

**University of Michigan Business School  
Loan Repayment Assistance Program  
For Graduates in the Non-profit and Public Sectors  
Applicant Information and Application**

The objective of the University of Michigan Business School (UMBS) Loan Repayment Assistance Program (LRAP) is to attract a diverse group of highly qualified prospective students and to expand the career options of its graduates by actively encouraging them to help fill the need for skilled managers in nonprofit and public sector organizations. The program will allow for and encourage such career choices by reducing the degree to which the burden of graduates' educational debt obligation restricts them from pursuing important but relatively low-salaried positions within these sectors.

The program accomplishes this objective by paying a portion of a graduate's Business School-related need based loan obligations while the graduate is employed full-time in a management related position within the public or nonprofit sectors (subject to annual re-application and review). The calculated amount the applicant is eligible for from the LRAP fund is based on an individual's financial position and that of the applicant's immediate family (as defined by UMBS Graduate Financial Aid Office guidelines). All recipients will be responsible for satisfying at least some portion of their annual loan obligation. Applications are due by November 1 annually for the following year and should be sent to the UMBS Financial Aid Office.

The provisions of the program, subject to change at any time, are as follows:

**1. Eligibility:**

**Eligible Graduates:** The program will be open to UMBS BBA and MBA graduates who demonstrated financial need and who, in turn, received U.S. recognized need based financial aid (e.g. Stafford, Direct, Perkins, UMBS loans, etc.) during their enrollment at the UMBS. Alumni (within ten years of graduation) may participate in the program any time before their loan repayment schedules expire, provided they meet the income and employment requirements. Award amounts vary depending upon the number of eligible applicants and available funds. Loan repayment assistance will terminate as of the date when individuals leave public or nonprofit sector service. Applicants must be current on loan repayments at the time of application, and assistance will be calculated based on the typical repayment period. Graduates working in positions that have both historically qualified for loan deferments or forbearance, and by their nature are limited term assignments (e.g. Peace Corps, Ameri Corps, etc.) are eligible for consideration under the loan repayment program.

**Eligible Employment:** Nonprofit organizations in the United States that are tax-exempt under sections 501(c) (3), (4), or (6) of the Internal Revenue Code are suitable employers for this program. Jobs in local state or federal governments are also acceptable. Graduates working outside the U.S. for public or nonprofit organizations may be eligible to participate in the program, subject to approval by the LRAP Advisory Board.

**Eligible Assets:** A reasonable amount of assets will not disqualify an applicant for loan forgiveness. However, possession of substantial physical and financial assets will lead to a reevaluation of the candidate's financial condition.

## **2. Application Procedures:**

**Availability:** Applications can be obtained from the UMBS Graduate Financial Aid Office at 701 Tappan Street Room D2260, Ann Arbor, MI 48109, 734-764-5139. This information is also available within the Financial Aid link on M-Track. Applicants must reapply each year.

### **Content of Application: All applications must include:**

- \*an income and asset statement
- \*proof of employment and salary level for both applicant and spouse (if applicable)
- \*latest Federal income tax return including W-2s and all schedules
- \*a summary of applicant's UMBS debt
- \*documentation (payment schedules) of need based educational loans for UMBS and non-UMBS related loan obligations for both applicant and spouse (if including spouse debt information, then spouse income and asset information must also be included.)

**Deadline: Applications are due on November 1 annually at the UMBS Graduate Financial Aid Office.**

## **3. Implementation**

### **Disbursement:**

- A. After eligibility is determined, available funds will be distributed among all eligible applicants. The LRAP Board will decide how to distribute funds among eligible applicants based on comparative levels of financial need.
- B. Funds will be disbursed on or around January 1. These payments may be considered taxable income in the calendar year received. Please check with a tax advisor for your tax liability.
- C. If the award recipient becomes ineligible for funds received, the recipient must repay that portion for which she/he has become ineligible. Therefore, all award recipients are required to report a change in employment should one occur. The details for repayment of LRAP funds will be determined individually with the program administrator. The terms of the repayment will be based on the participant's salary after leaving qualifying employment. The amount to be repaid will be the amount the participant is not eligible for plus 7% simple interest.

### **Loan Consolidation:**

If the applicant has chosen to consolidate his/her student loans, payments from the LRAP will be based on the UMBS related portion of the consolidated repayment schedule.

### **Administration:**

The UMBS Graduate Financial Aid Office will administer this program.

The Advisory Board, a six person committee, is responsible for reviewing, evaluating and adjusting the policy, terms and structure of the program as needed. Additionally, the Board will rule on special cases in which eligibility for the program is not clear-cut. The LRAP Board reserves the right to make changes to the program at any time.

**University of Michigan Business School  
Loan Repayment Assistance Program Application**

<b>Name:</b>	<b>Year of Graduation:</b>
<hr/>	
<b>Home Address:</b>	
<hr/>	
<b>Home Phone:</b>	<b>Work Phone:</b>
<hr/>	
<b>Fax Number:</b>	<b>Social Security Number:</b>
<hr/>	
<b>E-Mail Address:</b>	
<hr/>	
<b>Employer:</b>	
<hr/>	
<b>Your Title:</b>	
<hr/>	
<b>Employer Address:</b>	
<hr/>	
<b>Employer Phone:</b>	
<hr/>	
<b>Dates of Employment:</b>	
<hr/>	

Please describe your employer's activities and your responsibilities in the organization. Address the public service aspects of the organization. You may attach additional sheets and/or a resume.

---

---

---

**Required Attachments**

**1.** Income and Asset Statement, **2.** Candidate's and Spouse's (if applicable) Verification of Employment and Salary Level, **3.** Federal tax return for the most recently completed tax year (1040, W-2, 1099, and all schedules), **4.** Educational Loan Summary **5.** Documentation (payment schedules) of need based educational loans for both UMBS and non-UMBS related loan obligations.

**Signature and Certification**

I declare that the information in this application is correct and complete to the best of my knowledge. Members of the Advisory Board may investigate the information I have provided.

---

SIGNATURE

---

DATE

# Income and Asset Statement

Name: \_\_\_\_\_ Year of  
Graduation: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

---

Filing Status:  Married  Single # of Children (dependents) \_\_\_\_\_  
Name of Dependents: \_\_\_\_\_ Relationship: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

**Income:**

Applicant's Annual Salary		\$	_____
Spouse's Annual Salary		\$	_____
(please complete if you have access to these resources)			
Other Income			
Total Dividends	\$		_____
Total Interest	\$		_____
Other	\$		_____
Describe: _____			
_____			
Total Other Income		\$	_____
<b>Total Income</b>		\$	_____

---

**Asset Information**

Cash, Savings and Checking Accounts	\$	_____
Stocks, Bonds, CDs & Investments	\$	_____
Trust Funds Total Value	\$	_____
Other (i.e. Real Estate, please explain on back)	\$	_____
<b>Total Assets</b>	\$	_____

---

<b>Educational Debt Prior to UMBS</b> (Detail on Educational Loan Report)	Applicant's Annual Payments	\$	_____
	Spouse's Annual Payments	\$	_____
<b>Total Educational Debt Prior to UMBS</b>		\$	_____

---

<b>UMBS Debt</b>	Principal	\$	_____
	Current Annual Payments	\$	_____



**University of Michigan Business School  
Loan Repayment Assistance Program  
Request for Spouse's Verification of Employment**

---

<b>Instructions:</b>	Applicants:	Complete Part 1. Forward directly to employer.
	Employer:	Read Part 1. Complete Part 2. Sign and return to The University of Michigan Business School (see below)

**Part 1**

<b>To:</b> (Name & Address of Employer)	<b>From:</b> Loan Repayment Assist. Program University of Michigan Business School 701 Tappan St. Rm. 2260 Ann Arbor, MI 48109-1234
---	--

I have applied to University of Michigan's Loan Repayment Assistance Program and stated that you employ my spouse. My spouse's signature below authorizes you to verify employment information to the University of Michigan Business School.

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Signature of Applicant's Spouse

\_\_\_\_\_  
Date

**Part 2 - Verification of Present Employment**

Spouse's Date of Employment  
\_\_\_\_\_

Current Base Salary (Check Pay Period)

\$ \_\_\_\_\_ annual

Present Position/Title  
\_\_\_\_\_

\$ \_\_\_\_\_ weekly/monthly/hourly  
(circle one)

Probability of Continued Employment  
\_\_\_\_\_

Remarks (If paid hourly, please indicate average number of hours per week. If a bonus or overtime is applicable, please describe.)  
  
\_\_\_\_\_

\_\_\_\_\_  
Name of Employer/Supervisor

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature of Employer

\_\_\_\_\_  
Date