

NURSING EDUCATION LOAN/SCHOLARSHIP PROGRAM (NELB) RULES AND REGULATIONS

These Rules and Regulations are subject to change by the Board of Trustees of State Institutions of Higher Learning (hereinafter, referred to as the "Board"). The number of awards and recipients are dependent upon availability of funds, and selection shall be based on a first-come, first-served basis of all eligible applicants; however, priority consideration shall be given to persons previously receiving awards under the Nursing Education Loan/Scholarship Program. Completed applications and all required documents received on or before March 31 each year, will be given first consideration in the award process.

I. ELIGIBILITY

- A. Must be a current legal resident of Mississippi. Applicants over twenty-one years of age who are actually domiciled out of the State of Mississippi may not claim the residency of their parent or parents unless they have been living out of the State of Mississippi for the previous twelve months to attend school or fulfill military obligations. Questions of residency will be decided by the Board.
- B. Must enter into a Contract and Note with the Board pursuant to these Rules and Regulations and all applicable State laws.
- C. Must not presently or previously have defaulted on an educational loan.
- D. Must have an official letter of acceptance from an accredited nursing school, showing date admitted and entering classification. All undergraduate recipients must maintain a 2.5/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process. All graduate recipients must maintain a 3.0/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process.
- E. Dependent on availability of funds, selection shall be based on a first-come, first-served basis of all eligible applicants; however, priority consideration shall be given to persons previously receiving awards under the Nursing Education Loan/Scholarship Program.

RN to BSN and BSN ELIGIBILITY

- F. **RN to BSN and BSN** - must be a junior or senior accepted for enrollment as a full-time or part-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, in an accredited program of nursing leading to a Baccalaureate Degree approved by the Board.
- G. **RN to BSN only** - Must be a current Mississippi licensed registered nurse seeking a Baccalaureate Degree in Nursing.

MSN and Ph.D. ELIGIBILITY

- I. **MSN only** - Must have earned a BSN degree prior to applying for this MSN loan/scholarship.
- J. **MSN only** - Must be accepted for enrollment as a full-time or part-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, in an accredited program of nursing leading to a Masters degree approved by the Board. Applicants pursuing Certificates are not eligible.
- K. **Ph.D. only** - Must be enrolled as a full-time or part-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, in one in-state accredited doctoral program of nursing approved by the Board.
- L. **MSN & Ph.D.** - Must possess a current Mississippi nursing license.

II. REQUIREMENTS FOR LOAN/SCHOLARSHIP APPLICANT

Along with the application, the following documents must be submitted:

- A. **Proof of current Mississippi residency.** Proof may be any **two** of the following: a photo copy of current Mississippi valid driver's license, pages one (1) and two (2) of the State of Mississippi Tax Return for the current tax filing year, or the electronic results from filing the Free Application for Federal Student Aid.
- B. An official transcript from the last institution attended (if requested by our office).
- C. An official letter of acceptance from an accredited nursing school, showing date admitted and entering classification.
- D. One executed copy of the Rules and Regulations
- E. One executed, dated and notarized copy of the Contract and Note.
- F. **RN to BSN, MSN and Ph.D.** Copy of current Mississippi nursing license.

III. AMOUNT AND LENGTH OF LOAN/SCHOLARSHIP

A. The loan/scholarship may be made in any amount not to exceed:

1. RN to BSN degree program

Those RN's pursuing a BSN degree as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, are eligible to receive up to \$4,000.00 per academic year, not to exceed two calendar years or an aggregate of \$8,000.00. Those RN's pursuing a BSN degree as a part-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, are eligible to receive a maximum of \$8,000.00 prorated over three calendar years. For purposes of service for the prorated three (3) calendar year recipient, the time of service required shall be two (2) years.

2. BSN degree program

Those pursuing a BSN degree as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, are eligible to receive up to \$4,000.00 per academic year, not to exceed two calendar years or \$8,000.00. Those pursuing a BSN degree as a part-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program, at which the nursing student/recipient is enrolled, are eligible to receive a maximum of \$8,000.00 prorated over three calendar years. For purposes of the service option for the prorated three (3) calendar year recipient, the time of service required shall be two (2) years.

3. MSN degree program

Those pursuing an MSN degree must have first earned the BSN degree prior to applying for this MSN loan/scholarship program (Applicants pursuing Certificates are not eligible) and if enrolling as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, are eligible to receive up to \$4,000.00 per academic year for the published length of the program of study not to exceed an aggregate of \$8,000.00 over two years. Those pursuing an MSN degree as a part-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program, at which the nursing student/recipient is enrolled, are eligible to receive a maximum of \$8,000.00 prorated over three calendar years. For purposes of the service option for the prorated three (3) calendar year recipient, the time of service required shall be two (2) years.

4. Ph.D. degree program

Those pursuing a Ph.D. degree as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled, are eligible to receive up to \$5,000.00 per academic year, for two calendar years or \$10,000.00. Those pursuing a Ph.D. degree as a part-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program, at which the nursing student/recipient is enrolled, are eligible to receive a maximum of \$10,000.00 prorated over four calendar years. For purposes of the service option for the prorated four (4) calendar year recipient, the time of service required shall be two (2) years.

***NOTE:** All recipients will be eligible for a one-year grace period, at the discretion of the Board of Trustees, after completion of the degree program of study.

- B. Loan/scholarship aid will be effective for the educational period in which the applicant meets all requirements and/or receives final approval from the Board of Trustees.
- C. No reimbursement will be made for challenged or audited courses, or prerequisite courses required to be accepted into a school of nursing.
- D. Checks shall be made payable to the school and mailed directly to the school upon verification from the institution of the nursing student recipient's grade point average and the full-time or part-time status as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled.

IV. RECIPIENTS IN SCHOOL

- A. Recipient must maintain good standing in a school of nursing at all times.
- B. All undergraduate recipients must maintain a 2.5/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process.
- C. All graduate recipients must maintain a 3.0/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process.
- D. Should a recipient fail to maintain the aforementioned (see B and C above) grade point average each semester or fail or withdraw or have to repeat any course, he/she is suspended from participation in the program and his/her awards are stopped until such time he/she submits an official transcript sent directly by the educational institution evidencing a passing grade in all subjects.
- E. Recipient must at all times keep the Mississippi Office of Student Financial Aid informed of any change of address and phone number. Recipient will furnish a correct, complete home address and telephone number, and will immediately inform this office of any change of address or phone number.

V. MILITARY SERVICE

In terms of military service the following definitions shall apply:

REQUIRED military service is that service which is required of an individual in the service of the Armed Forces of the United States; it does not include a military service obligation incurred to repay a grant, stipend or scholarship granted the individual prior to, during, or after the award of the Nursing Education Loan/Scholarship.

OBLIGATED or **VOLUNTARY** military service is that service which is performed by the individual in repayment of a debt owed the United States government as a result of military scholarships, ROTC scholarships, etc. received by the individual. Service is **VOLUNTARY** if the individual is not obligated to incur a period of military service, but chooses to incur the service obligation.

- A. Loans/scholarships shall be eligible for deferment of the accrual of interest and the repayment of principal during the time of required military service:
 - 1. In the event of **REQUIRED** military service, the loan/scholarship recipient must apply in writing to the Board for a leave of absence, stating beginning and ending dates.
 - 2. Loan/scholarship recipients must supply the Board with a copy of military orders.
 - 3. Deferment of the obligation to repay due to military service must be requested and approved by the Board on a year-to-year basis (annually).
 - 4. Immediately upon completion of **REQUIRED** military service, loan/scholarship recipients must elect among the options for repayment or service repayment and notify the Board of such election.
 - 5. If a loan/scholarship recipient continues **REQUIRED** military service for any reason beyond the required time, then that person shall be declared ineligible for deferment and the remaining unpaid principal and interest due and payable

shall become due and payable on demand to the Board in equal monthly consecutive installments as determined by the Board with interest calculated at the current Federal Stafford Loan rate at the time of the occurrence of the event.

- B. If a loan/scholarship recipient obligates himself/herself to VOLUNTARY military service prior to, during, or after the award of the Nursing Education Loan/Scholarship, then that person shall be declared ineligible for deferment and the remaining unpaid principal and interest due and payable shall become due and payable on demand to the Board in equal monthly consecutive installments, as determined by the Board, with interest calculated at the current Federal Stafford Loan rate at the time of the occurrence of the event.

VI. SERVICE OPTION

- A. When education is completed, a loan/scholarship recipient MAY NOT work out of the State of Mississippi until contractual obligations have been totally fulfilled, except in the instance of Board approved REQUIRED military service. The loan/scholarship recipient may not defer his/her service obligation in order to pursue an additional degree or program of study.
- B. Within sixty (60) days after to completion of nursing education, the loan/scholarship recipient will furnish to the Board the proposed site of nursing service, and expected date to begin service. It is fully understood that it is the responsibility of the loan/scholarship recipient to seek and secure an approved location for his/her proposed service. The Board assumes no obligation to perform that function.
- C. If the approved location proves to be unsatisfactory, the loan/scholarship recipient may request change of location from the Board. NO CHANGE IS TO BE MADE PRIOR TO BOARD APPROVAL. The new location of service must likewise be within the State of Mississippi.
- D. Loans/Scholarships made to applicants shall be made and based upon the following options for repayment or conversion to interest-free scholarships (REQUIRED military service excepted):
 - 1. In lieu of payment in full of both principal and interest, a loan/scholarship recipient may elect to repay by entry into full-time¹ service in professional nursing by either teaching nursing at an accredited School of Nursing in MISSISSIPPI, or in performing other work in professional nursing in the interest of public health equal to the length of the study period provided by the loan/scholarship; however, such service shall never be less than twelve (12) consecutive months for public health work or one (1) academic year for teaching, regardless of the length of study provided under this loan/scholarship.
 - 2. In the event of abandonment or abrogation of the option for repayment as provided for in VI. D. 1, the remaining balance of unpaid or undischarged principal and interest shall become due and payable over the remaining period of time made in sixty (60) or less equal monthly consecutive installments for the Ph.D. and thirty-six (36) or less equal consecutive monthly installments for the RN to BSN, BSN or MSN recipient commencing one (1) month after graduation or termination of attendance as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/recipient is enrolled or termination of full-time service or termination of other deferment.
- E. The loan/scholarship recipient and the Board shall designate, by written agreement, a time in the future when the obligations shall be fulfilled according to the requirements of the Contract and Note, in the event that obligations imposed by the terms of the Contract and Note are delayed or rendered impossible or impracticable due to temporary impairment of health or other conditions beyond the control of the loan/scholarship recipient.
- F. Loans shall either be converted to whole or partial scholarships in accordance with this subsection, or repaid in accordance with this subsection, or repaid in accordance with this subsection and the provisions of Section VII, below.

VII. LOAN OPTION

- A. Should the loan/scholarship recipient abandon or abrogate service, then the loan/scholarship recipient shall repay his/her loan (principal and interest thereon) in sixty (60) or less equal monthly consecutive installments for the Ph.D. or thirty-six

¹ Full Time as used in paragraph VI. D. 1 is understood by the parties to mean that the nurse or instructor shall maintain the normal full-time work schedule where the nurse or instructor is employed.

(36) or less equal consecutive monthly installments for the RN to BSN, BSN or MSN recipient commencing one (1) month after graduation or termination of attendance as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/loan/scholarship recipient is enrolled or termination of full-time service or termination of other deferment.

- B. The rate of interest charged a loan recipient on the unpaid balance is at the current Federal Stafford Loan rate at the time of the occurrence of the event, commencing one (1) month after graduation or termination of attendance as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/loan/scholarship recipient is enrolled or termination of full-time service or termination of other deferment.
- C. If the loan recipient fails to repay his/her loan (principal and interest thereon) in sixty (60) or less equal monthly consecutive installments for the Ph.D. or thirty-six (36) or less equal monthly consecutive installments for the RN to BSN, BSN or MSN recipient commencing one (1) month after graduation or termination of attendance as a full-time nursing student as defined/determined and certified by the Dean or the Department Chair of the Nursing Program at which the nursing student/loan/scholarship recipient is enrolled or termination of full-time nursing service or termination of other deferment, all principal and interest outstanding, together with costs of collection shall become immediately due and payable and demand shall be made by mailing the same to the obligor at the last address furnished by said obligor. Should payment of the sum due not be made in full within thirty (30) days, on the 30th day following the date demand was made, the Addendum and Amendment executed by the obligor shall be placed with an attorney for collection. At this point the obligor shall become liable for reasonable attorneys' fees and court costs in addition to the other sums due and owing.

VIII. DEATH/TOTAL AND PERMANENT DISABILITY/BANKRUPTCY

A. Death

- 1. If an individual loan/scholarship recipient dies and that loan/scholarship recipient has elected to repay by service as specified in Section VI. D. 1 and 2, then the loan/scholarship recipient's obligation to make any further payments of principal and interest on the Loan/scholarship is canceled.
- 2. The Board may determine that such a loan/scholarship recipient has died on the basis of a death certificate or other proof of death that is acceptable under applicable State law. If a death certificate or other acceptable proof of death is not available, the loan/scholarship recipient's obligation on the loan/scholarship is canceled only upon a determination by the Board on the basis of other evidence that the Board finds conclusive.
- 3. Once the Board has determined that such a loan/scholarship recipient has died, the Board may not attempt to collect on the loan/scholarship from the loan/scholarship recipient's estate.

B. Total and Permanent Disability

- 1. If the Board determines that an individual loan/scholarship recipient is totally and permanently disabled, the loan/scholarship recipient's obligation to make any further payments of principal and interest on the loan/scholarship is canceled. A loan/scholarship recipient is not considered totally and permanently disabled on the basis of a condition that existed before he/she applied for the Loan/scholarship, unless the loan/scholarship recipient's condition has substantially deteriorated since he/she submitted the Loan/scholarship application, so as to render the loan/scholarship recipient totally and permanently disabled.
- 2. After being notified by the loan/scholarship recipient or the loan/scholarship recipient's representative that the loan/scholarship recipient claims to be totally and permanently disabled, the Board shall promptly request that the loan/scholarship recipient or the loan/scholarship recipient's representative obtain a certification from a physician who is a doctor of medicine or osteopathy and legally authorized to practice, on a form provided or approved by the Board, that the loan/scholarship recipient is totally and permanently disabled. The Board shall continue collection until it receives the certification or receives a letter from a physician stating that the certification has been requested and that additional time is needed to determine if the loan/scholarship recipient is totally and permanently disabled. After receiving the physician's certification or letter, the Board may not attempt to collect from the loan/scholarship recipient.
- 3. If the Board determines that a loan/scholarship owed by a loan/scholarship recipient who claims to be totally and permanently disabled is not eligible for cancellation for that reason, or if the Board has not received the

physician's certification, described in paragraph [B](2) of this section, within 60 days of the receipt of the physician's letter described in paragraph [B](2) of this section, the Board shall resume collection and shall be deemed to have exercised forbearance of payment of both principal and interest from the date the Board received the physician's letter described in paragraph [B](2) of this section.

C. **Bankruptcy**

Loan/scholarships made pursuant to the Nursing Education Loan/Scholarship Program are nondischargeable in bankruptcy.

IX. WARRANTY

The acceptance of a Nursing Education Loan/Scholarship shall be deemed equivalent to an appointment by each loan/scholarship recipient of the Secretary of State of the State of Mississippi to be his/her true and lawful attorney, upon whom may be served all lawful processes and summons in any action or proceeding against him/her in the event he/she removes himself/herself from this State and the processes of its courts, and growing out of any breach of Contract and Note by the loan/scholarship recipient for failure to fulfill his/her Contract and Note with the Board or to repay the Nursing Education Loan/Scholarship including interest pursuant to the law and Contract and Note, and said acceptance of the loan rights and privileges shall be a signification of the applicant's agreement that any such process or summons against him/her which is so served upon the Secretary of State, shall be of the same legal force and validity as if served on him/her personally. The venue of all causes of action against such nonresidents shall be Hinds County, Mississippi.