</u> – As determined by the borrower status.	The amount of NFLP loan(s) made to you.  \$ _____	If you pay off early, you will not have to pay a penalty. See the Promissory Note for any additional information about nonpayment, default, and any required repayment in full before the schedule date.

I understand I have a right to request an itemization of the loan amount(s) awarded. I do \_\_\_/do not \_\_\_ request an itemization.

I have received a copy of this statement.

\_\_\_\_\_  
(Signature of Student)

\_\_\_\_\_  
(Student I.D. Number)

\_\_\_\_\_  
(Date)

## NURSE FACULTY LOAN PROGRAM (NFLP) PROMISSORY NOTE

I, \_\_\_\_\_ (Borrower Name) (hereinafter "the Borrower"), promise to pay to the University of Virginia (hereinafter "the School") located in Charlottesville, Virginia, the sum of such loan amount(s) as may be advanced to me and endorsed in the Schedule of Advances below, with interest at the rate of three (3) percent per annum or the prevailing market rate, together with all attorney's fees, collection agent costs, and other related costs and charges for the collection of any amount not paid when in default according to the terms of this Promissory Note, (hereinafter "the Note").

### SCHEDULE OF ADVANCES

**NOTE: This Note represents a consolidation of all NFLP loans, as identified below. Use addendum if additional lines are needed.**

Number	Amount of Loan Advanced to Borrower	Total of Loan(s) Advanced to Date	Date	Signature of Borrower
1				
2				
3				
4				
5				

**The Borrower and the School further understand and agree that:**

The School must determine that an NFLP loan applicant is eligible before making the loan. To be eligible to receive an NFLP loan, a borrower must: (1) be a U.S. citizen or national of the U.S., (2) be a enrolled full-time in an eligible program at the time the NFLP loan is established and must complete the education component(s) to prepare qualified nurse faculty, (3) be in good academic standing in an advanced nurse education program at the School, and (4) have no judgment liens entered against him/her based on the default on a Federal debt, 28 U.S.C. 3201(e). The borrower should maintain full time enrollment status for a minimum of 2 terms/semesters during an academic year while receiving the NFLP loan.

The School will make NFLP loans to eligible students for the cost of tuition, fees, books, lab expenses, and other reasonable education expenses. An NFLP loan may not exceed \$30,000 per student for any academic year, not to exceed 5 years per student.

The NFLP is a loan cancellation program with a service obligation for recipients of the loans. To be eligible for the maximum 85% cancellation, the Borrower must agree to serve as full-time nurse faculty at a school of nursing for a consecutive four-year period following graduation from the program. Following graduation, the Borrower must submit certification of employment within a reasonable timeframe to be determined by the School. NFLP borrowers are limited to a 12-month timeframe to establish employment as full time nurse faculty at a school of nursing following graduation from the program. If employment verification is not submitted within the 12-month period, the borrower will **NOT** be eligible for the loan cancellation provision.

1. **Cancellation:** To receive loan cancellation, the Borrower must be employed full-time as nurse faculty at a school of nursing for a complete year, as is defined by the employing school of nursing or 12 consecutive months. The School will cancel an amount up to 85% of the loan (plus interest) as follows:
  - A. Upon completion by the Borrower of each of the first, second and third year of full-time employment as a faculty member in a school of nursing, the School will cancel **20%** of the principle of, and the interest on, the amount of the unpaid loan on the first day of employment.
  - B. Upon completion by the individual of the fourth year of full-time employment as a faculty member in a school of nursing, the School will cancel **25%** of the principle of, and the interest on, the amount of the unpaid loan on the first day of employment.

To receive loan cancellation, the Borrower must submit the **Request for Partial Cancellation of Loan** form to the lending School at the end of each complete year of full-time employment as faculty at a school of nursing.

2. **Postponement:** The beginning of the Borrower's repayment period may be postponed only if the Borrower is employed full-time as nurse faculty at a school of nursing and will request loan cancellation at the end of each complete year of this employment. To receive postponement of the repayment period, the Borrower must submit a **Request for Postponement of Installment Payment** form to the lending School 30 days before the end of the 9-month grace period, and annually thereafter. Subsequent requests for postponement must be filed 30 days before the expiration date of the initial request for postponement for each year of employment. If the Borrower ceases to be employed full-time as nurse faculty prior to completion of a year, the postponement ends and the repayment period begins immediately.
3. **Grace Period:** The grace period begins immediately following completion of the program or voluntary termination as a full-time student for a period of nine (9) consecutive months. During the grace period repayment of the loan is NOT required.

4. **Repayment Period:** The NFLP loan is repayable in equal or graduated periodic installments (with the right of the Borrower to accelerate repayment) over a 10-year period that begins 9 months after the Borrower completes the program or ceases to be a full-time student in the advanced nurse education program.
5. **Interest:** The NFLP loan will bear interest on the unpaid balance of the loan at: **(a) the rate of 3 percent per annum** beginning 3 months after the Borrower ceases to be a full-time student in the nurse education program at the School, or **(b)** bear interest on the unpaid balance of the loan at the **prevailing market rate** if the Borrower fails to complete the advanced nurse education program or when the Borrower fails to establish employment as full-time nurse faculty at a school of nursing. Borrowers employed as full-time nurse faculty at a school of nursing for a consecutive four-year period will bear interest at the rate of 3% for the four year period and the remaining six years of the "repayment period". If the borrower ceases full-time employment as nurse faculty at a school of nursing, the NFLP loan will bear interest at the prevailing market rate. Borrowers are not permitted to revert back to the 3% rate once the prevailing market rate begins.
6. **Prepayment:** The Borrower may, at his or her option and without penalty, prepay all or any part of the principal and accrued interest on the loan at any time.
7. **Acceleration:** If the Borrower fails to make a scheduled repayment or fails to comply with any other term of this Promissory Note, the entire unpaid balance of the loan, including interest due and accrued and any applicable penalty charges, will, at the option of the School, become immediately due and payable.
8. **Deferment:** Borrowers who are ordered to active duty as a member of a uniformed service of the United States (Army, Navy, Marine Corps, Air Force, Coast Guard, the National Oceanic and Atmospheric Administration Corps, or the U.S. Public Health Service Commissioned Corps) are eligible for deferment for up to 3 years. A Borrower who voluntarily joins a uniformed service is NOT eligible for deferment, nor is a borrower who is employed by one of the uniformed services in a civilian capacity.
9. **Death and Disability:** In the event of the Borrower's total and permanent disability or death, the School will cancel any remaining payments on the Note.
10. **Forbearance:** The School may, in its discretion, place the Borrower's NFLP loan in forbearance whenever extraordinary circumstances such as poor health or hardship temporarily affect the Borrower's ability to make scheduled loan repayments. During periods of forbearance, interest continues to accrue on the unpaid principal balance of the loan.
11. **Default:** If the Borrower fails to make an installment payment when due or fails to comply with any other term of this Promissory Note, the loan will be considered in default.
12. **Exit Interview:** The Borrower agrees to attend an exit interview prior to completing or terminating full-time student status at the School.
13. **Credit Bureaus:** The School may disclose any delinquency or default on the Borrower's loan to credit bureaus
14. **Collection Agents, Litigation, and Withholding of Services:** If the Borrower fails to make a scheduled repayment, or fails to comply with any other term of the Note, the School may:
  - a) refer the Borrower's loan to a collection agent; b) initiate legal proceedings against the Borrower; c) withhold School services from the Borrower, such as transcripts and letters of recommendation; d) refer the Borrower's loan to the Secretary for collection assistance, including offset of Federal salaries; and e) pursue judicial remedies.
15. **General:** The Borrower will promptly inform the School of any change in name or address
16. **Disclosure:** The School will provide to the Borrower a disclosure statement regarding the financial charges on the NFLP loan(s). Schools that do not require signature of disclosure statements are urged to consult with institutional legal counsel to determine what is appropriate to the School's particular situation.

The terms of this Note shall be construed according to Section 846A of the Public Health Service Act, authorizing the Nurse Faculty Loan Program.

I **CERTIFY** and **ACKNOWLEDGE** that the above information is true and correct, and I have read and understand the provisions of the Note and my rights and responsibilities regarding the NFLP loan made under the Note.

\_\_\_\_\_  
(Printed Name of Borrower)

\_\_\_\_\_  
(Signature of Borrower)

\_\_\_\_\_  
(Date)

**WARNING:** Any person who knowingly makes a false statement or misrepresentation to obtain funds from the Federal Government is subject to penalties that include fines and imprisonment under Federal statute.