



PSLF Program: Additional Information

Additional Information

In general, the Public Service Loan Forgiveness (PSLF) program requires the active attention of both colleges and borrowers (employees) for an extended period of time. The borrower must establish eligibility to participate and an institution must confirm that eligibility annually for as long as it takes the borrower to 'earn' the forgiveness benefit.

The PSLF Program forgives the remaining balance on your Direct Loans after you have made 120 qualifying monthly payments under a qualifying repayment plan while working full-time for a qualifying employer.

The following detailed information will help you understand both the institutional responsibilities and employee/borrower responsibilities to successfully navigate through the PSLF process.

For more information, visit the [Federal Student Aid website](#).

PSLF Application

The PSLF program is a benefit targeted at Federal borrowers who are employed in 'public service'. This includes borrowers who are employed in any position (both faculty and staff) within a California community college. As part of the application process, and with the assistance of the employing institution, the PSLF program requires that a 'public service' employee 'certify' their public service employment.

The PSLF employment certification form can be found at [Public Service Employment Certification form](#).

PSLF Application Sections

Sections One and Two must be completed by the borrower/employee and constitutes the borrower's 'application' to participate in the PSLF program.

Section Three may be completed by either the borrower or the college. This section provides the Department with information about the college's status as a not-for-profit entity within the meaning of Section 503 (c)(3) of the Internal Revenue Code. While all California community colleges meet this requirement, this section must be completed on each borrower/employee application.

Section Four must be completed by the college. In this section, the college ‘certifies’ that the borrower is an employee of the institution. The borrower cannot complete this section of the application.

Once the institution completes Section 4, and possibly Section 3 if it is so inclined, the application must be returned to the borrower to be submitted to the Department.

Annual Certification and Submission

District Requirement

The certification process must be updated annually and submitted by the borrower to the Department. This will mean that your institution must at a minimum update/complete **Section Four** on an annual basis and return the completed form to the borrower, who must then return the completed re-certification form to the Department.

Eligible Employees/Borrowers

Must initially and continue to meet the PSLF’s definition of ‘full time.’ The PSLF defines this as an annualized average of 30 hours per week during the contractual period (for faculty) and receive credit by the institution for a full year’s worth of employment. It is this arrangement that the school is certifying in Section Four of the Certification/Recertification form ([Public Service Employment Certification form](#)).

A borrower may be employed at more than one qualifying institution, and that combined part-time employment may qualify the borrower as ‘full time’ within the PSLF definition of ‘full time’. It is the borrower’s responsibility to provide initial documentation of this arrangement on the certification form, and it must be addressed by the borrower during the annual recertification process.

Qualifying institutions must also make the full time or part time status part the initial certification process and any subsequent annual re-certifications submitted by the borrower to the Department. (Note: Vacation or leave time taken under the FMLA are equivalent to hours worked in establishing qualifying employment.)



Employee/Borrower Initial and Continuing Attention

We think it will be helpful if our Districts understand some of the initial and continuing requirements for their employees under the PSLF program. The PSLF program does not rely on a one-time application process. The PSLF program requires both initial and continuing attention by community college faculty and staff who seek to or have previously been approved to participate in the PSLF program.

The following are elements of the program/process that will require initial and/or continuing attention by the employee/borrower:

Initial Task: Loan Debt Eligibility

The PSLF program only affords borrowers the 'forgiveness benefit' for Federal Direct Loans and Federal Direct Consolidation Loans. Some community college faculty and staff may also have outstanding FFELP and Federal Perkins loan debt. Perkins and FFELP loan debt are not eligible for the forgiveness benefit. Perkins and FFELP loan debt must first be made part of a Federal Direct Consolidation Loan before they can be considered for the forgiveness benefit.

Initial Task: Selecting the right repayment plan

While a borrower is free to participate in any of the available Federal repayment programs, including Standard Repayment, only the Pay As You Earn (PAYE), the Revised Pay As You Earn (REPAYE), the Income-based Repayment plan (IBR) and the Income Contingent Repayment Plan (ICR) will place the borrower in a position to receive the forgiveness benefit. *** IBR and ICR may require that the borrower/employee provide the Department/Service with an annual update of qualifying circumstances.

Ongoing Task: Annual 'recertification'

The PSLF program requires that that a borrower/employee participating in the PSLF continues to be employed in an eligible program. Using the PSLF Certification Form, the borrower must provide documentation of continuing employment by an eligible institution. This will, of course, require the participation of the college to complete this step.

Ongoing Task: Eligible Payments

The borrower must make 120 eligible payments before qualifying for the loan forgiveness benefit. Payments must be made within 15 days of the established monthly due date (although increments totaling the full amount can be submitted during that 15 day period). Any payment received after the

due date will not be considered as an ‘eligible payment’ and will not count against the 120 payment requirement (even though they will be credited against the outstanding loan balance).

Warning

Advance or lump sum payments may result in a borrower not receiving proper ‘credit’ for future payments against the 120-payment requirement. Borrowers who choose to make lump sum or advance payment should only do so in collaboration with the Federal loan servicer’s knowledge and agreement.

Ongoing Task: Continuing Employment Eligibility

While AB 463 does ask institutions to provide employees with a notice of renewal and a copy of an employment certification form (Part 4 of the certification/recertification form completed), an individual institution may not have full knowledge of an employee’s use of two or more part time arrangements to meet the ‘full-time’ requirement. Institutions can only certify/recertify circumstances they can confirm. It is the employee/borrower’s responsibility to collect what may be multiple institutional certifications as part of the initial certification or annual recertification process, and submit that documentation to the Department.

Additional things to keep in mind

- While the PSLF program does offer significant and substantive benefit to certain eligible community college employees, the PSLF program requires, however, an elevated and ongoing attention to detail by both institutions and employees for a minimum of ten (10) years before an employee can even become eligible for the forgiveness benefit. Moreover, even then, when the employee applies for the forgiveness benefit, the Federal servicer may, in its audit of the borrower’s PSLF history, determine that additional ‘eligible payments’ will be required before the benefit has been earned. Colleges and borrowers/employees should understand from the outset that long-term engagement and attention to detail will be necessary for the employee/borrower to successfully achieve the promises of the program.
- The Chancellor’s office is seeking assistance from the Department of Education for additional and separate guidance for both the institutions and the borrowers to clarify their respective responsibilities within the PSLF program. We anticipate that this guidance will be delivered via webinar and it will be recorded and made available to college districts and faculty.



Public Service Loan Forgiveness (PSLF) Program Fact Sheet

What is the Public Service Loan Forgiveness Program?

Congress created the Public Service Loan Forgiveness Program (PSLF) in 2007 to encourage individuals to enter and continue to work full time in public service jobs. Under this program, borrowers may qualify for forgiveness of the remaining balance due on their eligible federal student loans after they have made 120 payments on those loans under certain repayment plans while employed full time for at least 10 years by certain public service employers.

What loans qualify for forgiveness?

Only loans received under the William D. Ford Federal Direct Loan (Direct Loan) Program are eligible for PSLF. Loans received under the Federal Family Education Loan (FFEL) Program, the Perkins Loan Program, or any other student loan programs 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 made 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 made under a qualifying repayment plan, do not count as qualifying PSLF payments.

What payment plans qualify for forgiveness?

Payments made under one or more of the following Direct Loan Program repayment plans count toward the 120-month payment requirement provided all other criteria are met:

- Income Based Repayment (IBR) Plan
- Income Contingent Repayment (ICR) Plan
- 10-Year Standard Repayment Plan
- Any other repayment plan where the monthly payment amount equals or exceeds what would be paid under a 10-Year Standard Repayment Plan.

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.

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. Since 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 plans or after leaving IBR or ICR plans.*

What kinds of employment qualify?

Qualifying employment is any full time employment (generally, as determined by the employer) with a federal, state, or local government agency, entity, or organization or a non-profit organization that has been designated as tax-exempt by the Internal Revenue Service. The type or nature of employment with the organization does not matter for PSLF purposes. Additionally, the type of services that these public service organizations provide does not matter for PSLF purposes.

When may I apply?

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.

What are the application requirements?

Prospective applicants must meet and maintain the following 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 at the time you apply for loan forgiveness; and at the time the remaining balance on your eligible loans is forgiven.

How can I track my progress?

The U.S. Department of Education has created the Employment Certification for Public Service Loan Forgiveness form www.studentaid.ed.gov/publicservice 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.

Is the Employment Certification for Public Service Loan Forgiveness form required?

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.

Frequently Asked Questions

Q1: If an individual has been making payments since 'before' 2007 (e.g. 2005) can she/he count those payments toward the 120 required payments?

A1: No. Only payments made on or after October 1, 2007, when the program began may be counted towards the required 120 payments.

Scenario 1: Bob started making payments on his student loan in October 2005 while working for Metropolitan Life Insurance Company. Bob was hired by FSIS in October 2009. He made 48 payments while employed with Metropolitan but none of those



payments will count toward the PSLF. Bob's payments toward the 120 required payments will start in October 2009 when his employment with FSIS, a public service agency, began.

Q2: If an individual, previously employed by a non-qualifying employer has been making monthly payments since October 2007 and started working for FSIS in January 2008, can she/he get credit for those payments made before employment with FSIS?

A2: No. The PSLF requires that the individual be employed with a public service agency in order to apply and qualify for PSLF. However, if the employee transferred from another federal agency, then the payments would qualify for PSLF.

Scenario 2: Jane started making her required monthly payments in October 2007 while directly employed at Perdue Farms. In January 2008 she began her employment with FSIS. Jane's payments toward the 120 required payments will start in January 2008 when her employment with FSIS, a public service agency, began.

Q3: Must the 120 separate, monthly required payments for PSLF be consecutive?

A3: 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.

Scenario 3: Paul made monthly payments from January 2009 to December 2009 while working at FSIS. He resigned for one year but continued making monthly payments. In January 2011, he was re-employed by FSIS. Although Paul made payments during 2010, they do not count toward PSLF because he was not employed by a qualified public service employer.

For more information on the Public Student Loan Forgiveness Program, please visit:

<http://studentaid.ed.gov/PORTALSWebApp/students/english/PSF.jsp>



Do you have unanswered questions about the Public Service Loan Forgiveness (PSLF) Program?

The source for the entirety of the information presented in this document comes from the [Federal Student Aid website](#).

Get in-depth information about the PSLF Program

Our [Public Service Loan Forgiveness](#) page has basic information and answers to common questions about the program. Here you will find more detailed questions and answers.

[General Information](#)

[Eligible Loans](#)

[Qualifying Repayment Plans](#)

[Qualifying Payments](#)

[Qualifying Employment](#)

[Application Process](#)

General Information

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

No. According to the Internal Revenue Service (IRS), student loan amounts forgiven under PSLF are not considered income for tax purposes. For more information, check with the IRS or a tax advisor.

Does my income level determine my eligibility for PSLF?

There is no income requirement to qualify for PSLF. However, since your required monthly payment amount under most of the qualifying PSLF repayment plans is based on your income, your income level over the course of your public service employment may be a factor in determining whether you have a remaining loan balance to be forgiven after making 120 qualifying payments.

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

We can't make any guarantees about the future availability of PSLF. The PSLF Program was created by Congress, and Congress could change or end the PSLF Program.



Eligible Loans

I made qualifying PSLF payments on my Direct Loans and then consolidated those loans. Do the payments I made before consolidation still count toward PSLF?

No. If you make qualifying PSLF payments on a Direct Loan and then consolidate that loan, you'll lose credit for the PSLF payments. You'll need to start over and make 120 qualifying payments on the new Direct Consolidation Loan. For this reason, if you've made qualifying PSLF payments on your Direct Loans and you're thinking of consolidating those loans into a Direct Consolidation Loan along with loans you received under other federal student loan programs, you should leave your Direct Loans out of the consolidation and consolidate only your loans from other federal student loan programs.

Are private education loans eligible for PSLF?

No. Private education loans aren't eligible for PSLF and can't be consolidated into a Direct Consolidation Loan.

Are Direct Loans that are in default eligible for PSLF?

No. Defaulted Direct Loans are not eligible for PSLF. However, a defaulted loan may become eligible for PSLF if you resolve the default. [Learn how to get your loan out of default.](#)

Can my and my spouse's joint consolidation loan from the Federal Family Education Loan (FFEL) Program be consolidated into a Direct Consolidation Loan so that one or both of us can qualify for PSLF?

No. The law no longer permits joint consolidation loans to be made, so joint FFEL Consolidation Loan borrowers can't jointly reconsolidate their FFEL Consolidation Loan into a Direct Consolidation Loan. Also, you can't individually reconsolidate your joint FFEL Consolidation Loan into a new Direct Consolidation Loan to take advantage of PSLF.

I have a joint Direct Consolidation Loan that I obtained with my spouse. Can we receive PSLF?

Yes, but to receive forgiveness of the entire remaining balance of the loan—after making 120 qualifying payments—both you and your spouse must have been employed full-time by a qualifying employer at the time each payment was made. If only one of you met the employment requirement, only the portion of the remaining balance attributable to the original loans of that individual would be forgiven.

For example, if you were employed full-time by a qualifying employer when each of the required 120 payments was made, but your spouse never worked for a qualifying employer or worked for a



qualifying employer only when some of the payments were made, the amount forgiven after the 120th qualifying payment would be the remaining balance of the loan attributable to the loans you originally received that were paid off by the joint consolidation loan. Both you and your spouse would remain responsible for repaying the remaining balance of the loan that is attributable to the loans your spouse originally received.

You can't receive forgiveness of a joint Direct Consolidation Loan by combining payments made when only you met the employment requirement with payments made while only your spouse met the employment requirement. For example, if only you were working for a qualifying employer when 80 payments were made and only your spouse was working for a qualifying employer when 40 payments were made, the payments cannot be combined to count as 120 qualifying payments that would make the loan eligible for PSLF.

Are Direct PLUS Loans eligible for PSLF?

Yes. Direct PLUS Loans are made to graduate or professional students and to parents of dependent undergraduate students. Like other Direct Loans, Direct PLUS Loans are eligible for PSLF. However, there are additional factors to consider if you are a parent who has taken out a PLUS loan.

First, your PSLF eligibility is based on your qualifying employment, not on the employment of the dependent student on whose behalf you borrowed.

Second, PLUS loans made to parents may not be repaid under any of the income-driven plans, the repayment plans that are best for borrowers seeking PSLF. However, if you consolidate a PLUS loan that you took out on behalf of your child, you may then repay the new Direct Consolidation Loan under an income-driven repayment plan called the Income-Contingent Repayment Plan. You can't repay under the Revised Pay As You Earn, Pay As You Earn, or Income-Based Repayment plans.

Note: PLUS loans made to graduate and professional students (as well as Direct Consolidation Loans that repaid PLUS loans made to graduate and professional students) may be repaid under any of the income-driven plans.



Qualifying Repayment Plans

I'm repaying my Direct Consolidation Loan under the Standard Repayment Plan. Does that plan qualify for PSLF?

Generally, no. The Standard Repayment Plan for Direct Consolidation Loans is not the same repayment plan as the 10-Year Standard Repayment Plan, and payments made under the Standard Repayment Plan for Direct Consolidation Loans do not usually qualify for PSLF purposes.

Under the Standard Repayment Plan for Direct Consolidation Loans, the maximum repayment period varies from 10 years to 30 years, depending on the amount of the consolidation loan and the amount of your other education loan debt. This longer repayment period generally results in a lower monthly payment than the monthly payment amount required under the 10-Year Standard Repayment Plan. Payments made under the Standard Repayment Plan for Direct Consolidation Loans would qualify for PSLF purposes only if the maximum repayment period was set at 10 years, and that would be the case only if the total amount of the consolidation loan and your other education loan debt was less than \$7,500.

If you are seeking PSLF, the best option would be to repay your Direct Consolidation Loan under an income-driven repayment plan.

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?

Under the Graduated Repayment Plan, payments start out lower and then gradually increase, generally every two years. Therefore, payments made during the later portion of the repayment period under the Graduated Repayment Plan may in some cases equal or exceed the payment amount that would be required under a 10-Year Standard Repayment Plan, and these payments would count for PSLF.

If I'm repaying my Direct Loans under the PAYE or IBR Plan and my monthly payments are no longer based on my income, will my payments continue to count for PSLF?

Yes. Although you will always initially have a payment based on your income in the PAYE and IBR plans, under certain circumstances your monthly payment under those plans may no longer be based on income. However, your monthly payments will continue to qualify for PSLF if you remain on the Pay As You Earn or Income-Based Repayment plan.

I'm in the process of rehabilitating a defaulted Direct Loan. Will my rehabilitation payments count toward PSLF?



No. Payments made to rehabilitate a defaulted Direct Loan do not qualify for PSLF.

Qualifying Payments

Do I need to make consecutive payments to qualify for PSLF?

No. The 120 payments do not have to be consecutive payments. For example, if you have a period of employment with a non-qualifying employer, you will not lose credit for prior qualifying payments you made. However, a payment can be counted only if you are employed full-time by a qualifying employer at the time you make the payment.

If I pay more than my scheduled monthly student loan payment amount, can I get PSLF sooner than 10 years?

No. You must make 120 separate monthly payments. Paying extra won't make you eligible to receive PSLF sooner.

If you make a payment for more than the scheduled payment amount, the excess amount may be applied to cover all or part of one or more future payments, unless you request otherwise. Depending on how much extra you pay, it's possible that your next due date could be a month or more in the future from the date you made the extra payment amount. This is called being "paid ahead." If you make subsequent payments during a period when you are paid ahead, those payments won't count toward PSLF.

If you request that your extra payment amount not be applied to future scheduled payments, the excess amount won't advance the due date of your next scheduled payment, and any subsequent monthly payments you make can count toward the required 120 payments.

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'm in school?

Yes. You can decline an in-school deferment on your loans that are in repayment status and make qualifying payments on those loans while you are in school. Remember, in order for your payments to qualify for PSLF, you must be employed full-time by a qualifying employer while you attend school.
Note: If you receive new Direct Subsidized Loans or Direct Unsubsidized Loans when you return to school, you won't be able to make qualifying PSLF payments on those loans while you are in school. Any new Direct Subsidized Loans or Direct Unsubsidized Loans you receive won't enter repayment until the end of the six-month grace period after you leave school. Although you could voluntarily make payments on



your new Direct Subsidized Loans and Direct Unsubsidized Loans while you are in school or during your grace period, those payments wouldn't count toward PSLF.

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

No. The law that governs the Direct Loan Program does not allow borrowers to waive the grace period on Direct Subsidized Loans and Direct Unsubsidized Loans. You cannot begin making qualifying PSLF payments until after your loans have entered repayment at the end of the grace period. Any payments you make on a loan during the grace period will not count toward PSLF. However, if you want to immediately begin making qualifying payments on your federal student loans as soon as you leave school, you may consolidate your loans into a Direct Consolidation Loan during your grace period and enter repayment right away.

I'm thinking of serving as a Peace Corps or AmeriCorps volunteer and plan to request a deferment or forbearance on my Direct Loans. If I'm not making payments during my service period, can I receive credit toward PSLF?

If you receive a deferment or forbearance during your volunteer service, you can use the transition payment you receive after completing your Peace Corps service—or the Segal Education Award you may receive after AmeriCorps service—to make a lump-sum payment on your Direct Loans. 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'll 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 qualifying monthly payments. This benefit is available to you only one time for Peace Corps service and one time for AmeriCorps service. However, instead of receiving a deferment or forbearance during your volunteer service and then using your Peace Corps transition payment or Segal Education Award to make a lump-sum payment on your loans, you could choose to make qualifying PSLF payments during your volunteer service. If you repay your Direct Loans under an income-driven plan, your required monthly payment is likely to be an amount that you can afford even while you are performing volunteer service and receiving very little income. For some borrowers, the required monthly payment amount under one of these repayment plans may be \$0.

If you do not request a deferment or forbearance and instead make payments under an income-driven plan during your Peace Corps or AmeriCorps service, you could possibly receive credit for a larger number of qualifying PSLF payments than you would if you received a deferment or forbearance and then used your Peace Corps transition payment or Segal Education Award to make a lump-sum payment on your Direct Loans. This is because you can receive credit for a maximum of only 12



qualifying payments if you make the lump-sum payment, but each payment you make under the income-driven plan (including a scheduled payment amount of \$0) while you are serving as a full-time Peace Corps or AmeriCorps volunteer counts as a qualifying PSLF payment if it meets all of the requirements described elsewhere in this document.

I'm receiving student loan repayment benefits through one of the U.S. Department of Defense's Student Loan Repayment programs. Do those payments count toward PSLF?

If the U.S. Department of Defense (DOD) makes a lump-sum payment toward your Direct Loans after a year of service as part of one of the student loan repayment programs it administers, 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 the lump-sum payment by your scheduled full monthly payment amount, but you may not receive credit for more than 12 qualifying monthly payments for each lump-sum payment. You may receive credit each time you receive a lump-sum payment through one of the DOD's student loan repayment programs. This benefit is available only for lump-sum payments made on or after July 1, 2016.

If my scheduled monthly payment under an income-driven plan is \$0, does each month during which my payment is \$0 count toward the required 120 separate, monthly payments?

Yes. Any month when your scheduled payment under an income-driven plan is \$0 will count toward PSLF if you also are employed full-time by a qualifying employer during that month.

If I make payments more frequently than monthly (for example, twice each month, when I get paid), will my payments count toward PSLF?

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

For example, if your required monthly payment is \$200 and you make two \$100 payments no later than 15 days after your due date, you would receive credit for one qualifying payment.

Qualifying Employment

What counts as a government employer for the PSLF Program?

Any federal, state, local, or tribal government agency is considered a government employer for the PSLF Program. This includes employers such as 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 public transportation, water, bridge district, or housing authorities).

A government contractor is not considered to be a government employer.

[View a listing of most government agencies and departments.](#)

Note: Service as an elected member of the U.S. Congress is not qualifying employment for PSLF.

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

Eligible not-for-profit organizations include:

- an organization that is tax-exempt under section 501(c)(3) of the Internal Revenue Code, and
- an organization that is not tax-exempt under section 501(c)(3) of the Internal Revenue Code but provides a qualifying public service.

However, if the organization is a labor union or a partisan political organization, it is not an eligible PSLF employer. In addition, if you perform religious activities as part of your job, there are limitations on your ability to have your employment qualify for PSLF.

Eligible not-for-profit organizations include most private elementary and secondary schools, private colleges and universities, and thousands of other organizations. Your employer can tell you if it is a not-for-profit organization and what its tax status is, or you can [use the IRS's searchable database of tax-exempt organizations.](#)

A not-for-profit organization that is not exempt under section 501(c)(3) of the Internal Revenue Code must provide one of the following public services:

- Emergency management
- Military service: service on behalf of the U.S. armed forces or the National Guard
- Public safety
- Law enforcement: crime prevention, control or reduction of crime, or the enforcement of criminal law
- Public interest law services: legal services provided by an organization that is funded in whole or in part by a local, state, federal, or tribal government
- Early childhood education: includes licensed or regulated childcare, Head Start, and state-funded prekindergarten
- Public service for individuals with disabilities and the elderly
- Public health: includes 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 or other school-based services

I'm employed full-time by a qualifying not-for-profit organization, but my job duties include religious activities. Does my employment qualify for PSLF?

It depends on how much of your job is related to religious activities. When determining whether you are a full-time employee for PSLF, your employer may not include the time you spend participating in religious instruction, worship services, or any form of proselytizing.

What determines whether I am considered to be an employee of a qualifying employer?

You are an employee if the qualifying employer hired you and pays you, and sends you a Form W-2 (Wage and Tax Statement) at the end of each tax year. For example, if you were hired by a government contractor and the contractor issues your Form W-2, you are employed by the contractor. Although you may be doing work for a qualifying employer (a government agency), you are not an employee of the qualifying employer.

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

The specific job that you perform doesn't matter, as long as you're employed by a qualifying employer. For example, if you're 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.).

I am a teacher who does not teach over the summer break. If I make payments during the summer, do those payments count toward PSLF?

Payments you make during the summer will count if you have a contract for an employment period of at least eight months and you work an average of 30 hours per week during that period, and if your employer still considers you to be employed full-time during the summer break. Of course, the payments must otherwise meet all PSLF requirements. In this circumstance, your employer should include the dates of the summer break when reporting your dates of employment on the PSLF Employment Certification Form, even though you aren't actually teaching during that period.

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

Yes, as long as the combined number of hours you work for each employer equals at least 30 hours per week. Each employer must be a qualifying employer for the employment to be included in determining whether you are employed on a full-time basis. For example, if you worked for one



qualifying employer for 10 hours per week and you concurrently worked for a second qualifying employer for 20 hours per week, this would meet the 30 hours per week requirement.

I'm employed full-time by a company that is doing work for a qualifying PSLF employer under a contract. However, the company that I work for is not a qualifying PSLF employer. Does this employment qualify for PSLF?

No. You must be employed full-time by a qualifying employer. This means that many government contractors won't qualify for PSLF.

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

Most private elementary and secondary schools, and private colleges and universities, are not-for-profit organizations. If a private school has this status, it would qualify as a qualifying employer. However, a private school, college, or university that operates for profit is not a qualifying employer.

Can I receive PSLF if I have more than one employer over the course of 10 years?

Yes. However, you must submit a PSLF Employment Certification Form showing that you were employed full-time by a qualifying employer at the time you made each of the required 120 payments.

If I'm employed by a 501(c)(3) organization, but I work outside the United States, would the employment qualify under the PSLF program?

Yes. Full-time employees of 501(c)(3) organizations may perform their work anywhere. I'm a full-time employee of a foreign not-for-profit organization that is not a 501(c)(3) organization, but it provides a qualifying public service.

Will my employment with this not-for-profit organization qualify for PSLF?

It depends on whether the organization operates in the United States. If the organization operates in the U.S., your employment would qualify for PSLF purposes. If the organization does not operate in the U.S., your employment does not qualify.

Does employment by a foreign government or international, intergovernmental organization (such as the United Nations, Organization for Economic Cooperation and Development, Organization of American States, North Atlantic Treaty Organization) qualify for PSLF?

No. Only U.S. federal, state, local, and tribal government organizations, agencies, or entities are qualifying employers for purposes of PSLF. However, if you work for a U.S. delegation to an international, intergovernmental organization, such as the U.S. mission to the United Nations, your employment qualifies because your employer is the U.S. government.



I'm employed full-time by a qualifying employer in one of the islands that have a legal relationship with the U.S. Will that employment qualify for PSLF purposes?

Yes. 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 are considered part of the U.S. for PSLF.

Does full-time volunteer service for a qualifying employer count toward PSLF?

No. Unless you are an AmeriCorps or Peace Corps volunteer, you must be a full-time employee who is hired and paid by a qualifying employer.

I am serving a fellowship with a qualifying employer. Does this qualify for PSLF?

It depends on the terms of your fellowship. It would qualify only if you are considered an employee who is hired and paid by the qualifying employer where you are serving the fellowship.

Are vacation and leave periods considered when determining whether I am a full-time employee?

Vacation or leave time provided by your employer is counted as hours worked in determining whether you are a full-time employee. This includes leave taken for a qualifying condition under the Family and Medical Leave Act of 1993.

I'm the only official who can certify my employment. Can I certify my own qualifying employment?

Yes, you may certify your own employment if you are the only employee of the organization who can do so. However, we will request additional documentation concerning your employment, 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 periodic basis regarding the activities of the organization.

What if I make my last qualifying payment while working for a qualifying employer, but then leave that job to work for a for-profit corporation before applying for the PSLF benefit. Am I still eligible for PSLF?

No. To be eligible for forgiveness after making 120 qualifying payments, you must be employed full-time by a qualifying employer at the time you make each qualifying payment, at the time you apply for loan forgiveness, and at the time you receive loan forgiveness. Therefore, if you leave your job at a qualifying employer after meeting the PSLF eligibility requirements but before you apply for loan forgiveness, you will not be eligible for forgiveness since you must be working for a qualifying



employer at the time you apply for and receive forgiveness. However, you could regain eligibility if you later find full-time employment at another qualifying employer and then apply for loan forgiveness.

Application Process

After I submitted the PSLF Employment Certification Form, I was notified that I now have a new servicer for my federal student loans. Why did my servicer change?

One of the federal loan servicers, FedLoan Servicing, is administering PSLF for all Direct Loan borrowers. As a result, if you submit a PSLF Employment Certification Form and FedLoan Servicing determines that your employment qualifies, all of your Direct Loans as well as any of your FFEL Program loans that are held by the U.S. Department of Education will be transferred to FedLoan Servicing.

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)?

The PSLF servicer will confirm that your employer is a qualifying employer based on the information provided on the PSLF 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, show your dates of employment with that employer, confirm that you were a full-time employee, and demonstrate that your employer meets the definition of a qualifying employer. For example, documents that would support your employment are IRS W-2 forms and pay stubs. You should retain as many documents supporting your qualifying employment as possible.

When I'm ready to submit my loan forgiveness application, do I need to submit any other documents to the PSLF servicer?

Yes. Even if you submitted PSLF Employment Certification Forms to the PSLF servicer during the entire period when you were making your 120 qualifying payments, you will need to show that you are employed full-time with a qualifying employer at the time you submit your PSLF application. The PSLF application will include an employment certification section that must be completed by the qualifying employer where you are employed at the time you submit the application.

If you did not submit any PSLF Employment Certification Forms prior to submitting your PSLF application, or if you submitted forms for only some of your employers or for only a portion of your period of qualifying employment, you will need to provide one or more PSLF Employment



Certification Forms, as necessary, to cover your entire period of qualifying employment (including your current employment) at the time you submit your loan forgiveness application.

I made some qualifying payments, but I no longer work for a qualifying employer and do not think I will work in qualifying employment again. Can I receive partial forgiveness based on the number of qualifying payments that I made?

No. There is no partial loan forgiveness. To receive PSLF, you must make all 120 qualifying payments while working for a qualifying employer.

When I submit my application for loan forgiveness after making the required 120 qualifying payments, how long will it take to process my application and forgive my remaining loan balance?

Processing times will vary depending on factors such as whether you previously submitted documentation of employment for review or submitted documentation only at the time you applied for loan forgiveness, the number of your employers, any gaps in your employment or payment history, and any required follow-up.

If you periodically submitted the PSLF Employment Certification Form so that your eligibility could be tracked while you were making the required 120 payments, your application for loan forgiveness will likely be processed more quickly.

Once the PSLF servicer has received all of the documentation needed to determine whether you qualify for loan forgiveness, you will be notified. You are not required to continue making payments on your loans during the period when your loan forgiveness application is being processed. However, if you want to continue making payments, you may indicate this on your PSLF application.

What will happen if my PSLF application is approved?

If your PSLF application is approved, then you will be notified that the entire remaining balance of your eligible Direct Loans will be forgiven, including all outstanding interest and principal. If you made payments after your 120th qualifying payment, those payments will be treated as overpayments and refunded to you.

What will happen if my PSLF application is denied?

If we determine that you are not eligible for loan forgiveness, you will be notified of this determination and will be provided with the reason(s) you were determined to be ineligible. You will then be required to resume making payments on your loans.



If you do not qualify for forgiveness, interest that accrued (accumulated) during the period when your application was being evaluated (and you were not required to make payments on your loans) may be capitalized.

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.

I received a letter from FedLoan Servicing saying that my loans, employment, or some or all of my payments don't qualify toward PSLF. What do I do if I think my loans, employment, or payments do qualify?

Carefully read the letter, including the description of the eligibility requirements, to understand why your loans, employment, or payments didn't qualify for PSLF. Review the relevant sections of our PSLF page, and these questions and answers. If you still have questions, contact FedLoan Servicing at 1-855-265-4038.

After you understand why FedLoan Servicing believes that your loans, employment, or payments don't qualify for PSLF, you can always submit additional information showing that your loans, employment, or payments do in fact qualify for PSLF.

FedLoan Servicing will reconsider its decision based on that additional information.

If I receive loan forgiveness under the federal Teacher Loan Forgiveness Program after completing five years of qualifying teaching service, will I also be able to qualify for PSLF?

Yes. However, you may not receive a benefit under both the Teacher Loan Forgiveness Program and PSLF 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 PSLF.

If I'm employed by a qualifying employer 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?

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.



Unless you are receiving student loan repayment benefits under one of the student loan repayment programs administered by the U.S. Department of Defense, if your employer makes a single lump-sum payment that covers multiple monthly student loan payments, the lump-sum payment will count as only one qualifying monthly payment and may result in your loan being paid ahead. If you make subsequent payments during a period when you are paid ahead, those payments will not count toward PSLF.

If you're receiving student loan repayment benefits under a program other than one of the programs administered by the U.S. Department of Defense and you're working toward PSLF, ask your employer if the repayment benefit can be paid monthly, instead of being paid as a lump sum; you can receive credit for multiple scheduled monthly payments instead of just one.

[Learn more about the Federal Student Loan Repayment Program.](#)

HOW TO GET YOUR STUDENT LOANS FORGIVEN (NO, REALLY)

Federal Student Aid
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the AMERICAN MIND®

Public Service Loan Forgiveness (PSLF) is a program that could eliminate some of your student loan debt—as long as you meet all the requirements, that is. Sound interesting? Here's what you should know.

01 WHAT IS PSLF, EXACTLY?

IT'S A FEDERAL PROGRAM THAT FORGIVES THE REMAINING BALANCE ON YOUR DIRECT LOANS IF YOU MEET ALL OF THESE REQUIREMENTS:

- ✓ Make 120 qualifying payments under qualifying repayment plans
- ✓ Work full-time for a qualifying employer

That's the basic gist, but keep reading for details about each of these requirements.

02 REQUIREMENT: WHO YOU WORK FOR

02 REQUIREMENT: WHO YOU WORK FOR

IT'S NOT ABOUT YOUR SPECIFIC JOB TITLE. IT'S ABOUT WHO YOUR EMPLOYER IS.

You could qualify for PSLF if you work for any of these types of not-for-profit organizations:

- Government organizations at any level (federal, state, local, or tribal)
- 501(c)(3) not-for-profit organizations that are tax exempt
- Other types of not-for-profit organizations if their primary purpose is to provide certain types of qualifying public services
- AmeriCorps or Peace Corps (if you work as a volunteer)

03

REQUIREMENT: FULL-TIME EMPLOYMENT

You must work full-time to be eligible for PSLF. But the definition of "full-time" is flexible.

IF YOU HAVE ONE JOB

You have to meet your employer's definition of "full-time" OR work at least 30 hours per week, whichever is greater.

IF YOU HAVE PART-TIME JOBS

You have to work a combined average of 30 hours per week, and all your part-time jobs must meet the eligibility requirements.

04

REQUIREMENT: FEDERAL DIRECT LOANS ONLY

A FEDERAL DIRECT LOAN IS THE ONLY TYPE OF LOAN THAT'S ELIGIBLE FOR PSLF.

HOWEVER...

If you received a Federal Family Education Loan (FFEL) Program loan or Perkins Loan, it's possible for that loan to become eligible too—if you consolidate it into a Direct Consolidation Loan. If you received parent PLUS loans, you will need to consolidate them, even if you have Direct Loans, in order to be considered for Income Contingent Repayment plans.

THE FINE PRINT

Only qualifying payments you make on the new Direct Consolidation Loan get counted toward your 120 required payments.

ARE YOUR LOANS FEDERAL DIRECT LOANS?

If you borrowed before 2011, there's a good chance that some or all of your federal student loans are not Direct Loans and would need to be consolidated to qualify. To check, log in to the StudentAid.gov site and look for the word "Direct" in the name of your loan.

05

REQUIREMENT: QUALIFYING MONTHLY PAYMENTS

YOUR PAYMENT QUALIFIES IF YOU MAKE IT...

- ✓ after Oct. 1, 2007;
- ✓ under a qualifying repayment plan;
- ✓ for the full amount due as shown on your bill;
- ✓ no later than 15 days after your due date;
- ✓ and while you're employed full-time by a qualifying employer.

If any payment doesn't check all these boxes, it won't count toward your 120 qualifying payments needed. So stay on top of it.

SIDE NOTES:

You can't make a qualifying payment while your loans are in any of these statuses:

- in-school status
- the grace period
- delinquent
- forbearance

Also, your 120 qualifying payments don't have to be consecutive.

Example:

If there's a period when you're working for a non-qualifying employer, you won't lose credit for the qualifying payments you made before that period.

06

REQUIREMENT: YOUR REPAYMENT PLAN

ALL OF THE INCOME-DRIVEN REPAYMENT PLANS ARE ELIGIBLE:

REPAYE Plan, PAYE Plan, IBR Plan, ICR Plan

What about the Standard Repayment Plan?

This plan qualifies for PSLF too, but if you're on the 10-year Standard Repayment Plan the entire time you're working toward PSLF, you'll have no balance left to forgive after you've made 120 qualifying PSLF payments. So we recommend entering one of the income-driven repayment plans above.

07

HERE ARE YOUR NEXT STEPS

WHAT YOU SHOULD DO NOW

If you're working toward PSLF, complete and submit the Employment Certification Form annually or when you change employers. We use the information you provide to let you know if you're on the right track. You can download the form and get more info on the PSLF program at StudentAid.gov/publicservice.

WHAT YOU SHOULD DO LATER

Once you've made 120 qualifying payments—it'll take a few years, obviously—only then should you apply for Public Service Loan Forgiveness.



GET MORE DETAILS AT

StudentAid.gov/publicservice