What is Public Service Loan Forgiveness (PSLF)?

Created under the College Cost Reduction and Access Act in 2007, the Public Service Loan Forgiveness (PSLF) Program forgives the remaining balance on a borrower’s Direct Loans after the borrower has made 120 qualifying monthly payments after October 1, 2017, under a qualifying repayment plan while working full-time for a qualifying employer.
Qualifying Loan Programs:
Any non-defaulted Direct Loan is eligible for loan forgiveness. The Direct Loan Program includes the following loans:

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans – Parents* and Graduate/Professional students
- Direct Consolidation Loans

*Parents who received a Direct PLUS Loan may qualify for forgiveness of the PLUS loan, if the parent borrower—not the student on whose behalf the loan was obtained—is employed by a public service organization.

*In certain cases FFEL and Perkins loans can be consolidated into a Direct Consolidation loan to qualify for PSLF.

Qualifying Repayment Plans
The 120 required payments must be made under one or more of the following Direct Loan Program repayment plans:

- Revised Pay As You Earn Repayment Plan (REPAYE Plan)
- Pay As You Earn Repayment Plan (PAYE Plan)
- Income-Based Repayment Plan (IBR Plan)
- Income-Contingent Repayment Plan (ICR Plan)
- 10-year Standard Repayment Plan
- Any other plan with payments that are at least equal to the monthly payment amount you would be required to pay under the 10-Year Standard Repayment Plan

Qualifying Employment
You must be employed full-time (in any position) by a public service organization, or must be serving in a full-time AmeriCorps or Peace Corps position. Here are the types of organizations that meet the definition of “public service organization” for purposes of the PSLF Program:

- A government organization (including a federal, state, local, or tribal organization, agency, or entity; a public child or family service agency; or a tribal college or university)

- A not-for-profit, tax-exempt organization under section 501(c)(3) of the Internal Revenue Code

- A private, not-for-profit organization (that is not a labor union or a partisan political organization) that provides one or more of the following public services:
  - Emergency management
  - Military service
- Public safety
- Law enforcement
- Public interest law services
- Early childhood education (including licensed or regulated health care, Head Start, and state-funded prekindergarten)
- Public service for individuals with disabilities and the elderly
- Public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health care support occupations)
- Public education
- Public library services
- School library or other school-based services

**Qualifying Payments**

To receive PSLF, a borrower must have made 120 qualifying payments on the Direct Loans for which they are seeking forgiveness. A qualifying payment is a payment that was:

- made after October 1, 2007;
- received no later than 15 days after your due date;
- for the full amount due that month;
- made under a qualifying repayment plan; and
- made while the borrower was employed full-time by a qualifying employer.

*The 120 payments do not need to be consecutive.

*The borrower must make 120 separate monthly payments. Paying extra will not make you eligible to receive PSLF sooner.
Employer Certification Form (ECF) Processing Steps:

Step 1: Initial Review for ECF Completeness
The servicer, as the PSLF-servicer, should check that all **REQUIRED** information was provided:

*Section 1: Ensure Information about the Borrower is complete (i.e., SSN, Name, DOB)*

<table>
<thead>
<tr>
<th>Section 1: BORROWER INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please enter or correct the following information.</td>
</tr>
<tr>
<td>Check this box if any of your information has changed.</td>
</tr>
<tr>
<td>SSN</td>
</tr>
<tr>
<td>Date of Birth</td>
</tr>
<tr>
<td>Name</td>
</tr>
<tr>
<td>Address</td>
</tr>
<tr>
<td>City</td>
</tr>
<tr>
<td>State</td>
</tr>
<tr>
<td>Zip Code</td>
</tr>
<tr>
<td>Telephone - Primary</td>
</tr>
<tr>
<td>Telephone - Alternate</td>
</tr>
<tr>
<td>Email (Optional)</td>
</tr>
</tbody>
</table>

**Required information:** Social Security number, Last name, First Name, Date of Birth

*Section 2: Ensure borrower signed and dated the form*

I understand that:
1. To qualify for PSLF, I must make 120 qualifying payments on my Direct Loan(s) while employed full-time by a qualifying employer or employers. Neither the 120 qualifying payments nor the employment have to be consecutive.
2. To qualify for PSLF, I must be employed full-time by a qualifying employer when I apply for and receive PSLF.
3. If I qualify for forgiveness, only the remaining balance on my Direct Loan(s) will be forgiven.
4. By submitting this form, my student loans held by the Department will be transferred to FedLoan Servicing.
5. The Department may request supplemental documentation substantiating my employment.
6. The Department will notify me in writing or electronically of the number of qualifying payments I have made while employed full-time by a qualifying employer and how many more I must make before I am eligible to apply for PSLF.
7. The Department will notify me in writing or electronically if the form that I submit is incomplete, or if it determines that my employment or payments do not qualify for PSLF. The Department will explain the reason for the determination and the steps I need to take to correct the form or make qualifying payments.
8. The Department will retain this certification form until I submit my application for forgiveness.

I certify that all of the information I have provided on this form and in any accompanying documents is true, complete, and correct to the best of my knowledge and belief.

Check this box if you cannot obtain certification from your employer because the organization is closed or because the organization has refused to certify your employment. The Department will follow up to assist you in getting documentation of your employment. Complete Section 3, but do not complete Section 4.

Borrower’s Signature [ ]
Date [ ]

**Acceptable Signatures** – Wet signature or Digital facsimile of signature (digitally drawn).

*Note:* DocuSign is a digital facsimile signature. You draw your signature on an electronic pad, either like a credit card, or on a touch-enabled device. So, these were physically signed, just by the same person.

**Do not accept** full digital signatures, documents that are "digitally signed by [company name]" with some sort of security certification or a font signature which implies that something was typed.
Self-Certification

If the Borrower checks the box certifying that they are unable to obtain certification from their employer the borrower must provide additional documentation that supports the borrower’s claim of qualifying employment. This pertains to closed organizations. If this box is checked, all information in Section 3 must be provided except for certification by employer. Borrower must submit documentation that supports information provided in Items 2 and 3.

The Borrower must provide sufficient evidence that:

a) the Employer was/is a qualifying public service organization
b) the Borrower was engaged in paid employment for the indicated time period
   a. borrower should submit W2’s, and or paystubs

c) the Borrower was employed in a full-time/part-time position, as indicated on the ECF
   a. acceptable documentation includes hire letter, W2’s, and or paystubs

<table>
<thead>
<tr>
<th>Options for borrowers to submit evidence to support employment, when there is no authorized official or the borrower is self-certifying as the authorized official.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Method 1</strong></td>
</tr>
<tr>
<td><strong>Method 2</strong></td>
</tr>
<tr>
<td><strong>Method 3</strong></td>
</tr>
</tbody>
</table>
Section 3: Ensure borrower checked required boxes

<table>
<thead>
<tr>
<th>SECTION 3: EMPLOYER INFORMATION (TO BE COMPLETED BY THE BORROWER OR EMPLOYER)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Employer Name:</td>
</tr>
<tr>
<td>2. Federal Employer Identification Number (FEIN)</td>
</tr>
</tbody>
</table>
  - Your employer’s EIN may be found on your Wage and Tax Statement (W-2). |
| 3. Employer Address: |
| 4. Employer Website (if any): |
| 5. Employment Begin Date: |
| 6. Employment End Date: |
  - Still Employed |
  - OR |
  - Full-Time |
  - Part-Time |
| 7. Employment Status: |
| 8. Hours Per Week (Average): |
  - Include vacation, leave time, or any leave taken under the Family Medical Leave Act of 1992. If your employer is a 501(c)(3) or a not-for-profit organization, do not include any hours you spent on religious instruction, worship services, or proselytizing. |
| 9. Is your employer a governmental organization? |
  - A governmental organization is a Federal, State, local, or Tribal government organization, agency, or entity, a public child or family service agency, a Tribal college or university, or the Peace Corps or AmeriCorps. |
  - Yes - Skip to Section 4. |
  - No - Continue to Item 10. |
| 10. Is your employer tax-exempt under Section 501(c)(3) of the Internal Revenue Code? |
  - Yes - Skip to Section 4. |
  - No - Continue to Item 11. |
| 11. Is your employer a not-for-profit organization? |
  - Yes - Continue to Item 12. |
  - No - Your employer does not qualify. |
| 12. Is your employer a partisan political organization? |
  - Yes - Your employer does not qualify. |
  - No - Continue to Item 13. |
| 13. Is your employer a labor union? |
  - Yes - Your employer does not qualify. |
  - No - Continue to Item 14. |
| 14. Indicate which service or services your employer provides and then continue to Section 4, if appropriate: |
  - Emergency management |
  - Military service (See Section 6) |
  - Public safety |
  - Law enforcement |
  - Public health (See Section 6) |
  - Public education (See Section 6) |
  - Public library services |
  - School library services |
  - Other school-based services |
  - None of the above - your employer does not qualify. |

### Section 3: Required Employer Information
- Employer Name
- FEIN of the Organization is provided
- Employer Address
- Employment Begin Date and Employment End Date
- Employment Status
  - Full-time status checked. The average hours/week must be provided; or
  - Part-time status checked. The average hours/week must be provided.
- Box is checked under one of the question to determine the Type of Public Service Organization (#9, #10, or #14)
- IF (14) is checked, one or more types of public services must be checked
STEP 2: If any information is altered, the Borrower or Employer, as appropriate, must have initialed next to the change. If the Borrower or Employer has not initialed the alteration, return the form to the borrower.

Section 4: Ensure Employer signed and dated the ECF form

**SECTION 4: EMPLOYER CERTIFICATION (TO BE COMPLETED BY THE EMPLOYER)**

By signing, I certify that the information in Section 3 is true, complete, and correct to the best of my knowledge and belief and that I am an authorized official (see Section 6) of the organization named in Section 3. Complete the rest of this Section.

*Note:* If any of the information is crossed out or altered in Section 3, you must initial those changes.

<table>
<thead>
<tr>
<th>Authorized Official’s Name</th>
<th>Authorized Official’s Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorized Official’s Title</th>
<th>Authorized Official’s Email</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorized Official’s Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Required Information:** Official’s Name, Title, Phone, Email, Signature, Date

Step 2: Treatment of Incomplete ECF Data

![Form Image]

1. **Section 1: Borrower Information:** The servicer should make borrower contact to obtain the required information or to resolve discrepancies prior to denying the borrower. If no telephone number or e-mail address was provided, or you have attempted without success to reach the intended party, return the form to the borrower as incomplete. In the letter, indicate specifically which information is missing and what the borrower must do in order for the servicer to continue processing the form. If the servicer is
unable to obtain the needed information about making borrower contact, the servicer should deny all cases of incomplete information with the following exceptions:

- Missing Middle Initial
- Missing Prior Name
- Missing Email
- Missing (i) City and/or State or (ii) Zip Code AND address can be verified through data provided (Street Address, City, State or Zip Code)
- Missing Telephone (primary or alternate) or listed as NA
- If a signature or signature date is missing in either Section 2 or 4, return the form to the Borrower.

**Step 3: Treatment of Erroneous Information**

1. **Section 1: Borrower Information**
   - Name Discrepancy: **Accept** minor variations (e.g., Kim/Kym, Mike/Michael) or if NSLDS matching criteria are met; **Deny** for all other discrepancies
   - Address or Telephone: **Accept**; resolve discrepancies upon conversion
   - Email: **Accept**; resolve discrepancies upon conversion
   - SSN: **Deny** if SSN provided does not match NSLDS or servicing system

   *Servicer must attempt to make borrower contact attempt to obtain required information prior to denial*

2. **Section 3: Employer Information**
   - Accept if Entity Name and EIN are verified without regard to address
   - Research and attempt to resolve if Employer Name and EIN do not match
   - **Deny** if borrower hours listed do not meet status minimum (e.g., FT and 30 hrs/wk); otherwise, accept based on status checked (e.g., PT and 30 hrs/wk)

   *One attempt to contact employer to resolve conflict prior to denial*
Verify Qualifying Employment for PSLF

STEP 1: Check that the organization is listed on one of the provided directories for each category. If information cannot be found or a determination cannot be made regarding whether the employer qualifies, escalate to the Department.

**Federal, State, local or Tribal government organization, agency or entity:**
http://www.usa.gov/Agencies.shtml
- Public child or family services agency (run by state/county/city/tribal government)

- Tribal college or university: http://www2.ed.gov/about/inits/list/whtc/edlite-tclist.html
  *Helpful hints:*
  If the Federal/state/local/tribal government organization is not listed under the relevant government Web site/directory, the Servicer should attempt to confirm this by contacting the employer at the telephone number provided. If this is unsuccessful, the borrower may provide supporting evidence such as pay stubs, which indicate that they are paid by a government entity.

- Tribal Casino – In order to qualify for the purposes of Public Servicer Loan Forgiveness the tribe must show that the casino is a part of tribal government. A statement on the tribe’s website that the casino is “wholly-owned” by the tribe in many cases is not a sufficient in approving a casino. The servicer, should check the State/Tribe Compacts, Articles of Organizations from the tribe, and reports from the National Indian Gaming Commission (www.nigc.gov). If a determination can still not be made, the servicer should contact the tribe to request documentation that the casino is a form of government.

**Non-profit 501(c)3 organization:**
1) Download the IRS Publication 78 with EIN codes file
2) The servicer should ensure are using the most current version of this database. The date of the last update should be no more than 30 days from the date of use unless a more recent version is unavailable.
3) In addition to Publication 78, the Business Master File (BMF) is available for download at the above link (by state or region). This file contains information on all tax exempt organizations (not limited to 501(c)(3) organizations, including EIN, street address, classification codes (e.g., religious, scientific, etc.), and group/parent codes. Inclusion in the BMF does not necessitate that an organization is qualifying for PSLF purposes but may be helpful for research purposes.

  *Helpful hints:*
  - Search first using the Organization’s EIN
• If the Organization’s Name does not match with what is listed in the database for the provided EIN, contact the employer for confirmation.
• A foreign entity that is registered with the IRS as a public non-profit organization qualifies if it is found here.

(c) Private organization providing public services:
• If this category is checked, first search the IRS database to see if it is actually listed as having 501(c)(3) status.
• If the organization is a non-profit without 501(c)(3) status, review organization website, state business filings, organization 990 form
• Helpful hints for non 501(c)(3) non-profit organizations
  o Some non-profits are quasi-governmental or intergovernmental organizations. To help determine whether the organization provides a vital public function to the state (ex. Certain water companies) check the state statute codes

In all determinations where the servicer is unable to determine an employer’s qualifying status the employer should be escalated for review to FSA.

Defunct Organizations
For organizations assumed to be defunct. Follow normal review process to confirm this, then:
• If 501(c)3—check Pub 78’s list of Recent Revocations of 501(c)(3) Determinations and the Auto Revocation List.
  1. If qualifying status can’t be confirmed, or for private not-for-profits, follow procedures to escalate to FSA.
  2. If insufficient evidence is supplied by the borrower, Deny.
  3. NOTE: The IRS Form 1040 or tax transcripts that don’t include W2 information are not acceptable. The 1040 is missing key employer information such as EIN. Furthermore, unless a wage schedule is filed for itemized deductions, the employer’s name is not included on the filing and joint filers would only show combined earnings

<table>
<thead>
<tr>
<th>Figure 1. Options for borrowers to submit evidence to support employment, when there is no authorized official or the borrower is self-certifying as the authorized official.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Method 1</strong></td>
</tr>
<tr>
<td><strong>Method 2</strong></td>
</tr>
</tbody>
</table>
specified period (see below).

| Method 3 | ACCEPTABLE | Pay stubs or deposit records | If submitted without tax records, borrower must submit pay stubs/deposit records for each month of employment. |

Figure 2. Data provided by supporting evidence

<table>
<thead>
<tr>
<th>EVIDENCE</th>
<th>Employer Information</th>
<th>Employment Status</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EMPLOYER NAME</td>
<td>EMPLOYER ID (EIN)</td>
<td>DATES OF EMPLOYMENT/PAY PERIOD</td>
</tr>
<tr>
<td>TAX RECORD</td>
<td>IRS Form W2</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>PAYMENT RECORD</td>
<td>PAYCHECK STUB</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>DEPOSIT RECORDS</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Full-time and Part-time Employment

Full-time means working in qualifying employment in one or more jobs for the greater of:

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

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

If the employer checks the Full-Time box, the employee’s hours must be 30 or greater. If YES, condition is met.

If the employer checks the Part-Time box, the borrower must provide additional ECFs for concurrent periods of employment for those months to be qualifying (hours may be less than or greater than 30).

To calculate if two or more Part-Time positions meet the Full-time requirement:
1. Check that the borrower must submit certifications from two or more part-time employers for which the borrower concurrently worked.

2. Calculate the total average weekly hours worked, by adding the hours provided in Section 3, Item 2b of each certification, next to Part-Time. If the sum of the average hours is 30 or more, the definition of Full-time employee applies.

**Example #1:**
Employer 1: 20 hours per week during March-September 2011.
Employer 2: 10 hours per week during January-July 2011.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Emp. 1</td>
<td></td>
<td></td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Emp. 2</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td></td>
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</tr>
<tr>
<td><strong>Total hrs.</strong></td>
<td></td>
<td></td>
<td><strong>30</strong></td>
<td><strong>30</strong></td>
<td><strong>30</strong></td>
<td><strong>30</strong></td>
<td><strong>30</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL= 30 Full-Time hours per week for March-July 2011 (5 months)**

**Full-time requirement satisfied for 5 months.**

TOTAL= 30 hours per week for March-July 2011 (5 months)

**Example #2:**
Employer 1: Part-time at 35 hours/week during February-July 2015 (6 months)
Note: Employer did not certify that borrower was "full-time"
Employer 2: Part-time at 20 hours/week during August 2015-March 2018 (8 months)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Emp. 1</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Emp. 2</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td><strong>Total hrs.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
</tr>
</tbody>
</table>

**TOTAL= 0 Full-Time hours per week for Feb.2015 – March 2015**

**Full-Time requirement is not satisfied.** Although the borrower is employed 35 hours/week from February-July, the employer has indicated that this is not considered full-time. Regardless, of whether the borrower has submitted ECFs from 2 part-time employers, since these positions are not concurrent for any given calendar month.
Calculating Full-time employment

To make a reasonable confirmation of hours worked (full/part-time status) or period of employment using salary from Form W2 or 1040 tax records:

1) Take the federal minimum wage for the specified employment period:
   
   For work performed from July 24, 2007 to July 23, 2008, the federal minimum wage is $5.85 per hour.
   
   For work performed from July 24, 2008 to July 23, 2009, the federal minimum wage is $6.55 per hour.
   
   For work performed on or after July 24, 2009, the federal minimum wage is $7.25 per hour.

2) Multiply by hours per week (ECF item 2b).

3) Multiply by number of weeks of employment (ECF item 2a).

4) The borrower’s stated earnings must be greater than the result of the above calculation.

Use this table to confirm full-time/part-time employment for specified period.

<table>
<thead>
<tr>
<th>Year</th>
<th>Minimum Wage</th>
<th>Hours per Week</th>
<th>Weeks Worked</th>
<th>Minimum earnings for period of employment (B<em>C</em>D)</th>
<th>Actual earnings (from W2)</th>
<th>Actual Earnings Exceed Minimum Earnings? (F&gt;E)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$7.25</td>
<td>40</td>
<td>35</td>
<td>$10,150</td>
<td>$11,200</td>
<td>Yes</td>
</tr>
</tbody>
</table>

If Column G is YES, confirm full-time/part-time employment for period of employment in Section 2.

**Example 1:** Only W2 record submitted. Borrower A submitted an ECF and checked the box that there is no Authorized Official (assume College is not a 501(c)3 and is defunct). ECF items 1-3 were completed as follows:
1. College University  
   Example EIN xx-xxxxxxxxx  
   Address: 951 Address Road, Berkeley, CA 94720  

2. (a) Dates of Employment: 1/1/10 to 11/30/10  
   (b) Full-time, 40 hours per week  

3. (c) private not-profit organization; public education services

---

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td>Minimum Wage</td>
<td>Hours per Week</td>
<td>Weeks Worked</td>
<td>Minimum earnings for period of employment (B<em>C</em>D)</td>
<td>Actual earnings (from supporting evidence)</td>
<td>Actual Earnings Exceed Minimum Earnings? (F&gt;E)?</td>
</tr>
<tr>
<td>2007</td>
<td>$5.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>$7.25</td>
<td>40</td>
<td>48</td>
<td>$13,920</td>
<td>$41,770.30</td>
<td>YES</td>
</tr>
</tbody>
</table>

If Column G is YES, confirm full-time employment for period of employment in Section 2.

---

Matching Qualifying Employment and calendar months  
The servicer shall only match a monthly qualifying payment to qualifying employment and counted once towards the 120 months required to apply for PSLF
Qualifying Payment Only Counts Once

Example: Borrower submits ECF from Employer X for dates January 2012-December 2012. The following year the certification from Employer X includes dates January 2012-December 2013. Since 12 months were already matched with qualifying payments for 2012, the new certification would only match the 12 months for the months that were not included on the previous ECF.

The servicer shall use the scheduled payment date will determine the calendar month for which the qualifying payment is counted

Example: ECF approval period is from May 1st through April 29th. Scheduled payment date is July 1 but actual payment date (borrower make the payment) is June 29. Assuming the payment otherwise qualifies; the qualifying payment applies to July.

Qualifying Payment must be made during an EFC approved period (Req. 35024.00)

The servicer, as the PSLF servicer, shall determine if the qualifying payments were made while in a period of approved qualifying employment.

Example: Payment due prior to end of ECF period

1. ECF approved from 10/1/12 to 02/16/14
2. Borrower due $50 on the 14th of the month
3. Borrower pays $50 on 02/19/14

Payment would not count as a qualifying payment since it fell outside of the ECF approval period

Example: Partial payments received

1. ECF approved from 10/1/12 to 2/16/14
2. Borrower due $200 on the 15th of the month
3. Borrower pays $100 on 2/5/14 and $100 on 2/25/14

Payment would not count since the date the total partial payment equals the scheduled monthly payment amount falls outside of the ECF approved window.

Example: Payment received during an ECF approved period when the due date occur outside of ECF approved period.

1. ECF approved from 10/1/12 to 2/16/14
2. Borrower due $50 on the 17th of the month
3. Borrower pays $50 on 2/15/2014

The payment would count for February because the borrower made a payment before the ECF period ended.
Prepayment Processing Examples

The borrower may not receive credit for more than one PSLF qualifying payment from a single payment.

Example: ECF approved from 07/01/2013 to 06/30/2015. Borrower is scheduled to pay $100 on the 10th of the month.

1. On July 09, 2013, the PSLF-servicer receives a borrower payment $250.

The servicer should count the $250 payment as one qualifying payment for July.

If the borrower was billed for an amount that is less than the fixed monthly payment (installment) amount, the fixed monthly payment amount is greater than $0, and the borrower is not delinquent, the borrower shall receive PSLF credit for the billed month, if the borrower pays the billed amount not later than 15 days after the due date, during a valid ECF period, and the payment otherwise qualifies (Req. 35034.00)

Example: ECF approved from 07/01/2013 to 06/30/2015. Borrower is scheduled to pay $100 on the 10th of the month. The borrower is billed on the 19th of the month.

1. On July 09, 2013, the PSLF-servicer receives a borrower payment of $150.
2. On July 19, 2013, the borrower is billed for $50.
3. On August 9, 2013, the PSLF-servicer receives a borrower payment of $50.

The servicer should count the $150 payment as a qualifying payment for July. The PSLF-Servicer should also count the borrower as making a qualifying payment for August, since the borrower made a payment to cover that amount that was billed for August.

Example: ECF approved from 07/01/2013 to 06/30/2015. Borrower is scheduled to pay $100 on the 10th of the month. The borrower is billed on the 19th of the month.

1. On June 30, 2013, the PSLF-servicer receives a borrower payment of $150 (Pre-ECF).
2. On July 19, 2013, the borrower is billed for $50.
3. On August 9, 2013, the PSLF-servicer receives a borrower payment of $50.

The servicer should not count the $150 payment as a qualifying payment for July because the payment was received outside of a valid ECF window. The servicer would not count the borrower as making a qualifying payment for July, since the borrower’s partial payment is made based off a credit from a borrower payment that was made prior to a valid ECF period.
The PSLF-Servicer shall not allow a borrower to receive PSLF credit for more than two PSLF qualifying payments in any calendar month, regardless of the amount collected.

**Example:** *ECF approved from 07/01/2013 to 06/30/2015. Borrower is scheduled to pay $100 on the 10th of the month. The borrower is billed on the 19th of the month.*

1. On August 09, 2013, the PSLF-servicer receives a borrower payment of $100.
2. On August 11, 2013, the borrower pays $100 (9 days before September bill is issued)
3. On August 15, 2013, the borrower pays $100.

The PSLF-Servicer should count the $100 payment from August 9, 2013 as a qualifying payment for August. The PSLF-Servicer should count the $100 payment from August 11, 2013 as a qualifying payment for September. The PSLF-Servicer should not count the $100 payment on August 15, 2013 as a PSLF qualifying payment since it exceeds the 2 QP maximum for the month. This payment should be applied according to normal payment processing and application rules.

If the borrower is billed for is $0 (non-IDR payment) and the fixed monthly payment amount is greater than $0, the borrower shall receive PSLF credit for the month being billed if the borrower pays the fixed monthly installment amount not later than 15 days after the due date and the payment otherwise qualifies.

**Example:** *ECF approved from 07/01/2013 to 06/30/2015. Borrower is scheduled to pay $100 on the 10th of the month. The borrower is billed on the 19th of the month.*

1. On September 09, 2014, the PSLF-servicer receives a borrower payment of $200.
2. On September 19, 2014, the borrower is billed $0.
3. On October 11, 2014, the borrower pays $100.

The PSLF-Servicer should count the $200 payment as a qualifying payment for September. The PSLF-Servicer should also count the borrower as making a qualifying payment for October, since the borrower made a payment to cover the fixed monthly payment amount.

**Example:** *ECF approved from 07/01/2013 to 06/30/2015. Borrower is scheduled to pay $100 on the 10th of the month. The borrower is billed on the 19th of the month.*

1. On September 09, 2014, the PSLF-servicer receives a borrower payment of $200.
2. On September 19, 2014, the borrower is billed $0.
3. On October 11, 2014, the borrower pays $100. The PSLF-Servicer should count the $200 payment as a qualifying payment for September. The PSLF-Servicer should also count the borrower as making a qualifying payment for October, since the borrower made a payment to cover the fixed monthly payment amount.

Lump Sum Processing Examples
If the borrower was an AmeriCorps, Peace Corps volunteer, or a military servicer member in receipt of DOD payments; the borrower may receive credit for making multiple qualifying payments if they make a lump sum payment by using all or part of a Segal Education Award, Peace Corps transition payment, or Department of Defense credit.

The Department will consider the lump sum payment you have made as the equivalent of qualifying payments equal to the lesser of (1) the number of payments resulting after dividing the amount of the lump sum payment by the monthly payment amount you would have made under one of the qualifying repayment plans or (2) 12 payments.

Peace Corps volunteers making an eligible lump sum payment must do so within 6 months of the Employment End Date, as reported on the ECF.

Military Servicer members can have receive multiple lump sum payments for multiple period of qualifying service; whereas AmeriCorps and Peace Corps cannot.

Lump Sum Payment Processing Examples
1. Borrower A is an AmeriCorps volunteer from 07/01/15 to 06/30/2016. The borrower made qualifying payments in April and May 2016. In July 2016, we receive a lump sum payment from AmeriCorps that equals 6 monthly payments. Are there 6 or 8 matched payments?

   There are 8 matched payments – 2 borrower payments (matched to April and May 2012), and 6 from the AmeriCorps payment (matched to June 2012, March 2012 – January 2012, and December 2011 – November 2011). The matching of a lump sum payment starts with the last service month for which there is no corresponding qualifying payment and proceeds backwards up to 12 months. This count assumes that the borrower was in active repayment when qualifying payments were made in April and May 2012.

2. Borrower B is a Peace Corps volunteer from 07/01/09 to 06/30/12. The borrower made qualifying payments in May and June 2012. In July 2012, we receive a lump sum payment from the borrower that equals 24 payments. Are there 12 or 14 matched payments?

   The lump sum qualifies for 12 months of qualifying payments, so the borrower is eligible for 14 in total. There are 14 matched payments – 2 borrower payments (matched to
May and June 2012) and 12 from the lump sum payment (matched to April 2012 – January 2012 and December 2011 – May 2011). The matching of a lump sum payment starts with the last service month for which there is no corresponding qualifying payment and proceeds backwards up to 12 months.

3. Borrower C is an AmeriCorps volunteer from 07/01/2013 to 06/30/2014. The borrower is due, deferred/forbore $100 on the 14th of the month. On July 13, 2014, the servicer receives a lump sum payment from AmeriCorps in the amount of $300. On October 13, 2013, the PSLF-servicer receives a second lump sum payment in the amount of $400.

   The servicer should permit the lump sum payment to count as multiple qualifying payments if the subsequent lump sum payment is attributable to a period of service for which the borrower has already received PSLF credit through the use of a Segal Education Award or transition payment. Therefore the servicer should count a total of 7 qualifying payments to apply to July 2013, August 2013, September 2013, October 2013, November 2013, December 2013, and January 2014.

4. Borrower D is an AmeriCorps volunteer from 07/01/2013 to 06/30/2014. The borrower is due, deferred/forbore $100 on the 14th of the month. On July 13, 2014, the servicer receives a lump sum payment from AmeriCorps in the amount of $300. On October 13, 2015, the PSLF-servicer receives a lump sum payment in the amount of $800 for AmeriCorps volunteer from 07/15/2015 to 7/15/2016.

   The servicer should permit the lump sum payment to count as multiple qualifying payments if the subsequent lump sum payment is attributable to a period of service for which the borrower has already received PSLF credit through the use of a Segal Education Award or transition payment. The servicer should only count qualifying payments to apply to July 2013, August 2013, September 2013, October 2013 but would not count the lump sum payment sent on October 13, 2015 because it is for a different term of service.

5. Borrower E submits two ECFs for military servicer from 07/01/2016 – 06/30/2017 and 07/01/2017 and 06/30/2018. If the servicer receives payments through the Intra-Government Payment and Collection (IPAC) system for $1,500 in August 2017 and $1,500 for August 2018.

   The servicer should permit the lump sum payment to count as multiple qualifying payments if the subsequent lump sum payment is attributable to a period of service for which the borrower has already received PSLF credit through transition payment. The borrower should be evaluated to benefit for up to 12 qualifying payments July 2016 – June 2017 and up to 12 qualifying payments for July 2017 though June 2018.
PSLF Application Processing Steps
The PSLF Application is not finalized and will need to undergo OMB approval.

**Required Information:**

- Social Security number
- First name
- Last Name
- Date of Birth
- Signature
- Date

The servicer should make borrower contact to obtain the required information or to resolve discrepancies prior to denying the borrower. If no telephone number or e-mail address was provided, or you have attempted without success to reach the intended party, return the form to the borrower as incomplete. In the letter, indicate specifically which information is missing and what the borrower must do in order for the servicer to continue processing the form. If the servicer is unable to obtain the needed information about making borrower contact, the servicer should deny all cases of incomplete information with the following **exceptions:**

- Missing Middle Initial
- Missing Prior Name
- Missing Email
- Missing (i) City and/or State or (ii) Zip Code AND address can be verified through data provided (Street Address, City, State or Zip Code)
- Missing Telephone (primary or alternate) or listed as NA
- If a signature or signature date is missing in either Section 2 or 4, return the form to the Borrower.

**Acceptable Signatures** – Wet signature or Digital facsimile of signature (digitally drawn). Note: DocuSign is a digital facsimile signature. You draw your signature on an electronic pad, either like a credit card, or on a touch-enabled device. So, these were physically signed, just by the same person.

**Do not accept** full digital signatures, documents that are “digitally signed by [borrower name]” with some sort of security certification or a font signature which implies that something was typed.