



RECIPIENT ORIENTATION

Thank you, and welcome! Once a recipient is awarded assistance through LRAP-MN, there are still important documents and policies to be aware of. Namely, quarterly:

- Lending Paperwork
 - Truth-in-Lending Disclosures
 - Loan Agreement
 - Promissory Note
- Forgiveness/Discharge Paperwork
 - Employment Verification Form
 - Proof of Loan Payments

1. Disclaimers

- a. LRAP's quarterly awards are intended to be tax-free to recipients upon their discharge (forgiveness) following completion of a period of service and proof that the loan was used to repay the recipient's Qualifying Student Loans.
- b. Each recipient remains responsible for determining his/her own federal tax liability and making all required disclosures to the Internal Revenue Service and any other taxing entity.
- c. Quarterly awards are contingent upon your continuing to meet the terms of the Loan Agreements and Promissory Notes and the eligibility requirements set forth in your Loan Application materials, and upon LRAP determining in its discretion that it has met its revenue expectations during the award cycle.

2. Lending Paperwork

- a. It is important that these three (3) documents are signed **by the date specified**.
- b. It is **okay** if LRAP receives the signed documents **after** that date, but if you do not **sign** the documents on time, the award may be converted to a taxable grant for student loan repayment.
- c. The Lending Paperwork must be signed at the beginning of each quarter

- i. July, October, January and April
- ii. US mail or email
- iii. **NO** facsimile – not reliable or secure

3. Forgiveness/Discharge Paperwork

- a. You must use the entire amount of your award check to pay on your qualifying student loans *during the quarter in which you received the award check*.
- b. Generally, you must send your Employment Verification Form and Proof of Loan Payments by the end of the first month in the subsequent quarter. However, due to federal income tax law, the October-December Verification is due January 10th. The 2018/2019 due dates are:
 - October 31, 2018
 - January 10, 2019
 - April 30, 2019
 - July 31, 2019
- c. Proof of Payments Include
 - i. Lender statements
 - ii. Bank statements or cleared checks
 - iii. Not enough to show payment was scheduled
 - iv. Mail or email. No fax please.

4. Other Notes

- a. If there are ANY changes in your employment, income, or mailing address please notify LRAP within 10 days of the change.
 - i. Fill out Section C of Employment Verification Form
 - ii. Or even better, email or call LRAP right away with any changes. It will allow us to make a prompt plan if needed.
- b. To be considered for LRAP in the next cycle, please plan to submit an application by May 1, 2019. ALL returning applicants must submit an application in May whether you originally applied in May or November.

5. How We Can Help

- a. We are here to help with both LRAP Minnesota and the federal programs!
- b. Contact Heather: HeatherRV@mnbar.org; Direct 612-278-6315; Cell 651-214-3476
- c. “Like” LRAP Minnesota on Facebook for updates

6. How You Can Help

- a. Sharing Client Stories
- b. Thanking Donors
- c. Supporting Proposals, especially to District Bar Associations
- d. PSLF Advocacy (for future borrowers)
- e. State Advocacy (for continued funding)