

FAQ'S ABOUT NURSING FACULTY LOAN PROGRAM (NFLP)

Student Eligibility Criteria:

- Must be a Citizen or National of the U.S., or a lawful permanent resident of the United States
- Must be enrolled in an eligible advanced nurse education program and must complete the education components to prepare qualified nurse faculty
- Must be in good academic standing with Allen College
- Must not have a judgment lien based on a federal debt

General Loan Information:

- This is a federal loan cancellation program with a service obligation for recipients
- This loan is made for up to the cost of tuition, fees, and books
- Annual maximum is \$35,500
- NFLP may not exceed 5 years per student
- 85% of the loan is forgiven upon full-time employment as nurse faculty at a school of nursing for a consecutive 4-year period following graduation
- Borrowers must submit proof of employment within 12-months of graduation to be considered for loan forgiveness
- This loan is forgiven at the rate of 20% during year 1-3 of full-time employment and 25% during year 4.
- This loan is repayable in equal or graduated periodic installments over a 10-year period that begins 9 months after the borrower completes the program.
- Interest is 3% per annum beginning 3 months after the borrower ceases to be a student in the nurse education program, or 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 a full-time nurse faculty at a school of nursing. Borrowers are not permitted to revert back to the 3% rate once the prevailing market rate begins.

NFLP Repayment Options:

- Students have the option of making equal installments or graduated repayments
- No penalty for prepayment
- Not dischargeable in bankruptcy

Deferment and Forbearance Options:

- Active duty in a uniformed service
- Granted at the option of the school when the borrower is having temporary health or hardships that affect the borrower's ability to make scheduled loan repayments