

## *Nurse Faculty Loan Program (NFLP) Fact Sheet*

The purpose of the Nurse Faculty Loan Program (NFLP), which began in 2003, is to increase the number of qualified nursing faculty by providing loans to part-time and full-time students enrolled in the Educator Track of the Master of Science program or in the Doctor of Nursing Practice program including the academic educator concentration. After graduation, 85% of the total NFLP loan is forgiven over a consecutive four-year period while loan recipients serve as full-time nurse faculty at a school of nursing (i.e., baccalaureate or higher degree, associate degree or diploma schools of nursing).

### **ELIGIBLE BORROWERS**

To be eligible to receive an NFLP loan, a borrower must:

- Be a citizen or national of the U.S., or a lawful permanent resident of the U.S. and its territories.
- Have no judgment liens entered against him/her based on the default on a Federal debt.
- Be enrolled as a student in good standing in an advanced nurse education program at the school.
- Maintain "good academic standing" according to the school while enrolled in the advanced nurse education program
- Be a part-time or full-time student in the educator track of the master's program.
- Students must maintain enrollment for a minimum of two consecutive terms/semesters (either full-time or part-time) during an academic year while receiving the NFLP loan support. Students enrolled in the last year of the program are not required to enroll for two terms/semesters if program requirements are met.
- The NFLP is not a need-based program, therefore financial records are not required to determine eligibility but a FASFA must be completed each year that funds are requested.

### **MAKING NFLP LOANS TO STUDENTS**

- The school will make NFLP loans to eligible students for the cost of tuition, fees, books, lab expenses and other reasonable education expenses.
- The school will offer full support or the amount requested by the student to cover the full or partial tuition/fees on a first-come-first-serve basis for an academic year until funds are expended.
- An NFLP loan may not exceed \$35,000 per student for any academic year and not to exceed five years of support to a student.
- Subject to availability of funds and the recipient maintaining good academic standing, the loan will be made annually for the period required to complete the course of study.
- The borrower must sign a promissory note prior to disbursement of loan funds. The school must give the borrower a copy of each note.
- The borrower must complete the specified education component(s) to graduate from the advanced nursing degree program of study.
- In addition to NFLP support, students may receive support from other Federal programs provided that the funds are not used to cover the same costs.
- The school must conduct and document an entrance interview for each academic year during which the student receives an NFLP loan.

## **CANCELLATION**

The school will cancel an amount up to 85% of the principal and interest of an NFLP loan over a consecutive four-year period as follows:

- 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 principal of and interest on the NFLP loan, as determined on the first day of employment, and
- Upon completion by the borrower 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 an interest on the NFLP loan, as determined on the first day of employment.

## **REPAYMENT**

- The NFLP loan is repayable over a ten-year period beginning nine months after the borrower completes the advanced nurse education program, ceases to be enrolled as a student in the advanced nurse education program, or ceases to be employed as full-time nurse faculty.

## **INTEREST**

- The NFLP loan will bear interest on the unpaid balance at the rate of 3% per annum beginning three months after the borrower graduates from the advanced nurse education program.
- The NFLP loan will bear interest at the prevailing market rate if the borrower fails to complete the advanced nurse education program or fails to serve as a nurse faculty member for the consecutive four-year period.