

An Employer and Employee Guide to Public Service Loan Forgiveness

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PUBLIC INTEREST EMPLOYERS AND EMPLOYEES:

Public Service Loan Forgiveness (PSLF) is an extremely valuable resource for public interest employees. It can make the difference between employees deciding to work for a public service organization or not, because it can make their educational debt more manageable.

Employers, you do not need to know everything about PSLF. Get your staff started on the right track by taking these steps.

1. Give this **packet** of information to each current and newly hired employee.
2. Let each employee know that your organization is a **qualifying public service employer**—501(c)(3) organizations and state, local, federal or tribal government employers are qualifying public service employers.
3. Tell each employee if your organization requires a particular number of hours to qualify as a full-time employee. To be eligible, your staff will need to meet your organization's **full-time standard** if it is greater than an annual average of 30 hours per week or will need to work two jobs that average 30 hours per week.
4. **Annually certify employment** of your interested employees, using the U.S. Department of Education's Employment Certification for Public Service Loan Forgiveness (in this guide). Retain copies in your employees' files.

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1. Loan Forgiveness for Public Service Employees Fact Sheet

FEDERAL STUDENT AID

Loan Forgiveness for Public Service Employees

www.studentaid.ed.gov/publicservice

March 2012

What is the Public Service Loan Forgiveness (PSLF) Program?

In 2007, Congress created the Public Service Loan Forgiveness Program to encourage individuals to enter and continue to work full time in public service jobs. Under this program, you may qualify for forgiveness of the remaining balance due on your eligible federal student loans after you have made 120 payments on those loans under certain repayment plans while employed full time by certain public service employers. Since you must make 120 monthly payments on your eligible federal student loans after October 1, 2007 before you qualify for the loan forgiveness, the first cancellations of loan balances will not be granted until October 2017.

What federal student loans are eligible for forgiveness under the PSLF Program?

Any non-defaulted loan made under the William D. Ford Federal Direct Loan Program (Direct Loan Program) is eligible for loan forgiveness. (See below for information on how non-Direct Loans may be eligible.) The Direct Loan Program includes the following loans:

- Federal Direct Stafford/Ford Loans (Direct Subsidized Loans)
- Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans)
- Federal Direct PLUS Loans (Direct PLUS Loans)—for parents and graduate or professional students
- Federal Direct Consolidation Loans (Direct Consolidation Loans)

NOTE: To qualify for forgiveness of a parent PLUS Loan you, the parent borrower, not the student on whose behalf you obtained the loan, must be employed by a public service organization.

How can other federal student loans become eligible for loan forgiveness under the PSLF Program?

Although loan forgiveness under this program is available only for loans made and repaid under the Direct Loan Program, loans made under other federal student loan programs may become eligible for forgiveness if they are consolidated into a Direct Consolidation Loan. However, only payments made on the Direct Consolidation Loan will count toward the required 120 monthly payments.

The following loans may be consolidated into the Direct Loan Program:

- Federal Family Education Loan (FFEL) Program loans, which include
 - Subsidized Stafford Loans
 - Unsubsidized Stafford Loans
 - Federal PLUS Loans—for parents and graduate or professional students
 - Federal Consolidation Loans (excluding joint spousal consolidation loans)
- Federal Perkins Loans
- Certain Health Professions and Nursing Loans

NOTE: To consolidate a Federal Perkins Loan or Health Professions or Nursing Loan into the Direct Loan Program, you must also consolidate at least one FFEL Program loan or Direct Loan. If you are unsure about what kind of loans you have, you can find information about your federal student loans in the U.S. Department of Education's National Student Loan Data System at www.nslds.ed.gov.

What are the borrower eligibility requirements for loan forgiveness under the PSLF Program?

- You must not be in default on the loans for which forgiveness is requested.
- You must be employed full time by a public service organization
 - when making each of the required 120 monthly loan payments (certain repayment conditions apply—see below);
 - at the time you apply for loan forgiveness; and
 - at the time the remaining balance on your eligible loans is forgiven.

What are the specific loan repayment requirements for loan forgiveness under the PSLF Program?

- You must have made 120 separate monthly payments after October 1, 2007, on the Direct Loan Program loans for which forgiveness is requested. Earlier payments do not count toward meeting this requirement. Each of the 120 monthly payments must be made for the full scheduled installment amount within 15 days of the due date.



What are the specific loan repayment requirements for loan forgiveness under the PSLF Program? (Continued from previous page)

- The 120 required payments must be made under one or more of the following Direct Loan Program repayment plans:
 - Income Based Repayment (IBR) Plan (not available to parent Direct PLUS Loan borrowers)
 - Income Contingent Repayment Plan (not available to parent Direct PLUS Loan borrowers)
 - Standard Repayment Plan with a 10-year repayment period
 - Any other Direct Loan Program repayment plan; but only payments that are at least equal to the monthly payment amount that would have been required under the Standard Repayment Plan with a 10-year repayment period may be counted toward the required 120 payments

For more information about the repayment plans available in the Direct Loan program, please visit www.studentaid.ed.gov/repaying.

IMPORTANT NOTE: *The PSLF Program provides for forgiveness of the remaining balance of a borrower's eligible loans after the borrower has made 120 qualifying payments on those loans. In general, only borrowers who are making reduced monthly payments through the Direct Loan Income Contingent or Income Based repayment plans will have a remaining balance after making 120 payments on a loan.*

What types of public service jobs will qualify a borrower for loan forgiveness under the PSLF Program?

You must be employed full time (in any position) by a public service organization, or must be serving in a full-time AmeriCorps or Peace Corps position. Organizations that meet the definition of "public service organization" for purposes of the PSLF Program are listed below.

- A government organization (including a federal, state, local, or tribal organization, agency, or entity; a public child or family service agency; or a tribal college or university);
- A non-profit, tax-exempt organization under section 501(c)(3) of the Internal Revenue Code (includes most not-for-profit private schools, colleges, and universities);
- A private, non-profit organization (that is not a labor union or a partisan political organization) that provides one or more of the following public services:
 - Emergency management
 - Military service
 - Public safety
 - Law enforcement
 - Public interest law services
 - Early childhood education (including licensed or regulated health care, Head Start, and state-funded pre-kindergarten)
 - Public service for individuals with disabilities and the elderly
 - Public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health care support occupations)
 - Public education
 - Public library services
 - School library or other school-based services

NOTE: *When determining full-time public service employment at a not-for-profit organization, you may not include time spent participating in religious instruction, worship services, or any form of proselytizing.*

How can I keep track of my eligibility?

The U.S. Department of Education has created the Employment Certification for Public Service Loan Forgiveness form and a process to help you monitor your progress toward making the 120 qualifying payments necessary to apply for PSLF. You should complete the form, including your employer's certification of employment, and submit it to FedLoan Servicing, the PSLF servicer, at the address listed in Section 6 of the Employment Certification form.

The form allows you to get your employer's certification of employment while you are still employed at that organization or shortly after leaving. The process allows you to receive confirmation of qualifying employment and Direct Loan payment eligibility. You may also submit the form less frequently than annually to cover more than one year's employment or for more than one employer.

While use of the form and process is not required, it will help you keep track of your progress toward meeting the PSLF eligibility requirements. If you do not periodically submit the form, you will still be required to submit a form for each qualifying employer at the time you apply for forgiveness and when forgiveness is granted.

Where can I find additional information?

This fact sheet provides only a summary of the basic requirements of the PSLF Program. For more detailed information, including how to monitor your progress toward qualifying for PSLF, review the PSLF Questions and Answers document at www.studentaid.ed.gov/publicservice or contact your Direct Loan servicer.



2. PSLF Q&A for Borrowers

Public Service Loan Forgiveness Program

Questions and Answers (Q&As) for Borrowers

Prepared by Federal Student Aid
U.S. Department of Education
March 14, 2012

The following Questions & Answers (Q&As) for Borrowers provide information about the Public Service Loan Forgiveness (PSLF) Program that is available to borrowers with federal student loans made through the William D. Ford Federal Direct Loan Program (Direct Loan ProgramSM). We have grouped the Q&As into six categories: General Information, Eligible Loans, Qualifying Payments, Qualifying Repayment Plans, Qualifying Employment, and Receiving the Benefit. Following each answer is the date we posted that response. We will include a new date each time we add a question or when we update a previously posted response.

Public Service Loan Forgiveness – General Information

Q1 What is the Public Service Loan Forgiveness (PSLF) Program?

A1 The PSLF Program was established to encourage individuals to enter and continue in full-time public service employment by forgiving the remaining balance of their Direct Loans after they have made 120 qualifying monthly payments after October 1, 2007 (see [Q13](#)) under certain repayment plans (see [Q21](#)) while employed full-time (see [Q36](#)) by a public service organization (see [Q31](#) through [Q35](#)). (March 14, 2012)

Q2 What are the borrower eligibility requirements for loan forgiveness under the PSLF Program?

A2 You must be employed full-time by a public service organization when you make each of the required 120 qualifying monthly payments on your Direct Loans, at the time you apply for loan forgiveness after making the last of those 120 payments, and at the time you receive loan forgiveness. (March 14, 2012)

Q3 Are loan amounts forgiven under PSLF considered taxable by the IRS?

A3 No. According to the IRS, student loan amounts forgiven under PSLF are not considered income for tax purposes. For more information, you should check with the IRS or your tax advisor. (March 14, 2012)

Q4 Does my income level determine eligibility for PSLF?

A4 Not directly, but your income is a factor in determining your required monthly payment amount under the Income-Based Repayment (IBR) Plan and the Income Contingent Repayment (ICR) Plan, the two PSLF-eligible repayment plans that are the most likely to leave you with a remaining loan balance to be forgiven after you have made 120 qualifying monthly payments. These repayment plans are most likely to result in a balance to be forgiven if your income remains low in relation to the amount of your Direct Loan debt. (March 14, 2012)



Q5 Can I be certain that the PSLF Program will exist by the time I have made my 120 qualifying payments?

A5 The Department cannot make any guarantees regarding the future availability of PSLF. The PSLF Program was created by Congress, and, while not likely, Congress could change or end the PSLF Program. (*March 14, 2012*)

Public Service Loan Forgiveness – Eligible Loans

Q6 If I have FFEL Program loans, Federal Perkins Loans, or Health Professions Loans, can I take advantage of PSLF?

A6 PSLF is available only for Direct Loans. However, borrowers with FFEL, Perkins, or Health Professions loans who are interested in PSLF may consolidate those ineligible loans into a Direct Consolidation Loan and then make 120 qualifying payments on the Direct Consolidation Loan while employed by a qualifying public service organization to receive PLSF. Note that payments you made on the FFEL, Perkins, or Health Professions loans before they were consolidated into the Direct Loan Program do not count toward the required 120 monthly payments. For more information about consolidating into the Direct Loan Program, go to www.loanconsolidation.ed.gov, or call 1-800-557-7392.

If you are a married borrower with a joint FFEL consolidation loan, see [Q11](#).

Also, Perkins Loan borrowers should be aware that certain cancellation and other benefits available under the Perkins Loan Program do not apply to a Direct Consolidation Loan that repaid a Perkins Loan. Your Perkins Loan servicer can provide you with details on any benefits you might be giving up if you include your Perkins Loans in a Direct Consolidation Loan. (*March 14, 2012*)

Q7 Will my interest rate change if I consolidate my FFEL, Perkins, or Health Professions loans into the Direct Loan Program to take advantage of PSLF?

A7 The interest rate on a Direct Consolidation Loan is the weighted average of the interest rates of the loans being consolidated, rounded up to the next higher one-eighth of one percent (with an interest rate cap of 8.25%). This is a fixed rate that applies for the life of the loan. Because of the rounding up, the fixed interest rate on the new Direct Consolidation Loan may be slightly higher than the combined interest rates on the loans you are consolidating. (*March 14, 2012*)

Q8 Are private, non-federal education loans eligible for PSLF?

A8 Private and other non-federal education loans are not eligible for PSLF, nor can they be consolidated into the Direct Loan Program. (*March 14, 2012*)



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Q9 Are loans that are in default eligible for PSLF?

A9 No. Defaulted loans are not eligible for PSLF. However, a defaulted loan may become eligible for PSLF if you consolidate or rehabilitate the loan. You can then make qualifying PSLF payments on the new Direct Consolidation Loan or the rehabilitated loan.

To consolidate a defaulted loan, you must first make satisfactory repayment arrangements on the loan. You can do this either by making three consecutive, voluntary, on-time, full monthly payments on the defaulted loan prior to consolidation, or by agreeing to repay the new Direct Consolidation Loan under the Income Contingent Repayment (ICR) Plan or the Income-Based Repayment (IBR) Plan. Any payments made as part of the satisfactory repayment arrangements prior to consolidating your defaulted loans do not count toward the 120 required payments for PSLF.

To rehabilitate a defaulted loan, you must contact the holder or servicer of the loan to establish a rehabilitation agreement under which you will be required to make nine on-time, voluntary, full monthly payments within 20 days of the scheduled due date within 10 consecutive months. For more information on the impact of rehabilitation on PSLF, see [Q30](#). (March 14, 2012)

Q10 I consolidated my Direct Loans after I made qualifying monthly payments on those loans while working in a qualifying public service organization. Do the payments made prior to the consolidation count toward the 120 payments required for PSLF, or will I be required to make 120 additional payments on the new Direct Consolidation Loan?

A10 You will need to make 120 qualifying monthly payments on the new Direct Consolidation Loan. Qualifying payments that you made on Direct Loans prior to consolidation do not count toward the 120 required payments for PSLF. (March 14, 2012)

Q11 Can a joint FFEL Consolidation Loan be consolidated into a Direct Consolidation Loan so that one or both borrowers working in qualified public service jobs can qualify for PSLF?

A11 No. The law no longer permits joint consolidation loans to be made, so joint FFEL consolidation borrowers may not reconsolidate their FFEL consolidation loan into a Direct Loan. In addition, since joint consolidation borrowers are jointly and severally liable for repayment of the joint consolidation loan for the life of that loan, one of the borrowers may not individually reconsolidate a joint FFEL consolidation loan into a new Direct Consolidation Loan to take advantage of PSLF. (March 14, 2012)



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Q12 Are PLUS Loans eligible for PSLF?

A12 Yes. Like other Direct Loans, Direct PLUS Loans are eligible for PSLF. However, there are additional factors to consider if you are a parent PLUS borrower.

First, a parent PLUS borrower's eligibility for PSLF is based on the parent's qualifying public service employment, not on the employment of the dependent student on whose behalf the parent borrowed.

Second, parent PLUS loans may not be repaid under either the IBR or ICR Plan, the two repayment plans most likely to leave a borrower with a remaining balance to be forgiven under PSLF. The IBR Plan is also not available for Direct Consolidation Loans that repaid parent PLUS loans. However, a Direct Consolidation Loan that repaid parent PLUS loans may be repaid under the ICR Plan. For more information regarding loan consolidation, please see [Q6](#), [Q7](#), and [Q10](#).

Note that PLUS loans made to graduate and professional students may be repaid under either the IBR or ICR Plan. (*March 14, 2012*)

Public Service Loan Forgiveness – Qualifying Payments

Q13 What are the specific loan repayment requirements for loan forgiveness under the PSLF Program?

A13 You must have made 120 separate, on-time, monthly payments (after October 1, 2007) on the Direct Loan Program loans for which you are requesting PSLF forgiveness while employed full-time by a public service organization. Each of the monthly payments must have been made for the full scheduled installment amount within 15 days of the payment due date. Each payment also must have been made under a qualifying repayment plan (see [Q21](#)). (*March 14, 2012*)

Q14 I have been making payments on my Direct Loans since before October of 2007. Will these payments count towards the required 120 payments for PSLF?

A14 No. Under the law that established the PSLF Program, only payments made *after* October 1, 2007 may be counted towards the required 120 separate, on-time, monthly payments for PSLF. (*March 14, 2012*)

Q15 Must the 120 separate, monthly required payments for PSLF be consecutive payments?

A15 No. The payments do not have to be consecutive payments; but you must be employed by a qualifying public service organization at the time you make each of the 120 qualifying payments. (*March 14, 2012*)



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Q16 If I pay more than my scheduled monthly student loan payment amount, can that additional amount be counted as more than one qualifying payment for PSLF? For example, if I make a single payment that is equal to three monthly payments, will that amount be counted as three separate payments toward the required 120 separate monthly payments?

A16 No. You must make 120 separate monthly payments. Lump sum payments that exceed the scheduled payment amount do not count as separate payments. There is a limited exception to this requirement for Peace Corps and AmeriCorps volunteers. See [Q19](#).

If you make a payment that exceeds the scheduled payment amount, the excess amount will be used to advance your next payment due date unless you request that the excess amount be applied directly to reduce the outstanding principal amount of your loans. Depending on the size of the excess payment, it is possible that your next due date could be a month or more in the future from the date you made the extra payment amount. If you make subsequent payments while your account is “paid ahead”, those payments will not count toward PSLF.

If you request that your extra payment amount not be applied to future scheduled payments, the excess will be applied toward any outstanding accrued interest and principal without advancing the due date of your next scheduled payment, and any subsequent monthly payments you make (if otherwise qualifying) will count toward the required 120 payments. (*March 14, 2012*)

Q17 If I return to school and qualify for an in-school deferment on my Direct Loans that are in repayment, can I decline the deferment and make qualifying PSLF payments while I am in school?

A17 Yes. You may decline an in-school deferment on your loans that are in repayment status and make payments on those loans while you are in school. If you decline your in-school deferment, any qualifying payments you make will count toward the 120 required payments for PSLF. Remember, you must be employed full-time by a public service organization while you attend school.

The option of declining an in-school deferment also applies to any new Grad PLUS loans you receive when you return to school. Grad PLUS Loans enter repayment after they are fully disbursed (while you are still in school), but are eligible for an in-school deferment while you are enrolled in school at least half time.

If you receive new Direct Subsidized/Unsubsidized Loans when you return to school, you will not be able to make qualifying PSLF payments on those loans while you are in school. Any new Direct Subsidized/Unsubsidized Loans you receive will not enter repayment until the end of the 6-month grace period that begins the day after you cease to be enrolled in school on at least a half-time basis. You cannot make payments under a PSLF-eligible repayment plan until a loan has entered repayment status. Although you could voluntarily make payments on your new Direct Subsidized/Unsubsidized Loans while you are in school or during your grace period, those payments would not count as PSLF-qualifying payments. (*March 14, 2012*)



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Q18 May I waive the six-month repayment grace period on my Direct Subsidized/Unsubsidized Loans and begin making qualifying PSLF payments early?

A18 No. Under the law that governs the Direct Loan Program, you may not waive the 6-month grace period on Direct Subsidized and Direct Unsubsidized loans that begins after you cease to be enrolled in school at least half-time. Direct Subsidized/Unsubsidized Loans only enter repayment at the end of the 6-month grace period. Any payments made on a loan during the grace period, when you have no legal requirement to make payments, will be applied to reduce loan principal and will not count as PLSF-qualifying payments. (*March 14, 2012*)

Q19 I'm thinking of serving as a Peace Corps or AmeriCorps volunteer and plan to request a deferment or forbearance on my Direct Loans, since I won't be able to afford to make loan payments while I am serving. If I'm not making payments during my service period, can my Peace Corps or AmeriCorps service and Segal Education Award or Transition Payment count for PSLF?

A19 Yes, under certain conditions. The PSLF regulations provide special treatment for Peace Corps and AmeriCorps volunteers to recognize their service as PSLF-qualifying service. However, Peace Corps and AmeriCorps volunteers must still meet the PSLF requirement to make 120 qualifying payments. Peace Corps volunteers receive a transition payment after completing their period of service, and AmeriCorps volunteers may receive a Segal Education Award after a year of service that they can designate be used toward student loan repayment.

If you use some or all of your Peace Corps transition payment or AmeriCorps Segal Education Award to make a lump sum payment on your Direct Loans, you will receive credit for up to 12 qualifying payments for PSLF. The number of payments for which you receive credit is determined by dividing the amount of your lump sum payment by your scheduled full monthly payment amount, but you may not receive credit for more than 12 monthly payments toward the PSLF payment requirement. (*March 14, 2012*)

Q20 If my scheduled monthly payment under IBR or ICR is zero, does each month during which my required monthly payment is zero count towards the required 120 separate, monthly payments?

A20 Yes. Any month when your scheduled, monthly payment under IBR or ICR is zero will count toward your required 120 monthly payments if you are also employed full-time by a qualifying public service organization during that month. (*March 14, 2012*)



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Public Service Loan Forgiveness – Qualifying Repayment Plans

Q21 What Direct Loan Program repayment plans qualify under the PSLF Program?

- A21 The 120 required qualifying payments must be made under one or more of the following [Direct Loan Program repayment plans](#)—
- The [Income Based Repayment \(IBR\) Plan](#);
 - The Income Contingent Repayment (ICR) Plan;
 - The Standard Repayment Plan with a maximum 10-year repayment period (see [Q22](#) and [Q24](#)); and
 - Any other Direct Loan repayment plan, but only payments that are at least equal to the monthly payment amount you would be required to pay under the Standard Repayment Plan with a 10-year repayment period may be counted toward the 120 qualifying payments for PSLF. (*March 14, 2012*)

Q22 I am repaying my Direct Consolidation Loan under the Standard Repayment Plan. Do payments I make under this plan count toward the required 120 payments?

- A22 Generally, no. The Standard Repayment Plan for Direct Consolidation Loans is not the same repayment plan as the 10-year Standard Repayment Plan for Direct Subsidized/Unsubsidized Loans and Direct PLUS Loans, and payments made under the Standard Repayment Plan for Direct Consolidation Loans do not qualify for PSLF purposes.

Under the Standard Repayment Plan for Direct Consolidation Loans, the maximum repayment period may be up to 30 years, depending on the amount of the consolidation loan and the amount of the borrower's other education loan debt. This longer repayment period results in a monthly payment amount that is less than the monthly payment amount required under the 10-year Standard Repayment Plan.

For a monthly payment made under any Direct Loan repayment plan other than IBR, ICR, or the 10-year Standard Repayment Plan to be eligible for PSLF purposes, the payment amount *must not be less than what it would be if the borrower repaid the loan under the 10-year Standard Repayment Plan*. For a Direct Consolidation Loan, the Standard Repayment Plan will result in a scheduled monthly payment that is equal to the monthly payment amount under the 10-year Standard Repayment Plan only if the amount of the consolidation loan and the borrower's other education loan debt is less than \$7,500. (*March 14, 2012*)

Q23 What other Direct Loan repayment plans would give me a monthly payment that is at least equal to the payment that would be required under a 10-year Standard Repayment Plan?

- A23 In some cases, payments made during the later portion of the repayment period under the Graduated Repayment Plan may equal or exceed the payment amount that would be required under a 10-year Standard Repayment Plan. Under the Graduated Repayment Plan, payments start out lower and then gradually increase, generally every two years. (*March 14, 2012*)



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- Q24 Although payments made under the 10-year Standard Repayment Plan are qualifying payments for PSLF, will I have any remaining balance to be forgiven if I make all my payments under a 10-year plan?**
- A24 No. Because the 10-Year Standard Repayment Plan requires you to fully pay off your loan within ten years (120 monthly payments), you will not have any remaining loan balance to be forgiven if you make all of your 120 required payments under a 10-Year Standard Repayment Plan.
- The 10-year Standard Plan is included as an eligible repayment plan for PSLF purposes so that borrowers may receive credit toward the required 120 PSLF payments for payments they may have made under this plan before switching to either IBR or ICR or after leaving IBR or ICR.
(March 14, 2012)
- Q25 Is it always true that if I repay my Direct Loans under either the IBR or ICR plans I will have at least some of my Direct Loan amount forgiven?**
- A25 Not necessarily. Since your income is one factor that is used to determine your monthly loan payment amount under both the IBR and ICR plans, your required monthly payment may increase based on changes in your income. If your loan payment increases, in some cases there may be no remaining loan balance to be forgiven after you have made 120 payments, even if you are repaying under IBR or ICR.
- Q26 In summary, what are my best repayment plan options to maximize my PSLF benefits?**
- A26 While payments under certain other repayment plans may be counted toward the required 120 payments, to receive any forgiveness under the PSLF Program, you will have to make most of your loan payments under the IBR or ICR Plan to have any remaining loan balance after 120 payments have been made. (March 14, 2012)
- Q27 If I am repaying my Direct Loans under the IBR Plan, what will happen if I am determined to no longer have a partial financial hardship? Will my monthly payments continue to count for PSLF?**
- A27 Yes. Although you must have a partial financial hardship to initially qualify for IBR, you may remain in the IBR Plan even if you are later determined to no longer have a partial financial hardship. However, your monthly payment will be adjusted and will no longer be based on your income. As long as you remain in the IBR Plan, your monthly payments will count toward the required 120 payments for PSLF. (March 14, 2012)



Q28 What happens if I can't afford to make my scheduled monthly payments under the IBR Plan or the ICR Plan? Are other repayment options available to me if I want to qualify for PSLF?

A28 Payments made under certain other Direct Loan repayment plans may be counted toward the 120 separate, monthly payments required for PSLF. However, the IBR and ICR Plans generally provide the lowest monthly payments of the PSLF-qualifying plans. Therefore, changing from the IBR or ICR Plan to one of the other PSLF-qualifying repayment plans will generally not result in a lower monthly payment.

If you cannot afford to make your scheduled, monthly payment, you should contact your Direct Loan servicer to discuss deferment or forbearance options that would allow you to temporarily stop making your loan payments or temporarily make them for a lower amount. Although you will no longer be making PSLF-qualifying payments during an authorized period of deferment or forbearance, you will avoid becoming delinquent on repayment of your loan. *(March 14, 2012)*

Q29 Do partial payments under a qualifying repayment plan count towards eligible monthly payments?

A29 If you make multiple partial payments that total at least your full scheduled monthly payment amount, and you make those payments no later than 15 days after the scheduled due date for that month's payment, the series of partial payments will count as a one single qualifying, monthly payment for PSLF.

For example, if your required monthly payment under a PSLF-qualifying repayment plan is \$200 and you make a series of four \$50 payments toward your next, immediately due monthly payment amount, with the 4th payment made no later than 15 days after the scheduled due date for that payment, you would receive credit for one qualifying payment. *(March 14, 2012)*

Q30 I am in the process of rehabilitating a defaulted loan. Will my full, on-time, voluntary payments that I make as part of my loan rehabilitation agreement count toward the required 120 payments for PSLF?

A30 No. Payments made on a defaulted loan under a rehabilitation agreement are not payments that are made under a PSLF-eligible repayment plan and therefore are not PSLF-qualifying payments. *(March 14, 2012)*

Public Service Loan Forgiveness – Qualifying Employment

Q31 Which employers are “public service organizations” that are eligible employers for the PSLF Program?

A31 The term “public service organization” covers a broad range of employers, including any federal, state, or local government organization or agency (see [Q32](#)) and most not-for-profit organizations (see [Q33](#) and [Q34](#)). *(March 14, 2012)*



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Q32 What public (government) employers qualify as eligible employers for the PSLF Program?

A32 Any federal government, state government, local government, or tribal government entity is an eligible employer for the PSLF Program. This includes the U.S. military, public elementary and secondary schools, public colleges and universities, public child and family service agencies, and special governmental districts (including entities such as a public transportation, public water, or public bridge district, or a public housing authority). The U.S. government has a directory that includes most government agencies and departments at <http://www.usa.gov/Agencies.shtml>.

If you are employed by a private company under a contract with a government agency, see [Q43](#).

If you work for a foreign government or an international intergovernmental organization, see [Q49](#).

Service as an elected member of the U.S. Congress is not qualifying employment for PSLF. (*March 14, 2012*)

Q33 What not-for-profit organizations qualify as eligible employers for the PSLF Program?

A33 Eligible not-for-profit organizations include those that are tax-exempt under section 501(c)(3) of the Internal Revenue Code. These organizations include most private, not-for-profit elementary and secondary schools, private, not-for-profit colleges and universities, and thousands of other organizations, agencies, and charities. Your employer will easily be able to tell you if it is tax-exempt under section 501(c)(3) of the Internal Revenue Code. The IRS has a searchable database of 501(c)(3) organizations at <http://www.irs.gov/app/pub-78/>.

If your employer is a not-for-profit organization that is tax-exempt under section 501(c)(3) of the Internal Revenue Code, but you perform your work outside of the United States, see [Q47](#).

If your employer is a not-for-profit organization but not a tax-exempt under section 501(c)(3) of the Internal Revenue Code, your employment may still qualify if your employer meets the conditions specified in the answer to [Q34](#).

If your employer is engaged in religious activities, see [Q54](#). (*March 14, 2012*)



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Q34 Can a private, not-for-profit employer that is not tax-exempt under section 501(c)(3) of the Internal Revenue Code qualify as a public service organization for the PSLF Program?

A34 Yes. If the not-for-profit employer provides one or more of the following public services:

- Emergency management,
- Military service,
- Public safety,
- Law enforcement,
- Public interest law services,
- Early childhood education (including licensed or regulated childcare, Head Start, and state-funded pre-kindergarten),
- Public service for individuals with disabilities and the elderly,
- Public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health care support occupations),
- Public education,
- Public library services, or
- School library or other school-based services.

However, if the organization is a labor union or a partisan political organization it is not an eligible PSLF employer. If your employer is engaged in religious activities, see [Q54](#).

If your employer operates outside the United States or is a foreign charity that operates within the United States, please see [Q48](#). (March 14, 2012)

Q35 What types of public service jobs will qualify me for loan forgiveness under the PSLF Program?

A35 The specific job that you perform does not matter, as long as you are employed by an eligible public service organization. For example, if you are a full-time employee of a public school system, your employment would meet the requirements for PSLF, regardless of your position (teacher, administrator, support staff, etc.).

If your organization engages in religious activities, see [Q54](#) and [Q55](#) for more information regarding whether your employment qualifies. (March 14, 2012)



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Q36 What is considered full-time employment for PSLF?

A36 If you only have one employer, you must meet your employer's definition of full-time. However, for PSLF purposes, that definition must be at least an annual average of 30 hours per week.

If you are a contract employee, see [Q37](#).

If you have more than one employer, see [Q38](#).

See [Q52](#) for information regarding the treatment of vacation and leave time. (*March 14, 2012*)

Q37 If I work for an eligible PSLF employer under a contract for a period of employment that is less than a full year, will my employment be considered full-time for PSLF?

A37 Yes, in some cases. If you have an employment contract or other period of employment of at least 8 months, an average of 30 hours per week over that period of employment is considered full-time.

For example, if you are a teacher with an annual contract for a term of 8 or 9 months, and you work an average of 30 hours per week during that period of employment, it is considered full-time employment for PSLF purposes. (*March 14, 2012*)

Q38 I am working for more than one employer during the same period of time, but am not employed by any one of them on a full-time basis. Will my combined employment be considered full-time for PSLF?

A38 Yes. If you have more than one employer during the same period of time, full-time employment is an annual average of at least 30 hours per week, determined by adding together the annual average number of hours per week for each employer. Each employer must qualify as a public service organization for the employment to be included in determining whether you are employed on a full-time basis.

For example, if you worked for Public Service Organization A for an annual average of 10 hours per week and you concurrently worked for Public Service Organization B for an annual average of 20 hours per week, this would equal a combined annual average of 30 hours per week. (*March 14, 2012*)



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Q39 Will the Department of Education track my qualifying employment and qualifying payments while I am working toward meeting the 120 months of required payments for PSLF?

A39 Yes, but only if you periodically submit the *Employment Certification Form* that has been developed by the Department of Education and is available at www.studentaid.ed.gov/publicservice. You are encouraged to submit the *Employment Certification Form* to the Department of Education's PSLF servicer, FedLoan Servicing (PHEAA), annually while you are working to fulfill the employment and payment requirements for PSLF so that you will receive feedback on the eligibility of your employment and payments for a specified employment period.

The PSLF servicer will review each *Employment Certification Form* you submit to confirm that your employer qualifies as a public service organization. If it is your first submission of an *Employment Certification Form*, all of your Department-held loans will be transferred to the PSLF servicer, which will then verify that the loan payments you made during the period covered by the *Employment Certification Form* are qualifying payments. After reviewing your *Employment Certification Form*, the PSLF servicer will tell you how many qualifying payments you have made toward the required 120 payments.

See [Q41](#) for guidance on keeping records of your qualifying employment. (March 14, 2012)

Q40 After I submitted the Employment Certification Form, I was notified that I would now have a different servicer for my federally held student loans. Why did my servicer change?

A40 One of the Direct Loan servicers (FedLoan Servicing/PHEAA) has been assigned responsibility for administering PSLF for all Direct Loan borrowers. As a result, if you submit an *Employment Certification Form*, all of your loans held by the Department of Education (including any of your loans that are not eligible for PSLF, such as FFEL Program loans that have been purchased by the Department) will be transferred to FedLoan Servicing. (March 14, 2012)

Q41 What kind of documentation do I need to keep to show that I worked for a qualifying PSLF employer while making the required 120 payments on my Direct Loan(s)?

A41 The PSLF servicer will confirm that your employer is a qualifying public service organization based on the information provided on the *Employment Certification Form* that you submit. In some cases, the PSLF servicer may require additional documentation about your qualifying employment. Therefore, you should keep records that identify your employer, demonstrate that your employer meets the definition of a public service organization, show your dates of employment with that employer, and demonstrate that you were a full-time employee.

Examples of such documents include, but are not limited to, IRS W2 forms and paystubs.

You should retain as many documents supporting your qualifying employment as possible. (March 14, 2012)



Q42 Is Peace Corps or AmeriCorps service considered qualifying employment for PSLF?

A42 Yes, if you are serving as a full-time Peace Corps or AmeriCorps volunteer.

During their service periods, Peace Corps and AmeriCorps volunteers are generally not required to make monthly payments on their student loans because the volunteers are eligible for a deferment or forbearance on those loans. A volunteer who declines the deferment or forbearance and continues to make monthly payments while serving would be treated like any other borrower working to qualify for PSLF.

Volunteers who receive a deferment or forbearance and who do not make monthly payments during their period of service may still receive credit for their PSLF-qualifying service and for making qualifying payments if they use their Segal Education Award or Peace Corps transition payment to make a lump sum payment on the eligible loan(s) for which they are seeking forgiveness. See [Q19](#) for more information. (*March 14, 2012*)

Q43 I am employed full-time by a for-profit, private company, doing work for a government agency or for an otherwise qualifying PSLF not-for-profit organization under a contract my company has with the agency or organization. Does this employment qualify for PSLF?

A43 No. You must be directly employed full-time by the public service organization. (*March 14, 2012*)

Q44 I know that employment with a public school qualifies for PSLF. What about employment with a private school?

A44 Most private elementary and secondary schools and private colleges and universities are not-for-profit entities that are tax-exempt organizations under section 501(c)(3) of the Internal Revenue Code. If a private school has this status, it would qualify as a public service organization for PSLF purposes.

If the private school, college, or university is not tax-exempt under section 501(c)(3) of the Internal Revenue Code, it may also be a qualifying public service organization as a not-for-profit organization offering public education. However, employment with a for-profit private school, college, or university is not eligible employment for PSLF purposes.

If you are employed by a parochial or other religious school, see [Q54](#) and [Q55](#) for more information regarding whether your employment qualifies for PSLF. (*March 14, 2012*)

Q45 Do I need to have the same job while making all of the required 120 payments for PSLF and still be eligible for forgiveness?

A45 No. As long as you can provide documentation demonstrating that you were employed full-time by one or more public service organizations during the period of time you made each of the required 120 separate, monthly payments, and at the time you apply for and receive loan forgiveness. (*March 14, 2012*)



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Q46 If I receive my pay in the form of a stipend, will my employment qualify for PSLF?

A46 The form of payment you received from your employer does not matter. What matters is whether you made each of the required 120 separate, monthly payments on time while you were employed full-time by a public service organization. For PSLF purposes, you are considered an employee of an organization if you were hired and paid by that organization.

However, the source of the stipend may be relevant for purposes of determining whether you were employed by a qualifying public service organization. See [Q51](#) for more information. (*March 14, 2012*)

Q47 If I am employed by a not-for-profit organization that is tax-exempt under section 501(c)(3) of the Internal Revenue Code, but I perform this employment outside of the United States, would the employment qualify under the PSLF program?

A47 Yes. Full-time employees of organizations that are tax-exempt under section 501(c)(3) of the Internal Revenue Code may perform their work anywhere. (*March 14, 2012*)

Q48 I am a full-time employee of a foreign not-for-profit organization that does not operate in the United States and is not a 501(c)(3) organization under the Internal Revenue Code. Will my employment with this not-for-profit organization qualify for PSLF?

A48 No. If your public service organization does not operate in the U.S. and is not a not-for-profit, tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, your employment would not qualify for PSLF purposes.

However, if you work for a foreign not-for-profit organization that is not tax-exempt under section 501(c)(3) of the Internal Revenue Code, but which operates within the United States, your employment may qualify if it meets the conditions specified in the answer to [Q34](#).

See [Q56](#) for the definition of “the United States” for PSLF purposes. (*March 14, 2012*)

Q49 Does employment by a foreign government or international, intergovernmental organization (e.g., the United Nations, Organization for Economic Cooperation and Development, Organization of American States, North Atlantic Treaty Organization, etc.) qualify as public service employment?

A49 No. Only U.S. federal, state, local and tribal government organizations, agencies, or entities qualify as public service organizations for purposes of PSLF.

However, if you work for the United States delegation to an international, intergovernmental organization, such as the U.S. mission to the United Nations, then your employment qualifies because you are employed by the Federal government, not the international, intergovernmental organization. (*March 14, 2012*)



- Q50 Does full-time volunteer service for a public service organization qualify for PSLF?**
- A50 No. Unless you are an AmeriCorps or Peace Corps volunteer, you must be a full-time employee who is hired and paid by a public service organization. (*March 14, 2012*)
- Q51 I am serving a fellowship with a qualifying public service organization. Does this qualify as eligible employment for PSLF?**
- A51 It depends on the particular terms of your fellowship. If your fellowship is one in which you are considered an employee who is hired and paid by the public service organization, the fellowship would qualify. However, if you are not considered an employee of the public service organization, then your work will not qualify for PSLF. (*March 14, 2012*)
- Q52 Are vacation or leave periods considered when determining whether I am a full-time employee?**
- A52 Employer-provided vacation or leave time is equivalent to hours worked in determining whether you meet the full-time employment requirement. This includes leave taken for a qualifying condition under the Family and Medical Leave Act of 1993. (*March 14, 2012*)
- Q53 I am the only official that can certify my employment. Can I certify my own qualifying employment?**
- A53 Yes, you may self-certify your own employment if you are the only employee of the organization that can do so. However, the Department reserves the right to request additional documentation concerning your employment for this organization, such as earnings statements, IRS W-2 forms, your application for tax exempt status, or any other documentation required to be filed with the IRS on a period basis regarding the conduct of the organization. (*March 14, 2012*)
- Q54 I am employed full-time by a qualifying not-for-profit organization that engages in religious activities. Does my employment qualify for PSLF?**
- A54 It depends on how much of your job is related to religious activities. When determining full-time public service employment you may not include time spent participating in religious instruction, worship services, or any form of proselytizing. (*March 14, 2012*)
- Q55 I am employed full-time by a qualifying not-for-profit organization that does not engage in religious activities, but some of my job responsibilities are of a religious nature. Does my employment qualify for PSLF?**
- A55 It depends on how much of your job is related to religious activities. When determining full-time public service employment you may not include time spent participating in religious instruction, worship services, or any form of proselytizing. (*March 14, 2012*)



Q56 I am employed full-time by an eligible public service organization in one of the islands that have a legal relationship with the United States. Will that employment qualify for PSLF purposes?

A56 Yes. In addition to the 50 states and the District of Columbia, full-time employment with an otherwise eligible public service organization in American Samoa, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau qualifies. These locations are considered part of the United States for PSLF purposes. (*March 14, 2012*)

Q57 What if I make made my 120th qualifying payment while working for a qualified public service organization, but then leave that job to work for a for-profit corporation before applying for the PSLF benefit. Am I still eligible for PSLF?

A57 No. To be eligible for forgiveness, you must be employed full-time by a qualifying public service organization at the time you made each of the 120 qualifying payments, at the time you apply for loan forgiveness, and at the time you receive loan forgiveness.

Therefore, if you left your job at a public service organization after meeting the PSLF qualifying criteria but before you apply for loan forgiveness, you would not be eligible for forgiveness since you need to be working for the public service organization at the time you apply for and receive forgiveness. However, if you then find employment at another public service organization, you could regain eligibility. (*March 14, 2012*)

Public Service Loan Forgiveness – Receiving the Benefit

Q58 What do I do after I have made all of the 120 qualifying payments?

A58 You will need to submit an application for Public Service Loan Forgiveness.

Please note that the earliest any borrower could qualify for Public Service Loan Forgiveness is October of 2017. Therefore, there is no application for forgiveness yet. The application is under development and will be released closer to the time when the first borrowers will qualify for forgiveness. (*March 14, 2012*)



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Q59 When I have made my 120th qualifying payment while working for a qualifying public service organization and am ready to submit my loan forgiveness application, do I need to submit any other documents to the PSLF servicer?

A59 Yes. Even if you had submitted *Employment Certification Forms* to the Department's PSLF servicer during the entire period when you were making your 120 qualifying payments, you will need to submit one additional *Employment Certification Form* to verify your current full-time employment with a qualifying public service organization at the time you submit your PSLF application.

If you did not submit any *Employment Certification Forms*, or if you did not submit *Employment Certification Forms* for some of your employers or for only some of the time, you will need to provide one or more *Employment Certification Forms*, as necessary, to cover your entire period of qualifying public service employment (including your current employment) at the time you submit your loan forgiveness application.

Q60 I made some qualifying payments when I worked for a qualifying public service organization in the past, but I have not made 120 payments, and it is unlikely that I will be employed by a public service organization again in the future. Can I qualify for partial forgiveness based on the number of qualifying payments that I made?

A60 No. There is no partial loan forgiveness. To receive loan forgiveness under the Public Service Loan Forgiveness Program, you must make all 120 qualifying payments while providing qualifying public service. (*March 14, 2012*)

Q61 When I submit my application for loan forgiveness after making the 120 required monthly payments, how long will it take the Department's PSLF servicer to process my application and forgive my remaining loan balance?

A61 We estimate that in most cases it will take approximately 30-60 days to process a PSLF application. Processing times may vary depending on factors such as whether documentation of employment was previously submitted for review or only at the time of application for loan forgiveness, the number of employers, gaps in employment or payment history, and any required follow-up with the applicant. (*March 14, 2012*)

Q62 What will happen if the Department's PSLF servicer denies my PSLF application for loan forgiveness?

A62 If the Department determines that you are not eligible for loan forgiveness, you will be notified of this determination and will be provided with the reason you were determined to be ineligible. The Department's PSLF servicer will then resume billing on your loans. The Department will grant forbearance of payments of principal and interest to cover the period when collection activity was suspended during the application processing period. Interest that accrues during a period of suspended collection activity may be capitalized if you are not granted forgiveness.

Capitalization means that we add accrued interest to the unpaid principal amount of your loan. Capitalization increases the unpaid principal balance of your loan, and we will then charge interest on the increased principal amount. (*March 14, 2012*)



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Q63 I am a teacher and I plan to apply for federal Teacher Loan Forgiveness after completing five years of qualifying teaching service. Will I also be able to qualify for PSLF?

A63 Yes. However, you may not receive a benefit under both the Teacher Loan Forgiveness Program and the Public Service Loan Forgiveness Program for the same period of teaching service. For example, if you make payments on your loans during your five years of qualifying employment for Teacher Loan Forgiveness and then receive loan forgiveness for that service, the payments you made during that five-year period will not count toward the 120 payments required for PSLF. (March 14, 2012)

Q64 If I am employed by an eligible public service organization and receive a student loan repayment benefit from my employer under the Federal Student Loan Repayment Program or under another employer-based student loan repayment program, can I also receive PSLF based on the same employment?

A64 Yes. You may receive benefits under both an employer loan repayment plan, including the Federal Student Loan Repayment Program, and the PSLF Program for the same period of qualifying public service. A monthly payment made by your employer to cover the amount of your required monthly student loan payment under a qualifying PSLF repayment plan will count toward the 120 qualifying payments required for PSLF.

If your employer makes a single lump sum payment that covers multiple monthly student loan payments, it will only count as one qualifying monthly payment, and may affect whether future payments qualify. See [Q16](#) for more information.

More information about the Federal Student Loan Repayment Program may be found on the U.S. Office of Personnel Management's Web site at <http://www.opm.gov/oca/pay/studentloan/>. (March 14, 2012)



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3. PSLF Q&A for Employers

Public Service Loan Forgiveness Program

Questions and Answers (Q&As) for Employers

Prepared by Federal Student Aid
U.S. Department of Education
March 14, 2012

The Questions & Answers (Q&As) for Employers that follow provide information about the Public Service Loan Forgiveness (PSLF) Program that is especially relevant to employers. We have grouped the Q&As into three categories: General Information, Forms, and Qualifying Employment. Following each answer is the date we posted that response. We will include a new date each time we add a question or when we update a previously posted response.

Public Service Loan Forgiveness – General Information

Q65 What is the PSLF Program?

A65 The PSLF Program was established to encourage individuals to enter and continue in full-time public service employment by forgiving the remaining balance of their William D. Ford Federal Direct Loan Program loans (Direct LoansSM) after the Direct Loan borrower has made 120 qualifying monthly payments (after October 1, 2007) while employed full-time by a public service organization. (March 14, 2012)

Public Service Loan Forgiveness – Employment Certification for Public Service Loan Forgiveness Form

Q66 What is the "*Employment Certification for Public Service Loan Forgiveness Form*" and why am I being asked to complete it?

A66 To be eligible for loan forgiveness under the PSLF Program, a borrower must make 120 qualifying payments while employed full-time by a qualifying public service organization. The *Employment Certification for Public Service Loan Forgiveness Form* collects employment information that is needed to determine whether your organization and the employee meet the employment eligibility requirements for PSLF. (March 14, 2012)

Q67 Am I allowed to release information regarding my employees to the Department of Education or my employee's Direct Loan servicer for PSLF purposes?

A67 Yes. The PSLF *Employment Certification Form* includes the borrower's authorization for you to release information about the status of the employee (e.g. full-time, part-time) and the period of employment that you are certifying. (March 14, 2012)

Q68 What will the information on the *Employment Certification Form* be used for?

A68 The information that you and your employee provide on the *Employment Certification Form* will *only* be used to determine whether your employee's work qualifies for the Public Service Loan Forgiveness Program.



- Q69 Do I have the right to obtain information about my employee's student loans (e.g., the outstanding loan balances, payment status, etc.)?**
- A69 No. The Privacy Act of 1974, as amended, generally prohibits the Federal government from releasing any personal information it retains to third parties. (*March 14, 2012*)
- Q70 My employee (or former employee) submitted to me only an *Employment Certification Form*. Is there also an application for loan forgiveness that needs to be completed and submitted?**
- A70 Borrowers may not apply for loan forgiveness until after they have made 120 separate monthly qualifying loan payments while being employed full-time at a qualifying public service organization, and only payments made after October 1, 2007 count toward the required 120 separate, monthly payments. The earliest date that any borrower will be eligible to apply for PSLF is October 2017. Therefore, no application is currently available. However, the Department developed the *Employment Certification for Public Service Loan Forgiveness Form* so that Direct Loan borrowers could submit information on a periodic basis (recommended annually) so that confirmation of qualifying PSLF employment could be provided to the borrower. (*March 14, 2012*)
- Q71 The *Employment Certification Form* asks for an employment end date, but the employee for whom I am providing the information is currently employed by my organization. Do I leave this field blank?**
- A71 No. If the employee will continue working for your organization after you certify the form, report the employment end date as the date on which you sign the form. You may not certify an employment ending date that is after the date you sign the form. (*March 14, 2012*)
- Q72 I completed an *Employment Certification Form* for one of my employees last year. Why am I being asked to do so again this year?**
- A72 The Department recommends that borrowers obtain certification of qualifying public service employment on an annual basis. This will make the final PSLF application process easier for the borrower. (*March 14, 2012*)

Public Service Loan Forgiveness – Qualifying Employment

- Q73 My organization recently lost its 501(c)(3) status and I just had an employee ask me to complete the ECF. Can I complete the form?**
- A73 Yes, you may complete the form but you may not certify an employment end date beyond the date when your organization lost its 501(c)(3) status. However, your organization may meet the eligibility requirements for other private not-for-profit organizations that provide certain public services, as explained in [Q34](#). If your organization qualified as an eligible public service organization for the borrower's full period of employment despite the loss of its 501(c)(3) status, you should complete a separate ECF for the period of employment after your organization's loss of its 501(c)(3) status. (*March 14, 2012*)

Q74 My organization is an otherwise qualifying religiously affiliated not-for-profit organization. Does my employee's work qualify for PSLF?

A74 It depends on how much of your employee's job is related to religious activities. When determining full-time public service employment your employee may not include time spent on participating in religious instruction, worship services, or any form of proselytizing.

When an authorized official signs the *Employment Certification Form*, the official is certifying that the number of hours worked on the form do not include any of the activities above. (March 14, 2012)

Q75 My organization is an otherwise qualifying not-for-profit, but my employee's job duties include participating in religious activities. Does my employee's work qualify for PSLF?

A75 It depends on how much of your employee's job is related to religious activities. When determining full-time public service employment your employee may not include time spent on participating in religious instruction, worship services, or any form of proselytizing.

When an authorized official signs the *Employment Certification Form*, the official is certifying that the number of hours worked on the form do not include any of the activities above. (March 14, 2012)

Q76 May my part-time employees take advantage of PSLF?

A76 Yes, if the employee works for another qualifying public service organization concurrently with your organization and works a combined annual average of at least 30 hours per week.

You do not need to determine whether your employee meets this requirement as long as you appropriately certify that the individual is a part-time employee and provide the annual average number of hours worked per week at your organization. (March 14, 2012)

4. PSLF

Employment Certification Package



Dear Federal Student Loan Borrower:

Thank you for your interest in the Direct Loan Public Service Loan Forgiveness (PSLF) Program. The PSLF Program was established by Congress with the passage of the College Cost Reduction and Access Act of 2007, and was created to encourage individuals to enter lower-paying but vitally important public sector jobs such as military service, law enforcement, public education and public health professions. The PSLF Program allows eligible borrowers to cancel the remaining balance of their Direct Loans after they have served full time at a public service organization for at least 10 years, while making 120 qualifying loan payments.

This letter provides important information about the PSLF Program, including information on how to determine if your employment and loan payment history meet the program's loan forgiveness requirements. To better assist you, the Department of Education is providing a series of materials, including an employment certification form that allows you to keep track of eligible employment and loan payments. In addition, these materials will allow you to find out if your job and loan payments will qualify for loan forgiveness in the future. If you are eligible, these materials will assist you in determining how many payments you have left to make to qualify for loan forgiveness.

What must I do to have any remaining balances on my Direct Loans forgiven under the PSLF Program?

- ✓ You must make 120 on-time, full, scheduled, monthly payments on your Direct Loans. Only payments made *after* October 1, 2007 qualify.
- ✓ You must make those payments under a qualifying repayment plan.
- ✓ When you make each of those payments, you must be working full-time at a qualifying public service organization.

The following provides detailed information on the PSLF requirements.

What loans qualify for forgiveness?

Only loans you received under the William D. Ford Federal Direct Loan (Direct Loan) Program are eligible for PSLF. Loans you received under the Federal Family Education Loan (FFEL) Program, the Perkins Loan Program, or any other student loan program are not eligible for PSLF.

If you have FFEL and/or Perkins loans, you may consolidate them into a Direct Consolidation Loan to take advantage of PSLF. However, only payments you make on the new Direct Consolidation Loan will count toward the 120 month payment requirement for PSLF. Payments made on your FFEL or Perkins loans, even if they were made under a qualifying repayment plan, do not count as eligible PSLF payments.

If some or all of your loans are not eligible, you can consolidate.

If you are interested in consolidating your FFEL or Perkins loans into a Direct Consolidation Loan, please visit www.loanconsolidation.ed.gov for more information and an electronic application. If you do not know what type of loans you have, please visit www.nslds.ed.gov.

What are on-time, full, scheduled, monthly payments?

On-time payments are those that are received by your Direct Loan servicer no later than 15 days after the scheduled payment due date.

Full payments are payments on your Direct Loan in an amount that equals or exceeds the amount you are required to pay each month under your Direct Loan repayment schedule. If you make a payment for a month that is less than what you are required to pay for that month, that month's payment will not count as one of the required 120 monthly payments. If you make multiple, partial payments in a month and the total of those partial payments equals or exceeds the required full monthly payment amount, those payments will count as only one qualifying payment.

Scheduled payments are those that are made under a qualifying repayment plan after your servicer has billed you for the month's payment. They do not include payments made while your loans are in an in-school or grace status or in a deferment or forbearance period.

You must make separate monthly payments. Lump sum payments or payments you make as advance payments for future months are not qualifying payments. There are special rules on lump sum payments for borrowers whose public service employment is with AmeriCorps or the Peace Corps.

You can only make one qualifying payment per month.

What is a qualifying repayment plan?

To maximize your PSLF benefit, you should repay your loans on the Income-Based Repayment (IBR) Plan or the Income-Contingent Repayment (ICR) Plan, which are two of the repayment plans that qualify for PSLF.

Other PSLF-qualifying repayment plans are the 10-Year Standard Repayment Plan or any other repayment plan where your monthly payment amount equals or exceeds what you would pay under a 10-Year Standard Repayment Plan.

Before deciding which repayment plan you want to use to repay your Direct Loans, it is important that you understand the implications and costs of that decision. The longer you make PSLF-qualifying payments under a 10-Year Standard Repayment Plan, the lower the remaining balance on your loans will be when you meet all of the PSLF Program's eligibility requirements. In fact, if you make all of the required 120 monthly payments under the 10-Year Standard Repayment Plan, there will be no balance left on your loans to be forgiven.

Under the IBR and ICR plans, your monthly payment amount will likely be lower than under any of the other PSLF-qualifying repayment plans and your repayment period will likely be longer. Because of the longer repayment period, additional interest that will accrue on your loan, and the smaller monthly payment amount, you will be left with a higher loan balance that could be forgiven. However, if you ultimately do not meet the eligibility requirements for PSLF, you will be responsible for repaying the entire balance of your loan, including all accrued interest.

What kinds of employment qualify?

Qualifying employment is any employment with: a federal, state, or local government agency, entity, or organization (including entities such as a public transportation, public water, or public bridge district, or a public housing authority) or a non-profit organization that has been designated as tax-exempt by the Internal Revenue Service (IRS) under § 501(c)(3) of the Internal Revenue Code (IRC). The type of services that these public service organizations provide does not matter for PSLF purposes.

• • •

Many non-profit employees, teachers, law enforcement officers, and other government employees qualify.

A private non-profit employer that is not a tax-exempt organization under Section 501(c)(3) of the IRC may be a qualifying public service organization if it provides certain specified public services. These services include: emergency management, military service, public safety, law enforcement services; public health services; public education, public library services; school library and other school-based services; public interest law services, early childhood education; public service for individuals with disabilities and the elderly. The organization must not be a labor union or a partisan political organization.

Generally, the type or nature of employment with the organization does not matter for PSLF purposes. However, when determining full-time public service employment at a not-for-profit organization you may not include time spent participating in religious instruction, worship services, or any form of proselytizing.

What is full-time employment?

You must meet your employer's definition of full-time. However, for PSLF purposes, that definition must be at least an annual average of 30 hours per week. For purposes of the full-time requirement, your qualifying employment at a not-for-profit organization does not include time spent participating in religious instruction, worship services, or any form of proselytizing.

• • •

Most often, it's your employer's definition of full-time that counts.

If you are a teacher, or other employee of a public service organization, under contract for at least eight out of twelve months, you meet the full-time standard if you work an average of at least 30 hours per week during the contractual period and receive credit by your employer for a full year's worth of employment.

If you are employed in more than one qualifying part-time job simultaneously, you may meet the full-time employment requirement if you work a combined average of at least 30 hours per week with your employers.

What does it mean that my 120 Direct Loan payments must be made while I am working full-time at certain public service organizations?

For a payment to count as one of the required 120 qualifying monthly payments, you must be a full-time employee at a qualifying public service organization on the date that your Direct Loan servicer receives your monthly Direct Loan payment.

In addition, you must be a full-time employee at a qualifying public service organization at the time you apply for PSLF Program loan forgiveness and at the time forgiveness is granted.

How can I keep track of my eligibility?

Because it will take at least ten years for you to make the 120 qualifying payments necessary to receive PSLF, we have created a form that you should submit to us and a process that you should follow so that we can assist you in tracking your periods of qualifying employment and your qualifying payments.

The form allows you to get your employer's certification of employment while you are still employed at that organization or shortly after leaving. The process allows you to receive confirmation of qualifying employment and your Direct Loan payment eligibility. You may also submit the form less frequently than annually to cover more than one year's employment or for more than one employer.

• • •
The form and the
process make it
easy.
• • •

While use of this form and process is not required, if you want us to keep track of your progress toward meeting the PSLF eligibility requirements, you should follow the steps below. If you do not periodically submit the form, you will still be required to submit a form for each employer that you want considered for PSLF at the time that you apply for forgiveness.

Step 1 – Complete, with your employer's certification, the Employment Certification for Public Service Loan Forgiveness form (PSLF Employment Certification) annually or whenever you change jobs. The PSLF Employment Certification form is available at www.studentaid.ed.gov/publicservice.

Step 2 – Submit the completed form to FedLoan Servicing, the PSLF servicer, following the instructions on the form.

Step 3 – FedLoan Servicing will review your PSLF Employment Certification form, ensure that it is complete, and, based on the information provided by your employer, determine whether your employment is qualifying employment for the PSLF Program.

Step 4 – If the form you submit is incomplete or your employment does not qualify, FedLoan Servicing will notify you and you will have an opportunity to provide additional information.

Step 5 – If FedLoan Servicing cannot determine whether your employment qualifies, you may be asked to provide additional information or documentation to help establish whether you were employed by a qualifying public service organization. This documentation may include an IRS Form W-2, pay stubs, or other documents from your employer that substantiate your employment at the organization or documentation supporting your employer's eligibility as a public service organization.

Step 6 – If your employment qualifies and some or all of your federally held loans are not serviced by FedLoan Servicing, those loans will be transferred to FedLoan Servicing so you will have a single loan servicer for all of your federally held loans. Earlier payments made to other servicers will be evaluated to see if they are qualifying PSLF payments after those loans are transferred.

Step 7 – FedLoan Servicing will notify you whether your employment qualifies, and, if so, how many payments during the certification period were qualifying payments, the total number of qualifying payments you have made, and how many payments you must still make before you can qualify for PSLF.

What should I do after I become eligible for PSLF?

After you make your 120th qualifying payment, you will need to submit the PSLF application to receive loan forgiveness. The application is under development and will be available prior to the date when the first borrowers will be eligible for PSLF Program forgiveness, in October 2017. You must be working for a qualified public service organization at the time you submit the application for forgiveness and at the time the remaining balance on your loan is forgiven.

We look forward to working with you while you learn more about PSLF and work towards your goal of making 120 qualifying payments. If you have any more questions, look at the Question & Answer Page for PSLF at <http://studentaid.ed.gov/publicservice> or contact your Direct Loan servicer.



Instructions for Completing Employment Certification for Public Service Loan Forgiveness (PSLF) William D. Ford Federal Direct Loan Program

OMB No. 1845-0110
Form Approved
Exp. Date 11/30/2014

Before You Begin

Carefully read the enclosed Dear Borrower Letter for information about the eligibility requirements of the Public Service Loan Forgiveness (PSLF) Program, the means by which you may track your qualifying public service employment, and the process for applying for loan forgiveness.

Instructions for the Borrower:

Use as many Employment Certification forms (pages 1-2 only) as needed to certify your full-time public service employment while making the required 120 separate, on-time, qualifying monthly payments. These 120 qualifying payments do not have to be consecutive. You must obtain an authorized official's certification on the Employment Certification form (ECF). **For periods in which you are/were concurrently working part-time with more than one public service employer and the total average hours you worked per week meets the definition of full-time employment, submit an ECF(pages 1-2) for each employer.**

The U.S. Department of Education contracts with servicers to answer questions about and manage the repayment of federally held loans. You should submit a completed ECF to the PSLF servicer at the address in Section 6. Once you submit a valid ECF, your loans will be transferred from your existing servicer to the PSLF servicer, who will take over management of your federally held loans throughout the repayment period or until you qualify for PSLF. **Submission of ECFs before you are eligible to apply for PSLF is optional but we encourage you to submit certifications annually or whenever you leave a qualifying position.** Validating your employment while you are still employed at a qualifying public service organization or soon thereafter is advisable in case your organization closes or is otherwise unable to provide a certification when you apply for PSLF. If you choose not to submit ECFs while making the required 120 qualifying monthly payments, you will have to submit them when you apply for PSLF.

The PSLF servicer will review each form you submit to ensure that it is complete, will determine whether your employer qualifies as a public service organization, and whether the loan payments you made during the period covered by the Employment Certification form(s) are qualifying payments. Following this review, the PSLF servicer will notify you in writing or electronically of:

- The number of qualifying payments you have made while employed at a qualifying public service organization, and
- The remaining number of payments you must make before you are eligible to apply for PSLF.

You will also be notified if the PSLF servicer determines that the form(s) you submitted is incomplete or that your employment does not meet the qualifying criteria, including:

- The reason(s) for the determination(s),
- The steps you would need to take to complete the form, correct the information, and submit the corrected or additional information to the PSLF servicer.

The PSLF servicer will retain the form(s) you submit until you submit the Public Service Loan Forgiveness Application. If you submit the ECF(s) before you submit the application for PSLF you must still submit an ECF for the public service organization that employs you at the time you apply for loan forgiveness and at the time of forgiveness (if granted).

INSTRUCTIONS FOR COMPLETING AND SUBMITTING THE EMPLOYMENT CERTIFICATION FOR PUBLIC SERVICE LOAN FORGIVENESS

- Type or print using blue or black ink.
- Show dates as mm-dd-yyyy (for example, show "January 15, 2010" as "01-15-2010").
- If any information is crossed out or altered in Sections 1 or 2, you must initial beside the change; any changes in Section 3 must be initialed by your employer. If the alteration is not initialed, the PSLF servicer may return this form to you.
- **Keep a copy** of each completed Employment Certification form for your records.
- Mail the original completed Employment Certification form (pages 1-2 only) to the PSLF servicer (see Section 6 of the Employment Certification form).
- **You should also retain copies of additional documents** that confirm your qualifying employment with the public service organization(s), but do not submit these supporting documents to the PSLF servicer unless requested to do so. Such documents may include:
 - W-2 forms
 - Pay stubs
 - Any other documentation related to your qualifying employment or your employer(s) that you believe would establish eligibility as a public service organization(s).

SECTION 1: BORROWER IDENTIFICATION

Provide the requested information about yourself, if not preprinted:

- **Item 1a:** Enter your nine-digit Social Security Number.
- **Item 1b:** Enter your date of birth.
- **Item 2a:** Enter your last name, then your first name and middle initial.
- **Item 2b:** Enter any other name, such as a former or maiden name, under which you applied for and were granted Direct Loan(s) or made payments on Direct Loan(s).
- **Item 3:** Enter your permanent address (number, street, apartment number, or rural route number and box number, then city, state, zip code). If your mailing address is a post office box or general delivery, you must list **both** your permanent address and mailing address.
- **Item 4:** Enter the area code and telephone numbers for your home telephone and any other telephone at which you can easily be reached. (Do not list your work telephone number here.) If you do not have a telephone, enter N/A.
- **Item 5 (optional):** Enter your preferred e-mail address for receiving communications. If you provide it, we may use your e-mail address to communicate with you.

SECTION 2: BORROWER'S CERTIFICATION REQUESTS, AUTHORIZATIONS, AND UNDERSTANDINGS

Carefully read the requests, authorizations, and understandings in this section and sign and date the form. Before signing, carefully review the entire PSLF employment certification package, including the Employment Certification form, these Instructions and the Dear Borrower Letter.

SECTION 3: CERTIFICATION OF EMPLOYMENT

Enter your name and nine-digit Social Security Number at the top of page 2, if not preprinted.

An authorized official from the public service organization at which you are/were employed must complete Section 3. If any requested information is incomplete or missing, the PSLF servicer cannot determine if your employment qualifies.

Instructions for the Authorized Official (see Section 5 of the Employment Certification form for definition of Authorized Official):

Item 1: Provide the requested information about the public service organization at which the borrower is/was employed, including the organization's name, permanent address, and federally assigned Employer Identification Number (EIN), which will be used to verify information about your organization.

Item 2a: Provide the borrower's starting and ending dates of employment. If the borrower is still employed with your organization at the time the certification is completed, put today's date as the ending date.

Item 2b: Check the box that describes the borrower's employment status. Full-time employment must be in accordance with the definition in Section 5 of the form. Provide the average number of hours per week the borrower is/was employed, either full-time or part-time, at your public service organization.

Item 3: Check the box next to the category which best describes your public service organization (see Section 5 of the Employment Certification form for definition of public service organization). If your organization is a private organization that provides public service(s)—category (c) only—check the box(es) that describes the type(s) of public service(s) it provides. A private organization does not qualify as a public service organization if it does not provide one of the listed public services. For purposes of the full-time requirement, an individual borrower's qualifying employment under category (b) or (c) does not include time spent on job duties that are related to religious instruction, worship services, or any form of proselytizing.

Certification: Carefully read the certification statement. Print your full name and official title in the spaces provided and provide a telephone number where you can be reached if additional information or documentation is needed. Sign and date in the spaces provided. Show dates as mm-dd-yyyy.

Return the completed Employment Certification form to the borrower.

Instructions for the Borrower when there is no Authorized Official: If the organization has closed or you are otherwise unable to obtain certification from an authorized official, check the box under this heading, and complete Sections 1, 2, and 3. You will be required to provide to the PSLF servicer additional documentation with sufficient evidence in order to determine qualifying employment.

Final Notes

For help completing this form, call the PSLF servicer. If the PSLF servicer's contact information is not preprinted in Section 6 on the Employment Certification form, you can look this up on the National Student Loan Data System (NSLDS) at <http://www.nslds.ed.gov/>. Additional information can be found on the [Public Service Loan Forgiveness Web page](#), including a [Fact Sheet](#) and [Q&As](#).



Employment Certification for Public Service Loan Forgiveness (PSLF)

William D. Ford Federal Direct Loan Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying documents is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

Records Code: PSECF-XBCR

OMB No. 1845-0110
Form Approved
Exp. Date 11/30/2014

INSTRUCTIONS FOR COMPLETING AND SUBMITTING THIS EMPLOYMENT CERTIFICATION

Read the accompanying instructions for completing this Employment Certification for Public Service Loan Forgiveness. Type or print using blue or black ink. You must sign and date this form in Section 2 and an authorized official from the public service organization which employs/employed you must completely fill out, sign, and date Section 3. If any information is crossed out or altered in Sections 1 or 2, you must initial beside the change; any changes in Section 3 must be initialed by your employer.

SECTION 1: BORROWER IDENTIFICATION

Please enter or correct the following information. ☐ Check this box if any of your information has changed.

1a. SSN	<input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	1b. Date of Birth (MM-DD-YYYY)	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
2a. Name	<div>Last</div> <div>First</div> <div>MI</div>	2b. Former Name (if applicable)	<div>Last</div> <div>First</div> <div>MI</div>
3. Permanent Address	<div>Street Address</div> <div>City</div> <div>State</div> <div>Zip</div>		
Mailing Address (if different)	<div>Street Address</div> <div>City</div> <div>State</div> <div>Zip</div>		
4. Area Code/Telephone – Home	(<input type="text"/>)	Area Code/Telephone – Other	(<input type="text"/>)
5. E-mail (optional)	<input type="text"/>		

SECTION 2: BORROWER'S CERTIFICATION REQUESTS, AUTHORIZATIONS, AND UNDERSTANDINGS

Before signing, carefully read the entire form, including the instructions and accompanying letter.

I request that the Public Service Loan Forgiveness servicer, on behalf of the U.S. Department of Education (the Department), accept this Employment Certification from the public service organization at which I am/was employed for purposes of qualifying me for the Public Service Loan Forgiveness Program. If I submit this form before I am eligible to apply for forgiveness, I request that the PSLF servicer retain this certification form until I submit the Application for Public Service Loan Forgiveness.

I authorize my employer(s) or other entities having records about the employment that is part of the basis for my request for forgiveness to make information from those records available to the Department, including the Public Service Loan Forgiveness servicer. I also authorize the Department and its respective agents and contractors, to contact me regarding this Employment Certification, at the current or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

I understand that:

- (1) I may only qualify for Public Service Loan Forgiveness after I have made 120 separate, on-time, qualifying monthly payments on an eligible Direct Loan, after October 1, 2007, while employed full-time by a public service organization(s), or serving in a full-time AmeriCorps or Peace Corps position, in accordance with the definitions in Section 5. These 120 payments do not have to be consecutive;
- (2) I must be employed full-time by a public service organization(s) or serving in a full-time AmeriCorps or Peace Corps position at the time I apply for loan forgiveness and at the time the forgiveness is granted. I may be employed part-time concurrently by more than one eligible public service organization and meet the full-time requirement;
- (3) Only the remaining balance of my loan(s) after I have made the 120 separate, on-time, qualifying monthly payments and met all other eligibility requirements of the PSLF Program may be forgiven;
- (4) I am not required to submit any Employment Certification(s) before applying for loan forgiveness, but if I do, the PSLF servicer will review each Employment Certification I submit to ensure that it is complete, will verify that my employer qualifies as a public service organization, and that the loan payments I made during the period covered by the Employment Certification(s) are qualifying payments. Following this review, the PSLF servicer will notify me in writing or electronically of the number of qualifying payments I have made while employed in qualifying public service and the remaining number I must make before I am eligible to apply for PSLF. I will also be notified in writing or electronically if the PSLF servicer determines that the form(s) I submitted is incomplete or that my employment does not meet the qualifying criteria, including the reason(s) for the determination(s), along with the steps I would need to take to complete this form, correct this information, and submit the corrected or additional information to the PSLF servicer; and
- (5) The Department will only determine whether I have fulfilled all of the requirements to be eligible for PSLF after I have made all 120 qualifying payments and have submitted my loan forgiveness application. I understand that the law does not permit partial forgiveness based on making a lesser number of qualifying monthly payments while working at a qualifying public service organization.

Signature of Borrower

Date (MM-DD-YYYY)

SECTION 3: CERTIFICATION OF EMPLOYMENT

See Section 3 of the accompanying *Instructions for Completing Employment Certification for Public Service Loan Forgiveness* for detailed information on completing this section. These *Instructions* are also located at www.studentaid.ed.gov/publicservice

An authorized official (see Section 5) of the public service organization at which the borrower is/was employed must complete this section.

Instructions for Authorized Official:

- Complete this form only if you are an authorized official of the public service organization at which the borrower identified in Section 1 is/was employed or, if the borrower is/was a full-time AmeriCorps or Peace Corps volunteer, an authorized official of AmeriCorps or the Peace Corps.
- Read the definitions in Section 5 before completing this form.
- Type or print using blue or black ink. All fields must be completed if applicable. Your signature date must include month, day, and year (MM-DD-YYYY).
- Provide all requested information for Items 1, 2, and 3 below. Complete the employer's certification at the bottom of this page. The Employment Certification form cannot be processed if the information requested in this section is missing.
- If you make any changes to the information you provide in this section, you must initial each change.

Please return the completed form to the borrower. The U.S. Department of Education or the PSLF servicer may contact you for additional information or documentation.

Instructions for Borrower when there is no Authorized Official:

- ☐ Check this box if you are unable to obtain certification from an authorized official, for example, because the organization no longer exists. Provide all requested information for Items 1, 2, and 3 below. For Item 1, list the organization's address from when you worked there, and consult your W2 records for the EIN. The Department will require you to submit additional evidence of your qualifying employment. Do not submit supporting documents until requested to do so.

1. Information about the public service organization at which the borrower is/was employed.

Public Service Organization Name

|_|_| - |_|_|_|_|_|
Federally Assigned Employer ID# (EIN)

Public Service Organization Address

2. Borrower's Employment Status.

(a) Dates of employment: Start: |_|_| - |_|_| - |_|_|_|_| End: |_|_| - |_|_| - |_|_|_|_|
(MM-DD-YYYY) (If the borrower is still employed, put today's date)

(b) Borrower's employment status at your organization:

☐ **Full-Time** Average number of hours per week: _____
☐ **Part-Time** Average number of hours per week: _____

For purposes of eligibility for PSLF, **full-time** employment is defined as:

(1) Working in qualifying employment in one or more jobs for the greater of:

(A) An annual average of at least 30 hours per week or, for a contractual or employment period of at least 8 months, an average of 30 hours per week; or

(B) Unless the qualifying employment is with two or more employers, the number of hours the employer considers full-time.

(2) Vacation or leave time provided by the employer or leave taken for a condition that is a qualifying reason for leave under the Family and Medical Leave Act of 1993, 29 U.S.C. 2612(a)(1) and (3) is equivalent to hours worked in qualifying employment.

NOTE: A full-time AmeriCorps or Peace Corps volunteer is considered a full-time employee for eligibility purposes for PSLF.

3. Type of Public Service Organization, in accordance with the definition in Section 5 (check one):

- (a) ☐ A **government organization** (including a Federal, State, local or Tribal organization, agency or entity; a public child or family service agency; or a Tribal college or university);
- (b) ☐ A **non-profit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code**;
- (c) ☐ A **private, non-profit organization** (that is not a labor union or a partisan political organization) that provides at least one of the following public services (check all that apply):
- ☐ Emergency management,
 - ☐ Military service,
 - ☐ Public safety,
 - ☐ Law enforcement,
 - ☐ Public interest law services,
 - ☐ Early childhood education (including licensed or regulated child care, Head Start, and State-funded pre-kindergarten),
 - ☐ Public service for individuals with disabilities and the elderly,
 - ☐ Public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health support occupations, as such terms are defined by the Bureau of Labor Statistics),
 - ☐ Public education,
 - ☐ Public library services,
 - ☐ School library services, or
 - ☐ Other school-based services.

NOTE as to categories (b) and (c): For purposes of the full-time requirement (Section 3, Item 2.(b) above), a borrower's qualifying employment does not include time spent on job duties that are related to religious instruction, worship services, or any form of proselytizing.

I certify that the borrower identified in Section 1 above is/was employed at a public service organization, as indicated above, or is/was serving in an AmeriCorps or Peace Corps position (in accordance with the definitions of these terms in Section 5) during the period identified in Item 2(a) of this section.

Authorized Official's Name (Printed)

Authorized Official's Title

Authorized Official's Signature

()
Authorized Official's Telephone

Today's Date (MM-DD-YYYY)

SECTION 4: ELIGIBILITY REQUIREMENTS / TERMS AND CONDITIONS FOR PUBLIC SERVICE LOAN FORGIVENESS

You may obtain loan forgiveness under this program if:

- (1) You are not in default on the loan(s) for which forgiveness is requested.
- (2) Except as provided below for AmeriCorps and Peace Corps volunteers, you have made 120 separate, on-time, qualifying monthly payments after October 1, 2007, on the Direct Loan(s) for which you are requesting forgiveness under one or more of the following repayment plans—
 - The Income-Based Repayment (IBR) Plan;
 - The Income Contingent Repayment (ICR) Plan;
 - The 10-Year Standard Repayment Plan* (Standard Repayment Plan with a maximum 10-year repayment period); or
 - Any other Direct Loan repayment plan, but only payments that are at least equal to the monthly payment amount that would be required under the Standard Repayment Plan with a 10-year repayment period may be counted toward the required 120 payments.

In addition, each of the required 120 separate, qualifying monthly payments must have been made on time (no more than 15 days after the scheduled due date) and for the full scheduled installment amount.

*** IMPORTANT:** The Standard Repayment Plan for Direct Consolidation Loans entered on or after July 1, 2006 have varying repayment terms based on the loan amount. For purposes of qualifying for Public Service Loan Forgiveness, monthly payments you make under the Standard Repayment Plan on a Direct Consolidation Loan are only qualifying payments if made under the 10-year repayment term.

Note for AmeriCorps/Peace Corps volunteers: If you were an AmeriCorps or Peace Corps volunteer, you may receive credit for making qualifying payments if you make a lump sum payment on an eligible loan for which you are seeking forgiveness by using all or part of a Segal Education Award received after a year of AmeriCorps service, or by using all or part of a Peace Corps transition payment (if the payment is made within 6 months after you leave the Peace Corps). The Department will consider the lump sum payment you have made as the equivalent of qualifying payments equal to the lesser of:

- (1) The number of payments resulting after dividing the amount of the lump sum payment by the monthly payment amount you would have made under one of the qualifying repayment plans listed above; or
- (2) Twelve payments.

Peace Corps volunteers making an eligible lump sum payment must do so within 6 months of the End Date, as reported in Section 3 by the authorized official.

- (3) You were/are employed full time by one or more public service organizations or serving in a full-time AmeriCorps or Peace Corps position at the time you made each of the required 120 qualifying monthly payments, at the time you apply for loan forgiveness, and at the time loan forgiveness is granted.

NOTE: You are not permitted to apply the same period of service to receive a benefit under the PSLF Program and the Teacher Loan Forgiveness, Service in Areas of National Need, and Civil Legal Assistance Attorney Student Loan Repayment Programs.

You may not apply for PSLF until after you have met the eligibility requirements listed above. Since only qualifying payments made after October 1, 2007, while employed at a qualifying public service organization may be counted toward the required 120 payments, and borrowers may not apply for loan forgiveness until after they have made all 120 payments, the earliest date that any borrower will be eligible to apply for and receive loan forgiveness is October 2017. A PSLF Application will be made available to the public before October 2017.

SECTION 5: DEFINITIONS

Eligible Loans

Loans that are eligible for Public Service Loan Forgiveness are:

- Federal Direct Stafford/Ford Loans (Direct Subsidized Loans)
- Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans)
- Federal Direct PLUS Loans (Direct PLUS Loans)
- Federal Direct Consolidation Loans (Direct Consolidation Loans).

Loans that are in default are not eligible for forgiveness.

Note: Federal Family Education Loan (FFEL) Program loans, Federal Perkins Loans, and certain Health Professions and Nursing Loans may be consolidated into a Direct Consolidation Loan. However, payments made on these loans prior to consolidation into the Direct Loan Program are not qualifying payments and are not counted toward the required 120 payments for PSLF.

Qualifying Payments

- Separate, on-time, full monthly payments made after October 1, 2007 under a qualifying Direct Loan repayment plan. A payment is considered on-time if it is made for the full scheduled installment amount no more than 15 days after the due date for the payment.
- Qualifying Direct Loan repayment plans are:
 - The IBR Plan;
 - The ICR Plan;
 - The 10-Year Standard Repayment Plan (Standard Repayment Plan with a maximum 10-year repayment period); and
 - Any other Direct Loan repayment plan, but only payments that are at least equal to the monthly payment amount that would be required under the Standard Repayment Plan with a 10-year repayment period may be counted toward the required 120 monthly payments.

Qualifying Employment

- **AmeriCorps position** means a position approved by the Corporation for National and Community Service under Section 123 of the National and Community Service Act of 1990 (42 U.S.C. 12573).
- An **authorized official** is an official of a public service organization (including AmeriCorps or the Peace Corps) who has access to the borrower's employment or service records and is authorized by the public service organization to certify the employment status of the organization's employees or former employees, or the service of AmeriCorps or Peace Corps volunteers.
- An **employee** means an individual who is hired and paid by a public service organization.
- **Full-time** means working in qualifying employment in one or more jobs for the greater of:
 - An annual average of at least 30 hours per week or, for a contractual or employment period of at least 8 months, an average of 30 hours per week; or
 - Unless the qualifying employment is with two or more employers, the number of hours the employer considers full time.Vacation or leave time provided by the employer or leave taken for a condition that is a qualifying reason for leave under the Family and Medical Leave Act of 1993, 29, U.S.C. 2612(a)(1) and (3) is equivalent to hours worked in qualifying employment.
- **Government employee** means an individual who is employed by a local, State, Federal, or Tribal government, but does not include a member of the U.S. Congress.
- **Law enforcement** means service performed by an employee of a public service organization that is publicly funded and whose principal activities pertain to crime prevention, control or reduction of crime, or the enforcement of criminal law.
- **Military service** for uniformed members of U.S. Armed Forces or the National Guard means "active duty" service or "full-time National Guard duty" as defined in Section 101(d)(1) and (d)(5) of Title 10 in the United States Code, but does not include active duty for training or attendance at a service

school. For civilians, military service means service on behalf of the U.S. Armed Forces or the National Guard performed by an employee of a public service organization.

- **Peace Corps** position means a full-time assignment under the Peace Corps Act as provided for under 22 U.S.C. 2504.
- **Public interest law** refers to legal services provided by a public service organization that are funded in whole or in part by a local, State, Federal, or Tribal government.
- A **public service organization** is:
 - A Federal, State, local or Tribal government organization, agency or entity;
 - A public child or family service agency;
 - A non-profit organization under Section 501(c)(3) of the Internal Revenue Code that is exempt from taxation under Section 501(a) of the Internal Revenue Code;
 - A Tribal college or university; or
 - A private organization (that is not a labor union or a partisan political organization) that provides at least one of the following public services:
 - emergency management,
 - military service,
 - public safety,
 - law enforcement,
 - public interest law services,
 - early childhood education (including licensed or regulated child care, Head Start, and State funded pre-kindergarten),
 - public service for individuals with disabilities and the elderly,
 - public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health support occupations, as such terms are defined by the Bureau of Labor Statistics),
 - public education,
 - public library services,
 - school library services, or
 - other school-based services.

NOTE: For purposes of the full-time requirement (Section 3, Item 2.(b) above), an individual borrower's qualifying employment with a Section 501(c)(3) non-profit or other private public service organization does not include time spent on job duties that are related to religious instruction, worship services, or any form of proselytizing.

SECTION 6: WHERE TO SEND THE COMPLETED FORM

Send the completed *Employment Certification* to:

U.S. Department of Education
FedLoan Servicing
P.O. Box 69184
Harrisburg, PA 17106-9184
Or Fax to: 717-720-1628

If you need help completing this form, call: 855-265-4038
If you use a telecommunications device for the deaf (TDD), call: 800-722-8189
Web site: www.MyFedLoan.org

SECTION 7: IMPORTANT NOTICES

Privacy Act Notice. The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authorities for collecting the requested information from and about you are §421 et seq., §451 et seq., §461 et seq., and §420L et seq. of the Higher Education Act of 1965, as amended (the HEA) (20 U.S.C. 1071 et seq., 20 U.S.C. 1087a et seq., 20 U.S.C. 1087aa et seq., and 20 U.S.C. 1070g et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and §31001(i)(1) of the Debt Collection Improvement Act of 1996 (31 U.S.C. 7701(c)). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a Direct Loan, to receive a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness), to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) become delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices.

For a loan, the routine uses of the information that we collect about you include, but are not limited to, its disclosure to federal, state, or local agencies, to institutions of higher education, and to third party servicers to determine your eligibility to receive a loan, to investigate possible fraud, and to verify compliance with federal student financial aid program regulations.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

For a loan, the routine uses of this information also include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to creditors, to financial and educational institutions, and to guaranty agencies to verify your identity, to determine your program eligibility and benefits, to permit making, servicing, assigning, collecting, adjusting, or discharging your loan(s), to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, to locate you if you become delinquent in your loan payments or if you default, or to verify whether your debt qualifies for discharge or cancellation. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state or local agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

Paperwork Reduction Notice. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 0.5 hours (30 minutes) per response, including time for reviewing instructions, searching existing data resources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain a benefit in accordance with 34 CFR 685.219. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Education, 400 Maryland Ave., SW, Washington, DC 20210-4537 or e-mail ICDocketMgr@ed.gov and reference OMB Control Number 1845-0110. **Note: Please do not return the completed Employment Certification for Public Service Loan Forgiveness to this address.**

If you have comments or concerns regarding the status of your individual submission of this form, contact the PSLF servicer (see Section 6).

5. PSLF Tools

Five Easy Steps for Public Service Loan Forgiveness

1.

**Make the right
kind of payment**

- Income-Based Repayment

2.

**On the right
kind of loan**

- Federal Direct loans ONLY

3.

**While you are in
the right kind of
job**

- Full-time paid work for the government or a 501(c)(3), plus certain other positions

4.

**Repeat 120
times**

- Once a month for ten years (but does not need to be consecutive)

5.

Prove it

- Keep good records! You'll need to submit income documentation, family size verifications, and employment certification forms annually to the Department of Education. There will also be an application for forgiveness (to be developed)

The Right Kind of Payments for Public Service Loan Forgiveness

Qualifying payments technically include more than just payments made under the Income-Based Repayment plan

- But Income-Based Repayment is the only choice that makes sense for most borrowers in public service

It's O.K. for it to take longer than 10 years to make 120 qualifying payments

- Qualifying payments do not need to be consecutive. You can take time off from public service (for example, to stay home with children)

But don't be late!

- Because late payments don't count toward forgiveness

The Right Kind of Loans for Public Service Loan Forgiveness

If you are borrowing federal student loans right now

- You are borrowing directly from the federal government through the Federal Direct loan program

If you started borrowing student loans before July 2010

- You might have borrowed federal student loans from a bank or private lender through the FFEL program (Federal Family Education Loans)

If you aren't absolutely sure you have ALL Federal Direct loans

- Get sure. Only Federal Direct Loans are eligible for Public Service Loan Forgiveness

If you discovered that you have FFEL loans

- You must consolidate FFEL loans into Federal Direct Loans loanconsolidation.ed.gov

If you borrowed commercial loans from a state or private lenders

- Cut it out! Commercial loans are never eligible for Public Service Loan Forgiveness

The Right Kind of Job for Public Service Loan Forgiveness

**Full-time paid
work**

- The number of hours the employer considers full-time, or 30 hours per week on average, whichever is higher

**For the
government**

- State, local, federal, tribal, but not government contractors

**For a 501(c)(3)
nonprofit**

- Non profits that aren't (c)(3)s will only qualify in narrow circumstances

**Plus these
special positions**

- Full-time, paid AmeriCorps or Peace Corps positions

**And a few more
positions**

- Specific listed positions for a “public service organization,” but not a labor union, a partisan political organization, or an organization engaged in religious activities or organized for profit

**Use the
Employment
Certification
Process Annually**

- Download the Public Service Loan Forgiveness Employment Certification Package (available at askheatherjarvis.com):
 - Dear Borrower Letter
 - Instructions for Completing Employment Certification for Public Service Loan Forgiveness
 - Employment Certification for Public Service Loan Forgiveness

New Graduate Action Plan: Public Service Loan Forgiveness

Inventory your loans

- nslds.ed.gov
- pin.ed.gov
- annualcreditreport.com



Check that you qualify to choose Income-Based Repayment

- finaid.org/ibrcalculator



Choose Income-Based Repayment

- loanconsolidation.ed.gov/forms/rps.pdf



Consolidate FFEL Loans into Federal Direct

- loanconsolidation.ed.gov