

Students selected to receive the Michigan Nursing Scholarship must comply with all program requirements. Receipt of this scholarship is contingent upon meeting all eligibility requirements and execution of this agreement and promissory note. Read and carefully consider the commitments explained before signing this document.

I. SCHOLARSHIP AGREEMENT

- A) I verify that I am enrolled at least half time in a program of study leading to certification as a licensed practical nurse, an associate degree in nursing, a bachelor degree in nursing, or a master's degree in nursing, AND I understand that this scholarship assistance will end if I cease to be enrolled in an eligible nursing program.
- B) I agree to achieve nursing licensure AND gain direct care nursing employment, or employment teaching in a nursing program within one year of completion of my licensed practical nurse, associate degree in nursing, bachelor degree in nursing, or master's degree in nursing program.
- C) I understand that eligible employment means either of the following:
- a. Employment in this state as a registered nurse or licensed practical nurse providing nursing care in a ward, emergency department, emergency room, operating room, or trauma center of a hospital licensed under article 17 of the public health code; or in a nursing home or hospice licensed under article 17 of the public health code; or in a health facility or agency that provides non-emergency health care to patients without receiving compensation for providing that health care, or in a clinic operated by a local health department, or as an employee of a home health care agency providing home patient care.
 - b. Teaching in a nursing program at an eligible postsecondary institution in this state.

NOTE: Eligible employment does NOT include employment in a hospital or nursing home licensed or operated by the department of mental health, the department of corrections, or the federal government (V.A. hospitals, for example). It also excludes employment in a private medical practice facility.

- D) I agree to work full time in an eligible direct care nursing position, or teach in a nursing program in this state one year for each academic year I have received full time scholarship assistance; or

I agree to work full time in an eligible direct care nursing position, or teach in a nursing program in this state for nine (9) months for each academic year I have received three-quarter time scholarship assistance; or

I agree to work full time in an eligible direct care nursing position, or teach in a nursing program in this state for six (6) months for each academic year I have received half time scholarship assistance.

E) If I am unable to find full time employment in a direct care nursing position, or as a teacher in a nursing program but do find part time employment in an eligible direct care nursing position, or as a teacher in a nursing program, I agree to work two years part time in an eligible direct care nursing position, or as a teacher in a nursing program in this state for each academic year I have received full time scholarship assistance; or

I agree to work part time in an eligible direct care nursing position, or teach in a nursing program in this state for eighteen (18) months for each academic year I have received three-quarter time scholarship assistance; or

I agree to work part time in an eligible direct care nursing position, or teach in a nursing program in this state for twelve (12) months for each academic year I have received half time scholarship assistance.

F) I verify that I am a United States citizen or have permanent resident status, and I am a resident of Michigan and have resided in this state for at least twelve (12) months prior to the beginning of my nursing program.

G) I verify that I have not been convicted of a felony involving an assault, physical injury, or death.

H) I agree to provide the Michigan Higher Education Assistance Authority (MHEAA) with written evidence of compliance with the above requirements, AND to notify the MHEAA at such time as I am not in compliance with any of the requirements.

I) I agree to inform the MHEAA promptly in writing of any change in my name, address or other personal information disclosed in the “Student Information Section” of this agreement, AND if my employment in a direct care nursing position or as a teacher in a nursing program ceases prior to fulfilling the required time commitment.

II. PROMISSORY NOTE

I agree that if I fail to meet the conditions described in Item I titled “Scholarship Agreement”, or if MHEAA determines that I have ceased to pursue a course of study in a licensed practical nurse, associate degree in nursing, bachelor degree in nursing, or a master’s degree in nursing program, I will repay the full amount of the scholarship received unless prorated by MHEAA according to the fraction of the nursing employment obligation not completed.

A) Interest and Collection Charges:

1. I agree to pay a simple per annum interest charge on the outstanding principal and to pay all reasonable collection costs, including, but not limited to, attorney fees, as determined by MHEAA.

2. I agree that the interest charge begins and repayment of scholarship assistance begins six (6) months after I have ceased to pursue the required course of study, or the date that I inform MHEAA or MHEAA finds that I have ceased to be employed in an eligible direct care nursing position in this state prior to fulfilling my employment obligation. Should I not fulfill my total employment obligation, I understand that I will be responsible for repaying a prorated portion of my total scholarship assistance based on the percentage of the work obligation remaining.
 3. I understand that the interest rate applicable is a fixed rate of 3.4 percent.
- B) Repayment:

1. I agree to enter repayment status on the first day of the first month after the earliest to occur of any of the following:
 - (i) MHEAA has determined that I have ceased to be enrolled in a nursing program, but not before six months has elapsed after the cessation of enrollment in such a program; or
 - (ii) The date that I inform MHEAA that I do not plan to fulfill my nursing employment or teaching employment obligation; or
 - (iii) The latest date on which I must have begun nursing employment or teaching employment in order to have begun such employment within one year after completing the nursing program for which the scholarship was awarded, as determined by MHEAA.
2. I agree to make monthly payments to MHEAA which cover outstanding principal, interest, including accrued interest which shall be capitalized, and any incurred reasonable collection costs, including, but not limited to, attorney fees, according to a schedule established by MHEAA, which calls for complete repayment within ten years after I enter repayment status (except as provided in Items IIC and IID).

If I fail to make any monthly payment as required by the schedule established by MHEAA, and such failure persists for a period of 180 days, MHEAA, without further notice, may accelerate the balance of the outstanding principal due, and I promise to pay such amount, accrued interest, and reasonable collection charges, including, but not limited to, attorney fees, to MHEAA.

It is further my understanding that if I do not make the monthly payments as required by the schedule established by MHEAA, MHEAA will engage in collection efforts, including notification of credit bureaus concerning my default and litigation, similar to the collection efforts which are used by lenders and guarantee agencies in the guaranteed student loan program, and that those collection procedures are generally described in 34 CFR Part 682.

- C. Deferment: I understand that I will not be considered in violation of the repayment schedule during the time that I am;

1. Engaging in a full-time course of study at an institution of higher education, as defined in 34 CFR 668.2 of the Student Assistance General Provisions regulations.
2. Enrolled in a full time course of study in a nursing program at an eligible institution.
3. Serving, not in excess of three (3) years, on active duty as a member of the armed services of the United States.
4. Temporarily totally disabled, for a period not to exceed three (3) years, as established by sworn affidavit of a qualified physician.
5. Unable to secure employment for a period not to exceed twelve (12) months by reason of the care required by a spouse who is disabled.
6. Seeking and unable to find employment for a single period not to exceed twelve (12) months;

or
7. Unable to satisfy the terms of the repayment schedule established by MHEAA (as described in Item IIB [1]) and am also seeking and unable to find employment as a direct care nurse or as a teacher in a nursing program in Michigan for a single period not to exceed twelve (12) months.

During the time I qualify for any of the exceptions described in this Item IIC, I need not make the scholarship repayments described in Item IIB, and interest does not accrue. In order to qualify for any of these exceptions, I must promptly notify MHEAA of my claim and provide supporting documentation acceptable to MHEAA.

MHEAA shall extend the ten-year scholarship repayment period described in Item IIB (1) by a period equal to the length of time I meet any of the conditions in Item IIC, or if I am unable to complete the scholarship repayments within this ten-year period because of my financial condition which has been established to the satisfaction of MHEAA, and on which basis MHEAA has granted to me a reduced schedule of repayments reflecting my financial condition.

D. Cancellation: MHEAA shall cancel my repayment obligation if it determines;

1. On the basis of a sworn affidavit of a qualified physician, that I am unable to work as a nurse or as a teacher of nursing because of an impairment that is expected to continue indefinitely or results in death.
2. That I have become totally and permanently disabled as established by a sworn affidavit of a qualified physician.

3. On the basis of a death certificate or other evidence of death that is conclusive under Michigan law.
4. Circumstances have occurred that the MHEAA considers as a compelling reason to excuse repayment.

E. General:

1. I agree to advise MHEAA promptly in writing of any change in name, address, or deferment status as described in Section IIC.
2. I understand that I may appeal any determination made by MHEAA that I am not in compliance with any of the requirements of the program.
3. I understand that I must be enrolled in an accredited public or non-public college, community college, junior college, or university in this state.
4. I understand that I must be pursuing a course of study leading to certification as a licensed practical nurse, or an associate degree in nursing, or bachelor degree in nursing, or a master's degree in nursing.
5. I understand that I must maintain satisfactory academic progress as determined by the postsecondary institution I am attending, and that scholarship assistance will end if I do not make satisfactory progress during any term of my enrollment.

Please indicate your acceptance of these terms and conditions by signing this agreement and promissory note and having your institution return it to the Michigan Higher Education Assistance Authority.

Sincerely,

MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY

Student Signature: My signature below certifies that I have read and agree to the commitments presented in this agreement and promissory note.

Signature

Date