

CHILD or FAMILY SERVICES DEFERMENT/CANCELLATION

For Recipients of FEDERAL PERKINS LOANS and NATIONAL DIRECT STUDENT LOANS made on or after July 23, 1992.
ABBREVIATED INSTRUCTIONS FOR COMPLETING THIS FORM

(See Information and Instruction Sheet ON THE BACK OF THIS FORM for detailed instructions and general information.):

To request Deferment/Postponement of payment only, complete Sections 1, 2, and 4.

To request PARTIAL CANCELLATION only, complete Sections 1, 3, and 4.

To request PARTIAL CANCELLATION for a 12-MONTH PERIOD ALREADY COMPLETED and a DEFERMENT/POSTPONEMENT of payment for AN UPCOMING 12-MONTH PERIOD, complete Sections 1, 2, 3, and 4.

Section 1: GENERAL INFORMATION

NAME: _____ ACCOUNT NO. : _____

ADDRESS: _____ TELEPHONE NO.: _____

CITY, STATE, ZIP: _____ Check here if this is a change of address.

Section 2: DEFERMENT REQUEST (APPROACHING 12-MONTH PERIOD OF FULL TIME EMPLOYMENT or CURRENT 12-MONTH PERIOD)

Dates of employment for this postponement request: FROM: ____/____/____ TO: ____/____/____

Section 3: CANCELLATION REQUEST (for FULL TIME 12-MONTH PERIOD ALREADY COMPLETED)

***If you are completing this section and plan to work in a qualifying position again for the next 12 complete months, you should also complete Section 2 for that *upcoming period*.

Dates of employment for this cancellation request: FROM: ____/____/____ TO: ____/____/____

Section 4: EMPLOYMENT REQUIREMENTS VERIFICATION (Must be complete for both Postponement and/or Cancellation requests and must be signed by both the borrower and an authorized official of the employer.)

Name of employing agency: _____ FULL TIME START DATE ____/____/____

ATTACH JOB DESCRIPTION

BORROWER'S DECLARATION:

In requesting deferment of payment or partial cancellation of my Federal Perkins Loan, I declare that I am performing **full-time** service(s):

NOTE: To receive loan cancellation for being employed at child or family services agency, a borrower must be providing services ONLY to high-risk children who are from low-income communities. 34 CRF 674.56 (b)

I understand that if, for any reason, I do not complete a full 12-month period of service or if my service changes in any way, I must immediately notify Loan Repayment Services. Further, I understand that if the change in my service does not meet the requirements for cancellation as described under Borrower's Declaration, I must make arrangements immediately to payment of any amounts which are accrued on my loan.

Signature of Borrower

Date

EMPLOYER'S AFFIDAVIT:

I affirm that the borrower's job description and Borrower's Declaration of Employment as stated above are true and accurate. I also affirm that the borrower's service complies with the appropriate qualifying description on the back of this request form.

Note: 12 months full time employment without any breaks required to cancel.

Name of Authorized Official (Please Print)

Signature of Authorized Official of Employer

Title:

Address of Authorized Official (Please Print)

Date: _____ Phone # of Authorizing Official: _____

Official Seal of Stamp
*****REQUIRED*****
(If none, a letter of certification on agency letterhead is required)

Cancellation for full-time employment in a public or private nonprofit child or family service agency.

Child or Family Services Cancellation 674.56(b)

1. An institution must cancel up to 100% of the outstanding balance on a borrower's Federal Perkins or Direct loan made on or after July 23, 1992, for service as a full-time employee in a public or private nonprofit child or family service agency who is providing, or supervising the provision of, services to high-risk children who are from low-income communities and the families of these children.
2. An institution must cancel up to 100% of the outstanding loan balance on a Federal Perkins, Direct or Defense loan made prior to July 23, 1992, for the employment in a child or family service agency on or after October 7, 1998, if the cancellation benefits provided under this section are not included in the terms of the borrower's promissory note.

To receive loan cancellation for being employed at a child or family services agency, a borrower must be providing services only to *high-risk children* who are from *low-income communities*. The borrower may also be providing services to adults, but these adults must be members of the families of the children for whom services are provided. The services provided to adults must be secondary to the services provided to the high-risk children. The Department has determined that an elementary or secondary school system or a hospital is not an eligible employing agency.

- **High-Risk Children**—Individuals under the age of 21 who are low-income and at risk of abuse or neglect, have been abused or neglected, have serious emotional, mental, or behavioral disturbances, reside in placements outside their homes, or are involved in the juvenile justice system.
- **Low-Income Communities**—Communities in which there is a high concentration of children eligible to be counted under Title I of the Elementary and Secondary Education Act of 1965, as amended.

Cancellation rates (for COMPLETE 12-MONTH periods only):

- 1st and 2nd 12-month periods = 15% of original balance
- 3rd and 4th 12-month periods = 20% of original balance
- 5th 12-month period = 30% of original balance

INFORMATION AND INSTRUCTIONS FOR COMPLETING THIS FORM:

What is a Postponement/Deferment of Payment?

A payment deferment period usually precedes a cancellation period, as a partial cancellation cannot occur until after the borrower has completed a 12-month period of employment or service. A borrower may receive a deferment of loan repayment for up to a 12-month current or upcoming period in anticipation of a future partial cancellation if, during that 12-month period, the borrower will be serving in a position that qualifies according to Federal Guidelines. To be considered for deferment, the borrower must complete and have certified the Request for Postponement. The Request for Deferment should be submitted AT THE BEGINNING of or DURING the 12-month period. The borrower's account must be current to the beginning date of qualifying employment before deferment/postponements can be accepted.

The borrower is not billed during the deferment/postponement period and the account is considered to be current. If qualifying employment is terminated prior to the end of the postponement period when a partial cancellation could be requested, the borrower should immediately notify Loan Repayment Services. No partial cancellation can be granted for less than a complete 12-month period; however, some loans may be eligible for a deferment of payments and a subsequent 6-month grace period for those completed months of qualifying service. Certified documentation is required. It is extremely important that the borrower notify Loan Repayment Services of any changes of employment or address.

All Requests for deferment/postponement must be completed and signed by the borrower and certified by an authorized official of the borrower's employer.

Complete Sections 1, 2, and 4 to request Postponement of payment for a 12-month period not yet completed or an upcoming 12-month period if you are also requesting partial cancellation at this time.

What is a Partial Loan Cancellation?

A borrower may receive a partial loan cancellation for qualifying employment for a COMPLETED 12-month period of qualifying employment or service. If the borrower worked for multiple employers during the completed 12-month period, the borrower must submit one Partial Cancellation Request form for each employment and an authorized official of the respective employer must certify each form.

All Requests for Partial Cancellation must be completed and signed by the borrower and certified by an authorized official of the borrower's employer.

Complete Sections 1, 3, and 4 to request Partial Cancellation for a 12-month period already completed. The borrower should also complete Section 2 to request payment deferment/postponement for the approaching 12-month period if he/she intends to continue in a qualifying employment during that time.