

Student Loan Repayment Assistance Program for Early Childhood Educators (SLRAP)

Program Policy Guidance

The Student Loan Repayment Assistance Program for Early Childhood Educators is administered by the Vermont Association for the Education of Young Children (VTAEYC). The Program was established in May 2021 as a recruitment and retention incentive for Vermont's early childhood education workforce. Qualifying individuals can receive up to \$4000 annually to defray the cost of monthly student loan payments and/or reduce their amount of overall student loan debt. Participants must commit to work in a Vermont regulated center-based or family child care home program for 12 months after award determination.

Awards are given on a first come first serve basis and are limited to available grant funds. The online application process is open annually from October 1st-July 31st. It is recommended that applications be completed as early as possible within the grant cycle.

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It is important to read through the policies detailed in this document before completing an application.

Eligibility

Applicants must meet all of the following eligibility requirements and submit documentation to support each requirement to be considered for an award.

Program Criteria	Documentation or Verification
<p>Participants must work in a privately operated center-based child care program or in a family child care home that is regulated by CDD for at least an average of 30 hours per week for 48 weeks of the year. If the individual is an employee of a Vermont Head Start program that operates fewer than 48 weeks per year, they qualify if they work a minimum of nine months of the year, inclusive of any employer-approved time off.</p> <p>Auxiliary staff, partner staff, volunteers, and household members are not eligible.</p> <p>Individuals who work in a public school setting are not eligible.</p>	<ul style="list-style-type: none"> ● Individual Application ● Employer Verification Form
<p>Participants must have an annual salary of \$60,000 or less. The income cap <i>only</i> includes a participant's wages from working in CDD regulated programs, not wages from other employment or household income.</p>	<ul style="list-style-type: none"> ● Individual Application ● Employer Verification Form (for center-based staff or staff other than the owner in a Family Child Care Program) <u>or</u> Family Child Care Provider Monthly Income Worksheet, for Family Child Care Program Owners
<p>Participants must have earned an associates, bachelor's, or master's degree with a major or concentration in early childhood, child and human development, elementary education, special education with a birth to age 8 focus, or child and family services OR earned a degree that contributes to an Early Childhood Career Ladder Certificate Level IIIB or higher through Northern Lights at CCV.</p>	<ul style="list-style-type: none"> ● Individual Application ● Diploma or Transcript information is in the applicant's BFIS credential account. <u>Or</u> The applicant submits their documentation to Northern Lights ● VTAEYC will verify eligible degrees and/or Certificates in BFIS.

<p>Participants must provide sufficient documentation regarding the amount in loans incurred toward the education noted in the application form.</p>	<ul style="list-style-type: none"> • Copy(ies) of student loan statement(s), dated within 30 days of the application, that include the name of the loan servicer and the borrower, total loan balance, type of loan and monthly payment amount
<p>T.E.A.C.H. Early Childhood® Vermont Scholarship Program participants may apply for assistance with student loan debt incurred before participation in the T.E.A.C.H. Early Childhood® Vermont Program. Any student loan debt incurred while a participant is on a T.E.A.C.H. scholarship contract would not be eligible for this Program.</p>	<ul style="list-style-type: none"> • None, VTAEYC will verify from program records
<p>Intent to work in a regulated, privately operated center-based child care program, family child care home in Vermont for at least the 12 months following the annual loan repayment award notification.</p>	<ul style="list-style-type: none"> • Individual Application • Quarterly Report Form of continued qualifying employment

Applications for the Student Loan Repayment Assistance Program are accepted annually from October 1st- July 31st. It is recommended that applicants apply in October or November to ensure eligibility for all four quarterly award payments.

How To Apply

Learn about the Program:

1. Read through this Program Guidance Document
2. Make sure your degree and/or Early Childhood Career Ladder Certificate information appears in your BFIS credential account
 - a. If you need directions on how to submit your degree information [click here](#).

Prepare to apply:

1. Gather the required documents.
2. For those not self-employed, alert your supervisor who will be asked to verify your employment.
3. For those that are self-employed, you will need your Schedule C Profit and Loss form from your previous year's tax documents.
4. Determine how much you will request up to a maximum of \$4000/year (\$333/month)



Apply online:

1. Visit [the SLRAP Application Portal](#) to create a login and password.
2. Complete the pre-screening questionnaire. This will confirm that you meet the basic eligibility for this program.
3. Complete the remaining sections of the online application including uploading any required documents. You are able to save the application as a draft and return to your application at any time to complete all of the information.
4. Submit your application. You will receive a confirmation email letting you know it has been successfully submitted.

After you apply:

1. Wait for VTAEYC staff to review your application. VTAEYC aims to review all completed applications within 10 business days.
2. Respond in a timely fashion to any requests from VTAEYC for additional information or clarification.
3. Look for an Award Notice sent to the email address you entered in the application.

To accept an award:

1. Complete electronic acceptance of the award including understanding of terms and payment schedule.
2. As of October 1, 2024, CDD requires all payments be made via electronic payment. When prompted, enroll in Bill.com payment system to receive direct deposit into your bank account.

Required Document Checklist

The following list will help ensure that your application includes all the required documents and can be processed as quickly as possible. Applications that do not include required documents will not be processed. Funds are awarded first come first serve upon receipt of completed application.

At the time of application	
	Submit degree information for BFIS credential account if you have not already
	If applicable, apply for an Early Childhood Career Ladder Certificate Level IIIB or higher through Northern Lights at CCV
	Qualified Student Loan Debt Statements
	Family Child Care Provider Monthly Income Worksheet (FCCP Owners only)

During award period	
	Confirmation of Award letter
	Direct Deposit Information
	Quarterly confirmation of continuing employment

Student Loan Statements

For each qualifying educational loan to be considered for SLRAP, the applicant must provide proof of documentation for their monthly payment amount, total loan debt and type of loan. Documentation submitted must include the applicant's name, name of lender, type of loan, total loan balance, monthly payment amount, and must be dated within 30 days of the date of the application. The following are acceptable sources of documentation:

- Lender statement that includes the participant's monthly payment amount
- For Federal Loans, visit studentaid.gov to download your monthly statement

Please note, if taking a screenshot on a cellular phone the above information must be shown clearly. A PDF document is preferred and additional instructions for downloading lender statements can be provided by contacting studentloanrepayment@vtaeyc.org.

Qualifying Student Loans

The Student Loan Repayment Assistance Program is available to applicants with federal, state, and private student loans as well as those that may have consolidated. Only student loans incurred by the applicant, for the degree listed in the SLRAP application can be considered. The criteria below explains what types of loans qualify and which do not.

The following types of loans **do** qualify for SLRAP:

- Federal Stafford
- Federal Perkins
- Federal Consolidation
- VSAC private loan
- Other Private loan
- Other Federal Loan

The following types of loans **do not** qualify for SLRAP:

- Federal PLUS loans
- Personal lines of credit

Consolidated loans group several federal student loans into one payment by paying off multiple loans, resulting in one loan and one payment. Consolidated loans that only include student loans incurred for a qualifying degree, do qualify for the Student Loan Repayment Assistance Program.

Refinanced Loans also group several loans into one payment by paying off multiple loans, resulting in one loan and one payment. Refinanced loans could include federal and/or private student loans as well as other debt. A refinanced loan that only includes student loans incurred for a qualifying degree, does qualify for the Student Loan Repayment Assistance Program. A refinanced loan that has other debt included does not qualify. For example, if your refinanced loan included credit card debt along with your student loans, then that refinanced loan would not qualify for the Student Loan Repayment Assistance Program.

Award Determination

Awards are given on a first come first serve basis after completed applications are received. Award amounts are based on a participant's total student loan debt for qualifying student loans. Please note that paying a large advance payment on a federal loan that is on an Income Driven Repayment Plan could affect future federal loan forgiveness status if the awardee is planning on applying for federal loan forgiveness for the remaining balance. Please check with your loan servicer or studentaid.gov for additional details. Requests may not exceed \$4000 for the program year. A minimum of 80% of the award must be applied to the awardee's student loan debt before they are eligible for future SLRAP awards.

Payment Schedule

Payments are distributed on a quarterly basis and are detailed in the award letter. Awards are given on a first come first serve basis and are limited to available grant funds. The online application process is open annually from October 1st-July 31st.

Tax Information

Program participants are encouraged to consult with their own financial advisor for advice and any tax obligations resulting from an SLRAP award. VTAEYC cannot provide legal advice on possible tax obligations.

Appeals Process

VTAEYC has a formal appeal process for any applicants or participants that would like to appeal a decision regarding their application or participation status in the Student Loan Repayment Assistance Program. All potential payments will be held until the appeal process is resolved. Any individual wishing to appeal a decision should email VTAEYC at studentloanrepayment@vtaeyc.org with an explanation and any relevant documentation.

Once the appeal is received, the Student Loan Repayment Assistance Program Manager

will review it with the VTAEYC Program Director and the CDD Program Administrator. The program manager will relay the decision to the applicant within 5 business days.

Non-Discrimination Policy

VTAEYC does not discriminate on the basis of race, color, religion, gender, gender expression, age, national origin, disability, marital status, sexual orientation, or military status in any of its activities or programs. We are committed to providing an inclusive and welcoming environment for all members of our staff, program participants, volunteers, members, consultants, subcontractors, and vendors.

Confidentiality Policy

All information concerning the personal and financial information of our program participants, volunteers and members is confidential and is not disclosed or discussed with unauthorized individuals outside VTAEYC's organization. It is the policy of VTAEYC that such information be kept confidential both during and after employment, consultation or volunteer service. Unauthorized disclosure of confidential or privileged information is a violation of this policy and will subject the person(s) who made the unauthorized disclosure to appropriate discipline, including possible removal/dismissal.

Glossary

- Federal Loan
 - The U.S. Department of Education's federal student loan program is the *William D Ford Federal Direct Loan Program*. If you have a federal student loan, the US Department of Education is your lender. More information on federal student loans can be found [here](#).
- Income Driven Repayment Plan
 - Income Driven Repayment, IDR, plans are specific to federal student loans. Your monthly payment amount is adjusted based on your household income. IDR plans may allow for loan forgiveness after an individual meets certain criteria... to learn more, more information on IDR loans can be found [here](#).
- Loan Consolidation
 - Federal student loan consolidation is when you combine multiple federal student loans into one, it does not erase any of your loan debt. Information on federal student loan consolidation can be found [here](#). This type of consolidation loan does qualify for the Student Loan Repayment Assistance Program.
- Loan Refinance
 - This is the term used for combining student loans into one loan with a private lender. This does not erase loan debt, but can be used to lower the interest rate of one or more loans. This type of loan does qualify for the Student Loan Repayment Assistance Program if it only includes student loans for your qualifying degree. If other debts were included in your refinanced loan, then that loan would not qualify for the Student Loan Repayment Assistance Program. For example, if you refinanced and rolled your credit card debt in with your student loans, then that loan would not qualify for this program.

- Private Loan
 - A private loan is made by a private organization, not the federal government. It could be a bank, credit union, online lender, state-based or state-affiliated organization.
- Public Service Loan Forgiveness
 - The PSLF program forgives the remaining balance on your Direct (federal) loans after you have made 120 qualifying payments under a qualifying repayment plan while working full-time for a qualifying employer. More information on PSLF can be found [here](#).
- SLRAP
 - Student Loan Repayment Assistance Program for Early Childhood Educators

Resources

VTAAYC.org: The Vermont Association for the Education of Young Children's website for information about all VTAAYC programs, including the Student Loan Repayment Assistance Program.

Studentaid.gov: This is the federal loan data website and has information about all federal student loans. Any private loans will not appear on this site.

VSAC.org: Provides information, counseling and financial aid - in the form of grants, scholarships, and loans - to achieve their education goals.

Thestudentloanlawyer.com: Josh Cohen's website with information on how to get in touch with him, learn about upcoming workshops.

[Northern Lights at CCV](#): Processes all training and degree information for early educators.

Frequently Asked Questions

Do early childhood educators working in public-school operated pre-kindergarten programs qualify for the Student Loan Repayment Assistance Program?

- According to Vermont Act 45, eligible Early Childhood Educators must be employed in a **privately** licensed and operated, CDD regulated center-based program or family child care home. If the licensee of a program is a public school or supervisory union, then that program would not qualify as privately operated. Head Start Programs are privately operated.

How do I verify that my degree information is in my Bright Futures Information System (BFIS) credential account?

- Visit [this link](#) and click on “Log In for Credentialing Account”
- Once logged in, click on the Education tab to see the degree and transcript documents that have been added to your account.
- If you have trouble logging in or forget your login information, contact the BFIS Help Desk (on the Login page, click the “BFIS Help Desk link)

What if I have submitted my degree information for BFIS, but it is not showing in my account?

- The SLRAP application form has an option for you to let us know your information has been submitted but is not yet showing. You need to check that option, and then let us know the date of when you submitted your information. We will follow up with Northern Lights to verify that your degree information has been received.

How do I submit my degree information?

- If you have not submitted your degree information, you will need to submit your documents to Northern Lights, so they can be verified and uploaded into your account. Please be sure to send an official or unofficial transcript issued by the college registrar along with a completed and signed verification cover sheet to professional.development@ccv.edu. Be sure to write your name and VTAEYC in the subject line of your email.
- [Sending Documents to Northern Lights](#)
- [Verification Cover Sheet](#)

How do I apply for an Early Childhood Career Ladder Certificate?

- Visit [Northern Lights at CCV's](#) page. You will find detailed information about Level IIIB and higher as well as links to the individual applications.

Where can I find information about my student loans?

- Your loan servicer is the best resource for documentation and information on your specific loans.
- For each loan you list in your application, you must provide documentation that includes the name of the lender, monthly payment amount, total loan balance, and type of loan. Submitting a lender statement and/or a studentaid.gov report are usually sufficient.

Where can I find general information about student loans?

Listed below are some possible resources to better understand loan repayment options, income driven repayment plans and loan forgiveness.

- <https://studentaid.gov/h/manage-loans>
- <https://www.vsac.org/pay/student-loan-repayment>

What if my loan documents do not list my College/University?

- The majority of loan documents actually don't list the College or University that you attended. As long as your documentation shows the name of the lender, total balance due, monthly payment, and type of loan your documentation will be acceptable. You will need to confirm that you have only listed loans that were obtained for the purpose of earning your qualifying degree in this application.

What kinds of student loans are eligible for repayment assistance?

- Federal Stafford
- Federal Perkins
- Federal Consolidation
- VSAC private loan
- Other Private loan
- Other Federal Loan
- A defaulted student loan of the type listed above may still qualify with an active rehabilitation contract between the applicant and loan service provider.

What kinds of loans are not eligible for this program?

- A loan in default with no rehabilitation contract
- Federal PLUS loans
- Personal lines of credit
- Refinanced loans that include non-qualifying degree related debt. (i.e. if you refinanced your student loans with a private lender and rolled credit card debt into the same loan, then we cannot approve that particular loan)

How do I know if my loans are on an Income Driven Repayment Plan?

- If you are unsure if one or more of your loans are on an Income Driven Repayment Plan, you need to contact your loan servicer and make sure you report this information accurately on your application.

What is the difference between forbearance and deferment?

- Forbearance and deferment both allow you to temporarily suspend or reduce your federal student loan payments. The main difference is that if you are in deferment, no interest will accrue on your overall loan balance. If you are in forbearance, interest does accrue on your overall loan balance.

Can I apply if I have one or more loans in default?

- If you have a loan rehabilitation plan between you and your lender, you may still qualify for this program. You would need to submit a copy of your rehabilitation plan with your application.

Do I have to count household income or income from other jobs to the \$60,000 annual salary limit?

- No, the \$60,000 or below salary requirement only applies to your income from working in privately operated CDD regulated child care programs. You do not need to report income from your spouse or other household income, or income from another job you may have outside the field of child care.

What if I work in multiple regulated child care programs? Do all 30 hours per week, or all 48 weeks per year need to be in one program?

- You can work in multiple settings as long as they are privately operated CDD regulated programs. The minimum of 30 hours per week can be split between multiple programs, i.e. 15 hours in one and 15 or more hours in another. You will be able to enter multiple employers in your application.

How do I figure the average of 30 hours per week? What if my schedule changes each week?

- It is ok if your hours change a bit each week as long as you work an average of at least 30 hours per week. If you are unsure, total your hours worked for the last 4 weeks and divide your total hours by 4 to get your weekly average hours.

What happens if I stop working in a CDD-regulated program?

- If you stop working in a CDD regulated program for more than 4 weeks of the year, or that program closes permanently, you need to notify VTAEYC. Your Student Loan Repayment Assistance Award payments will stop.

What happens if I change employers, but remain employed in a privately operated CDD regulated program?

- If you change your job, but remain working in a CDD-regulated program, you need to notify VTAEYC, but there will not be a change to your award amount. Payments will continue as scheduled. It is important that you update us to ensure our records are accurate.

What happens if I fail to turn in my Quarterly Report?

- If you miss a deadline for a Quarterly Report, please turn it in as soon as possible. You will be contacted via email. If you miss the deadline, your payment may be delayed. If you fail to return 2 Quarterly Reports within the annual award period, you will receive a notification of removal from the Student Loan Repayment Assistance Program. After being removed, you can reapply, but would have to start as a new applicant.

What is the deadline for applications?

- Applications submitted by the 1st of each month will receive a decision by the first of the next month. You may submit an application at any time, but in order to get the maximum award possible applicants should try to complete applications in October or November

Do I have to be a Vermont resident?

- No, you do not have to be a Vermont resident but you must be working in a regulated Vermont program. Any participants that are out-of-state residents need to check with their own tax advisor on any possible tax implications of the Loan Repayment Program funding. VTAEYC does not provide tax advice on tax obligations for any program participants.

How is my award determined?

- Your award payment is determined based on overall debt. A minimum of 80% of your award funds must be paid to your loan service provider to help reduce your loan debt and to qualify for future awards.

How is my payment distributed?

- Payments are distributed on a quarterly schedule. Your award letter(s) will detail your payment schedule. Payments will be distributed electronically via direct deposit.

Are there tax implications for participation in the Student Loan Repayment Assistance Program?

- VTAEYC does not provide legal advice on possible tax obligations resulting from participation in the Student Loan Repayment Assistance Program for Early Childhood Educators. Recipients of awards are responsible for, and should consult with their tax advisors for advice on any tax obligations resulting from awards.

Can I apply for funds next year, after I participate in this program year?

- Yes, as long as you can demonstrate that you applied at least 80% of the Student Loan Repayment Assistance Program funds from the previous year, to your student loan debt.