



Nurse Faculty Loan Program Fact Sheet

Summary of Nurse Faculty Loan Program (NFLP)

This loan fund was created by the Department of Health and Human Services, Health Resources and Services Administration (HRSA) to increase the number of qualified nurse faculty. As a recipient of Nurse Faculty Loan funds, you may be eligible to have up to 85% of this loan forgiven while serving as a full-time nurse faculty member at an accredited school of nursing.

Application Process

Each year, the nursing department will apply for NFLP funding from HRSA. In early July, the nursing department will notify the financial aid office of available funding, as well as how much of the funding will be given to each eligible student per semester. If you have questions about your eligibility, please contact the nursing department to express your interest.

NFLP student eligibility will be determined by the nursing department, and each recipient will then be contacted by the financial aid office via email to schedule entrance counseling sessions, during which students will complete all NFLP paperwork.

Awards may be renewable for up to five years but are contingent on available funding and are not guaranteed. In-person entrance counseling with the financial aid office is required annually before funds may be disbursed.

Interest Rate

Interest on your Nurse Faculty Loan will accrue at the rate of 3% per annum beginning three (3) months after you cease to be a full-time student in the nurse education program at your school. Interest will be payable at the end of your nine (9) month grace period. This 3% interest rate is contingent upon your completion of the advanced nurse education program and verification of your employment as a nurse faculty member once you graduate. **Nurse Faculty Loan borrowers are limited to a 12-month timeframe to establish employment as full-time nurse faculty at an accredited school of nursing following graduation.**

You must submit a properly completed form certifying your employment to the school that granted your loan, or you may submit the form to ecsi.net, your school's billing servicer. If you fail to complete the advanced nurse education program or fail to serve as a full-time nurse faculty member upon graduation, interest on this loan will accrue on the outstanding balance at the prevailing market rate. The prevailing market rate is determined by the Treasury Department and is published quarterly.

ECSI Contact Information:

Phone: 888-549-3274

Fax: 866-291-5384



Email: webcservice@ecsi.net

Mailing address: Educational Computer Systems, Inc.

181 Montour Run Road

Coraopolis, PA 15108-9408

Repayment

Repayment of your Nurse Faculty Loan is repayable in equal quarterly or monthly installments over a 10-year repayment period that begins nine months after you cease full- or part-time enrollment at your school in the advanced nurse education program. You have the right to pay more than the amount that is due on your loan. This process will shorten the time that your loan is in repayment and reduce the overall interest that you will pay over the life of the loan.

You may also prepay, without any penalty, all or any part of the principal and accrued interest on the loan at any time. For information on submitting payments on your loan, logon to ecsi.net.

Default

If you fail to make an installment payment when due, or fail to comply with any other term of your promissory note, your loan will be considered in default. Your school has the right to report any delinquency or default to credit bureaus. The school may also accelerate the loan, which means the entire loan balance will be due and payable immediately and legal action could be taken against you. **If you have difficulty making your loan payments, contact your school or billing servicer immediately.**

Deferment

Deferment benefits are available to borrowers for up to three (3) years if you are ordered to active duty as a member of the uniformed service of the U.S. (Army, Navy, Marine Corps, Air Force, Coast Guard, National Oceanic and Atmospheric Administration Corps, or Public Health Service). Volunteer service is not eligible for this type of deferment.

Deferment benefits are also available for up to three years for the following reasons:

- If you graduate and are employed, and decide to return to a graduate nursing education program to pursue a doctoral degree; or
- If you graduate and participate in post-doctoral program.

Please note that principal may be deferred; however, interest will accrue at the prevailing market rate during all periods of deferment.

You are responsible for completing and submitting a properly completed form 30 days before your activity begins. You may request a form for completion from the school which granted you this loan, or you may download forms from ecsi.net.



Forbearance

Forbearance is an alternative option if you do not qualify for deferment and you are having difficulty making your loan payment. Your school or ECSI may grant a forbearance for a limited and specified period, or an extension of the time to repay your loans. You may qualify if you request it and provide documentation to support the request. During periods of forbearance, interest continues to accrue. However, the interest is not payable until the forbearance ends. Forbearance periods may cover up to six months at a time.

You may download a form for forbearance at ecsi.net. Remember to make your student loan payments until you hear that your request has been granted. If you do not make payments while your request is being processed, your loan may become delinquent and late fees may be assessed.

Cancellation of Your Nurse Faculty Loan

You are eligible to have up to 85% of your loan cancelled (forgiven) for employment as a full-time faculty member in an accredited school of nursing, or if you gain a joint nurse faculty appointment while serving as a full-time preceptor for advanced practice registered nurse (APRN) students from an accredited program as outlined in the academic-practice partnership for a minimum of four years.

To receive this loan cancellation, you must be employed full-time as nurse faculty or hold a joint nurse faculty appointment at an accredited school of nursing for a complete year, as defined by the employing school of nursing for 12 consecutive months. During a period of cancellation, principal and interest will be cancelled. If eligible, you may receive the following cancellations:

- 20% for the first, second, and third year of employment
- 25% for the fourth year of employment

These percentages are calculated on the amount of the unpaid balance on the first day of employment. To receive these cancellation benefits, your employment must also be consecutive.

You are responsible for submitting the properly completed forms to the school that granted your loan or to ECSI, your school's billing servicer, **annually**.

Two forms are required for each year of eligible employment: (1) A Request for Postponement of Installment Payment should be submitted 30 days before your original nine (9) month grace period expires and annually thereafter. **(2) You must also complete and submit the NFLP Request for Partial Cancellation** for that same year's service upon completion of each year of employment as faculty at an accredited school of nursing. You may obtain the appropriate forms from your school or you may download these forms at ecsi.net.

Your employment verification (NFLP Certification Form) must also be submitted within the 12-month period following graduation, otherwise you will not be eligible for the Nurse Faculty Loan cancellation provision.



You may be ineligible for further cancellation benefits under the following circumstances:

- If your employment is not consecutive, you are ineligible for further cancellation benefits. Repayment of your loan will begin **and interest will accrue at the prevailing market rate.**
- If you discontinue employment, you are ineligible for further cancellation. Repayment of your loan will begin **and interest will accrue at the prevailing market rate.**

Paid leave such as vacation or sick leave is not considered a break in service. Once you receive the maximum portion (up to 85%) of the principal amount of the loan and interest, the remaining amount (15% or more depending upon years of employment) of the unpaid balance is repayable at a 3% interest rate over the remainder of your repayment period. The maximum repayment period is 10 years.

In the event of your permanent total disability or death, your loan obligation will be discharged. In both cases, documentation must be sent to the institution that granted your loan. Loan discharge due to disability requires certification from a physician and is subject to approval by your lending institution. The Department of Health and Human Services will make the final determination of a disability discharge.