Education Loan Repayment Assistance Program

**Guidelines**

I. **Introduction**

Many pediatric subspecialists graduate with high education debt burdens. The Department of Pediatrics (“Department”) has established an Education Loan Repayment Assistance Program (“Program”) to encourage and assist its subspecialist faculty members who wish to pursue an academic career at the University of Utah.

II. **The Program**

The Program assists those pediatric subspecialists selected to participate by advancing up to $20,000 per year to education loan creditors as an Education Loan Payment. In addition, a Tax Assistance Payment of up to $5,000 per year will be made directly to the participating pediatric subspecialist.

Subspecialists employed full-time by the Department are eligible to participate in the Program for a maximum of three years when sufficient funds are available. Preference may be given to those faculty members at the rank of Instructor, Assistant Professor, or Associate Professor. Applications are required each year and are due by September 30.

The School of Medicine (SOM) also has an Education Loan Reduction Assistance (LRA) Program. Pediatrics contributes 50% of this award. If you are awarded funds through SOM’s program, your award through the Pediatrics Loan Repayment Program will go toward the total amount of the SOM award. For example, if the SOM award is $40,000 and your award from Pediatrics Loan Repayment Program is $20,000, Pediatrics will not award additional funds toward the SOM amount. However, if your Pediatrics Loan Repayment does not equal 50% of SOM award, Pediatrics will transfer the additional amount to SOM, who will then pay out the remainder of your SOM award.

III. **Eligibility Standards**

1. **Eligible Participant.** University of Utah, Department of Pediatrics subspecialist faculty members employed by the Department on a full-time basis.

2. **Eligible Loans.** Loans from Stafford (GSL), Perkins, other supplemental and education loans (including graduate loans), excluding loans from family and friends.

IV. **Loan Repayment, Leaves of Absence, and Program Termination**

1. **Repayment Period.** Upon completion of a participant’s participation in the Program, full-time employment with the Department is expected to continue for a period of time that is at least equal to the period of participation in the Program, as explained more fully in the letter of agreement that is mailed to awardees.
2. **Leaves of Absence from the Program.** Leaves of absence will be allowed for up to three months in one year and up to a combined total of six months in two or more years in monthly blocks only. Leaves of absence will be allowed for qualifying Family and Medical Leave Act leaves.

3. **Discontinuation of Full-Time Employment during the Repayment Period.** If at any time during the Repayment Period, the participant decides to discontinue full-time employment with the Department, the participant agrees to reimburse the Department for the expenses it has incurred in connection with the participant’s participation in the Program, as explained more fully in the letter of agreement that is mailed to awardees.

4. **Reimbursement Obligation.** The reimbursement obligation is not intended as a penalty for an early resignation. Rather, it is intended as reimbursement to the Department for its investment in a participant’s career should that participant choose to discontinue full-time employment with the Department before the Department is able to fully realize the benefits of its investment.

V. **Program Procedures**

1. **Program Selection and Review Committee.** The Program Selection and Review Committee will be comprised of three members. The Committee will be led by the Chairman of Pediatrics or his/her designee. The Chairman will select two senior members of the Department or School of Medicine. The Chairman of Pediatrics will consider diversity among other pertinent factors in determining the composition of the Selection Committee. The Committee should be established at the beginning of each calendar year (January).

2. **Administration of the Program.** All application procedures, loan disbursements, Program termination decisions, and other administrative tasks will be decided and administered by the Chairman of Pediatrics or his/her designee. Those selected to participate will receive a letter of acceptance by the end of November. Loan payment checks will be disbursed in late January/early February.

3. **Federal and State Tax Liability.** The University complies with federal and state tax regulations governing any applicable tax liability, tax reporting and/or withholding of taxes on Program awards. Awards through the Program will be reported to Payroll Accounting as income for the awardee. The award is subject to the same income tax withholdings as the awardee’s regular salary. A Tax Assistance Payment of up to $5,000 will be made to the awardee to help offset this tax liability. It is recommended that applicants to the Program consult with their tax advisor to understand any personal tax effects of the Program.

VI. **Annual Requirements for Participation in the Program**

1. Candidates are required to submit an application for each year of participation in the Program. Complete applications must be received by the Program administrator no later than September 30.
2. The application includes the following items, as further detailed in the Application Requirements document.

   ▶ Current curriculum vitae
   ▶ Personal statement
   ▶ Current account statement(s) from education loan creditors showing outstanding balance
   ▶ Confidential letter of recommendation from the applicant’s Division Chief

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