

| <b>INTERDEPARTMENTAL POLICY</b>                 |                    |  |
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| <b>SUBJECT: TSON Scholarship / Loan Program</b> |                    | <b>DATE OF ORIGIN:      JANUARY 2021</b> |
|   |                    | <b>DATE OF REVISION:</b>                 |
| <b>REFERENCE #</b>                              | <b>PAGE 1 OF 2</b> | <b>DATE OF REVIEW:</b>                   |

**POLICY & PURPOSE**

To provide a two-year scholarship/loan to students of Trinity Health System School of Nursing. The scholarship/loan will cover the tuition and fees of the second year of the program (fall, spring, and summer), after all applicable other scholarships and state and federal grants are applied. In addition, the scholarship/loan will include an amount equivalent to the tuition and fee costs of the first year of the program (not including costs covered by other scholarships and state and federal grants).

The first year program scholarship/loan amount will be reimbursed to the recipient after the completion of the first year of the program. In return for this scholarship/loan, the recipient agrees to accept full-time employment in a nursing related role with Trinity Health System (“Trinity”) for a period of at least five (5) consecutive years immediately following graduation and licensure along with successful participation and completion of the Registered Nurse Residency Program.

**ELIGIBILITY**

Students of Trinity Health System School of Nursing at the conclusion of the first Summer Session of the first year of the program.

**PROCEDURE**

- A. Interested students must file an application by April 1st of the first year of the Program.
- B. The eligible student must complete the Free Application for Federal Student Aid (FAFSA) each financial aid award year.
- C. Upon acceptance of an offer, each recipient shall be required to enter into an agreement with Trinity which stipulates the conditions for the scholarship/loan and/or repayment, if necessary. This agreement will include a requirement that the recipient be employed as a full-time licensed registered nurse for “Trinity” for five (5) consecutive years immediately following graduation and licensure.

Under the terms of that agreement, the recipient will be required to repay the scholarship/loan and accrued interest to Trinity Health System unless such monies are forgiven under the terms of the agreement.

- D. The scholarship/loan shall apply only to the individual tuition and fee costs after all applicable other scholarships and state and/or federal grants are applied.
  - a. The recipient shall be responsible to pay:
    - i. All costs for books, supplies, uniforms, required health work, and parking.
- E. If the recipient graduates, achieves necessary licensure, and is employed on a full-time basis by “Trinity” for a minimum of five (5) consecutive years immediately following graduation and licensure, the total indebtedness (principal and interest) will be forgiven. All amounts forgiven shall be treated as income to the Student and appropriate withholding made pursuant to Trinity’s employment policies.

- F. If the recipient graduates, achieves necessary licensure, and is employed on a full-time basis by "Trinity" for less than five (5) consecutive years, a pro-rata percentage of the total indebtedness will be forgiven for each twelve (12) months that the recipient remained in full-time employment. The remaining outstanding balance plus interest at the rate of one percent (1%) above the Prime Rate during time of the loan will become repayable under the terms of the participant's agreement. If this occurs, "Trinity" may withhold the Student's final paycheck(s) to be applied to the balance of the amount advanced hereunder.
- G. If the recipient does not graduate, does not achieve licensure (within three (3) months of graduation), or fails to remain employed by "Trinity" on a full-time basis for at least twelve months, then the entire indebtedness together with all accrued interest becomes repayable under the terms of the participant's agreement. The repayment amount will include the total outstanding balance plus interest at the rate of one percent (1%) above the Prime Rate during time of the loan. Trinity reserves the right to withhold the Student's final paycheck to be applied to the balance of the amount advanced.
- H. As this scholarship/loan constitutes financial aid, each recipient is encouraged to contact a tax advisor in order to become fully aware of the tax consequences of the program, if any. Forgiven principal and interest amounts are usually considered income and subject to income taxes.
- I. Trinity reserves the right to modify and/or abolish this program and the right to limit and/or cancel participation. Specific rights and duties of the recipient will be set forth in a written agreement, the terms of which shall supersede the terms of this policy.
- J. No recipient may benefit simultaneously from this program, the Employee Tuition Forgiveness Scholarship/Loan Program, or the Tuition Refund Program (or similar program).