Loan Forgiveness Program
Loan forgiveness and refinancing opportunities are available to support you after you graduate from Stanford GSB.

**LOAN FORGIVENESS PROGRAM**

We are dedicated to preparing our MBA graduates to lead institutions in all industries. In order to encourage MBAs to make meaningful contributions to social issues, economic growth, and political stability in organizations where salaries are typically lower, we offer a loan forgiveness program to reduce the financial impact of educational debt, by paying a percentage of graduates' Stanford GSB loan obligations while they are employed in the nonprofit or public service sectors.

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**REFINANCING STUDENT LOANS**

As lending markets change, several lenders are now offering refinance/consolidation loans specifically for Stanford MBA students. These loan programs allow alumni to either consolidate just private loans or refinance all loans — both private and federal — borrowed while attending MBA school. Most offer either a fixed or variable interest rate. For more information about refinancing options, please contact the Financial Aid Office.

Here is a lender comparison tool provided by Student Loan Hero.

**Program Eligibility**

You can participate in the Stanford MBA Nonprofit/Public Service Loan Forgiveness Program at any point while you are repaying your Stanford GSB loans. Eligibility during any given year does not automatically qualify you for a future year. Loan forgiveness is dependent on available funding.

This is not an entitlement program. The Financial Aid Office determines eligibility for this program on a case-by-case basis, and these decisions are final. We reserve the right to change eligibility guidelines and required application materials at any time. It is also within our discretion to take into account other relevant criteria as needed when determining your eligibility.

If you are a joint or dual degree student, contact the Financial Aid Office before applying for more information about your eligibility.

**EMPLOYMENT**

To be eligible for the program, you must be working at a Stanford GSB approved organization that meets one of the following descriptions:

- A qualified nonprofit organization — such as an Internal Revenue Code approved section 501(c)(3) or 501(c)(4) organization, or a foreign equivalent — which aims to better society through constructive means
- A local or national government

You must work at the organization at least part-time (20 hours per week or more), with the intention of being at the organization for at least six months.

You are required to notify our office immediately if:

- You change jobs
- Your salary changes
- Your marital status changes

These changes will affect your eligibility. If at any point you become ineligible for the program, you may be required to repay funds received.

You may work at a for-profit organization as long as you also work at least part-time at a qualified 501(c)(3) or 501(c)(4) organization.

**VOLUNTEER POSITIONS**

We consider volunteerism willful employment without compensation; therefore, volunteer activities are not considered qualifying employment for the program.

**CONSULTING OR CONTRACT EMPLOYMENT**

Consulting or contract employment at a qualified nonprofit organization or approved local or national government (e.g. receives compensation reported on a 1099) does not qualify for this program.

**INCOME**

You must demonstrate that you would face undue financial hardship if required to repay the loan in full without financial support. We calculate your adjusted income to determine the amount of loan forgiveness for the year in which you apply. You are expected to have a minimum income to cover a reasonable cost of living.
In calculating your adjusted income, the Financial Aid Office will include other forms of taxable income such as interest income and dividends, as well as non-taxable income such as 403(b) and 401(k) contributions.

**INCOME ELIGIBILITY THRESHOLD**
We annually update the income threshold we use to determine eligibility for full loan forgiveness. The amount is based on a percentage of the median base salary and other compensation of Stanford GSB's prior year's graduating class. Income eligibility information typically is updated each year in October.

**ASSETS**
We may consider assets in our adjusted income calculation. Although a reasonable amount of assets will not disqualify you, substantial amounts of assets may lead to a reevaluation.

**LOANS**
The Financial Aid Office will include only original loans borrowed while attending Stanford GSB to help fund your education. All loans must have been certified and administered by the Stanford GSB Financial Aid Office. Loans must be in repayment status when applying. The minimum repayment plan length we will consider is 10 years (120 months).

Only loans in good standing are eligible. An applicant’s loans will not be eligible if the loans are:

- Eligible for or in deferment/forebearance
- Past due

If you have consolidated your loans borrowed for your Stanford GSB education, you are eligible for this program if they were consolidated through the Federal Family Education Loan or Direct Loan Consolidation Program.

Forgivable loans, funds received from employers under conditional contracts (e.g., tuition reimbursement, salary advance, etc.) to pay tuition, books and supplies, and other fees, are not eligible for the program.

In order to start the Stanford MBA Nonprofit/Public Service Loan Forgiveness application process, submit the required application materials via the Financial Aid Office’s secure document upload portal.

If the submitted materials are accurate and complete, then the Financial Aid Office will process your application. Be advised that supplemental information may be required and will be determined on a case-by-case basis.

**AWARD LETTER**
If you are eligible for program funds, the Financial Aid Office will email an award letter and promissory note that indicates your eligibility status. The award letter will state how much you are eligible to receive in your first award disbursement (first six months of eligibility). It will also project how much you will receive in your second award disbursement (the next six months of eligibility) assuming that there is no change in income, employment, and/or marital status.

Eligibility will begin on the first day of the month in which the Financial Aid Office receives the completed loan forgiveness application and additional required materials. You may not request back payments on your educational loans prior to submitting the application materials.

**ACKNOWLEDGMENT/ACCEPTANCE LETTER**
The acknowledgment/acceptance letter will be based on the amount you receive for the first award disbursement. In the email, we will ask you to sign and return the acknowledgment/acceptance letter to the Financial Aid Office. A legible fax or scanned signature copy of the letter is acceptable. You may be contacted by the Stanford GSB Development Office to write a thank you letter to the donor on an annual basis. Thank-you letters must be submitted prior to your six-month renewal application.

**DISBURSEMENT**
Once we receive your acknowledgment/acceptance letter in the mail, it typically takes two weeks for us to process and disburse the award in the form of a check payment. It is then your responsibility to pay, in a timely manner, the lender or servicer that holds your Stanford GSB loans. If you live outside the U.S., you will need to consider how to deposit and remit loan payments from your loan forgiveness award to your lender(s) in a timely manner.

Each disbursement of funds from the program is made on the understanding that you will remain employed for the full six months by the eligible organization described in your application. If you change jobs, have a change in salary, or work less than halftime (less than 20 hours per week), you must notify the Financial Aid Office immediately. If requested by the Financial Aid Office, you will be required to repay any funds advanced, for which you have become ineligible.

Typically, the process takes four to five weeks from the receipt of MBA loan forgiveness application documents in the Financial Aid Office to the time in which you will receive the check payment. You should continue to make required loan payments during the application process.

**SIX-MONTH RENEWAL PROCESS**
We distribute annual loan forgiveness funds in two disbursements. At the end of the six months of qualified employment for which your educational loan payments have been made, you must provide the following renewal materials to the Financial Aid Office:

- If you have had a major change in income or employment since completing the Annual Application, complete Renewal Application - Change in Employment.pdf
- If you have not had a major change in income or employment since completing the Annual Application, complete Renewal Application - No Change in Employment.pdf
The Financial Aid Office must receive the above renewal materials no later than one month after the start of the next six-month renewal period, as indicated in the award letter. Please be advised that the Financial Aid Office may grant back payments for only one month, upon receiving the renewal paperwork.

If the information provided is sufficient, the Financial Aid Office will process a renewal for the second award disbursement payment. If we receive changes to previously submitted information (e.g. change in income, employment and/or marital status), we may adjust the second award disbursement payment.

RENEWAL AWARD LETTER AND ACCEPTANCE LETTER
You will receive a renewal award letter and a new acknowledgment/acceptance letter based on the amount you are eligible for in the second disbursement. For the next six-month period, you will need to sign and return the acknowledgment/acceptance letter. Once the new acknowledgment/acceptance letter for the next six-month period is received, the subsequent disbursement will be made. Again, in order to keep loan(s) in good standing, you will need to continue making any required loan payments during the process.

After the second award disbursement has occurred and another six months of qualified employment for which your educational loan payments have been made, the application process will start over.

The following materials are required to determine your loan forgiveness eligibility.

Submit these forms to the Stanford GSB Financial Aid Office via the secure document upload portal.

NONPROFIT/PUBLIC SERVICE LOAN FORGIVENESS ANNUAL APPLICATION
The annual application must be completed each year for which you wish to receive loan forgiveness funds.

U.S. FEDERAL TAX RETURN
You will provide a copy of your most recent U.S. Federal Tax Return (1040), including all schedules and copies of W-2 forms, or a foreign equivalent.

If you are submitting a foreign tax statement, provide copies of the most recent tax statement from any and all countries in which they were filed. Include an index of the current exchange rate. Include a U.S. 1040 NR form, if applicable.

If you did not file in any country, you must provide a letter of explanation.

SPOUSE’S U.S. TAX RETURN
If you are married and filing separately, you must include copies of your spouse’s most recent U.S. federal tax return, all schedules, and W-2 forms, or foreign equivalents as detailed above.

PROOF OF EMPLOYMENT AND WAGES
Provide your most recent pay stub as proof of employment and salary. If you were recently hired and have not yet received a pay stub, you will need to provide your offer letter.

PROOF OF SPOUSE’S EMPLOYMENT AND WAGES
If you are married to an employed spouse, provide proof of his or her employment and salary (an offer letter or recent pay stub).

MISSION AND SCOPE OF ACTIVITIES
Submit documentation issued from the qualified employer that describes the organization’s mission and scope of activities, or a letter from the employer with the same information. If the employer is an approved local or national government, you will need to provide a statement listing their job functions.

EMPLOYER’S TAX-EXEMPT STATUS
Provide verification of your employer’s tax-exempt status. If the employer’s tax-exempt status is a foreign equivalent of a 501(c)(3) or 501(c)(4), an explanation of the relevant country’s tax code or similar information, which can be used to establish foreign equivalency, will be needed. You do not need to demonstrate proof of employer’s tax-exempt status if you work for a:

• U.S. federal, state, or local government agency
• Public school or college

VERIFICATION OF LOAN DEBT
Provide verification of outstanding loan debt from lenders or servicers, including:

• Required monthly repayment
• Outstanding loan balance
• Payment history

If a spouse has outstanding educational loans, submit verification of his or her loan debt as well. View our sample loan summary for guidance.

PROOF OF CHILDCARE EXPENSES
If applicable, include proof of childcare expenses, such as:

• Invoices
• Statements from a licensed childcare provider
• Proof of payment for services if no invoice is available

DOCUMENT TRANSLATION
If any of the above materials are not in English, provide a personal translation of the pertinent information.
Refinance Loans
Consolidation of both federal and private loans.

- Citizens One
- College Ave
- CommonBond
- Discover Student Loans
- Earnest
- First Republic
- Laurel Road
- LendKey
- SoFi
- Star One Credit Union
- U-fi

Private Loan Consolidation
Private loans only.

- Cedar Education Lending