Introduction
The UC Hastings Traditional PICAP program provides loan repayment assistance to UCH alums who graduated in 2011 or earlier and who are employed with either a 501 (c ) (3) non-profit organization, a government agency or an international non-profit organization.

Both the Traditional PICAP and the IBR/PSLF PICAP assist UC Hastings JD graduates with loan repayment. These guidelines refer to the Traditional PICAP program.

Program parameter changes implemented in 2014-15.
- Payment percentage grid (FAQ10) (Effective July 2014)
- 10 year maximum participation (Effective January 2015)
- $5,000 maximum annual award (Effective January 2015)
- $50,000 maximum aggregate limit (Effective January 2015)

Eligibility
- Employment must be full-time;
- Employment must be law related
- Employment must be directly for a local, state, or federal government agency, a public non-profit agency eligible for tax exemption under IRS Code Section 501(c)(3); or international non-profit, non-governmental positions serving in the public interest
- Applicant's income must be less than the maximum level authorized by the program each year; (refer to question #7 regarding income treatment for married and domestic partnerships)
- Applicant must have current qualifying outstanding loans in repayment status and not be in default on any loan.

Application Procedure
Applications for July – December 2014 will be accepted from July 1 through August 31, 2014 and are available online at http://www.uchastings.edu/financial-aid/picap.htm

Required Documents
- Proof of loan payments made from January – June 2014 so the loan can be cancelled. A loan payment history can be downloaded from most lender web sites.
- Participation Form
- Employer Certification
- 2013 Federal tax forms and income statements (W-2, 1099) (due after filing with IRS in April 2014)

Deadlines
Annual Application: August 31
Mid-Year Deadline: February 28

Only applications that are complete by August 31 and February 28 are considered for funding
Applications received or completed after the August 31 and February 28 deadlines will receive consideration only if funds remain available.

Participants must confirm continued eligibility for the second half of the year no later than February 28 by submitting the required 6 month loan payment history in order to have the July – December loan forgiven and to initiate the January through June PICAP Loan.

Calendar:
July – August Applications accepted
July – September Awards determined and funded
January – February Fall loans forgiven and mid-year renewal applications accepted
January - March Awards determined and funded
PICAP is awarded to complete and eligible applications on a first come, first served basis until either all funds are committed or the application deadline, whichever occurs first. Because PICAP funds are limited, awards are not guaranteed.

Frequently Asked Questions

FAQ 1 If I am ineligible now, but become eligible later may I apply?
Participants are accepted into the program within two years of graduation. The Traditional PICAP is no longer accepting applications from new applicants.

FAQ 2 May I receive PICAP benefits before I pass the Bar?
You do not have to pass the Bar to be admitted to PICAP and receive benefits.

Employment

FAQ 3 If I work part-time, can part of my debt qualify for PICAP?
No, you must be employed full-time to qualify for any assistance.

FAQ 4 What qualifies as law related employment?
This requirement encompasses a wide variety of legal work and is not limited to the practice of law in its strictest sense. The Financial Aid Office in consultation with the Academic Dean’s Office and/or public interest faculty will make all determinations.

FAQ 5 Do I qualify if the organization I work for is partly funded by the government?
No, your employment must actually be with a government agency (i.e. Public Defender’s Office, District Attorney’s Office, Judge Advocate General’s Office, etc.). Working for a private office that is 80% funded by government sources will not qualify unless it is a 501(c) (3) organization.

FAQ 6 Am I eligible for PICAP if I am currently holding a judicial clerkship?
No, judicial clerkships do not qualify for PICAP. However, if you enter qualifying employment after finishing a judicial clerkship, then your tenure as a clerk will be credited as qualifying employment for the purpose of determining what percentage of your qualifying loans will be covered by the program.

Income

The maximum total income one can make in 2014 and qualify for PICAP is $69,999.

FAQ 7 How is my income determined?
The Financial Aid Office shall establish the maximum allowable assets and income. Income is defined as the higher of the total income (line 22 of 1040) under federal income tax laws or the sum of wages, tips, other compensation (Box 1,W-2/1099(s)) of the applicant. Applicants with a spouse or domestic partner will be treated as having the higher of:
   a) the applicant’s individual income; or
   b) half of the couple’s joint income.

Eligible Loans

FAQ 8 What types of loans are eligible under the program?
Federal Stafford, Federal Perkins, and Hastings College loan programs certified for study at UC Hastings will be considered. No assistance will be provided in the repayment of a graduate’s undergraduate loans, Alternative loans, Grad PLUS Loans, Bar Study Loans, family, or personal loans. If loans have been consolidated PICAP will pay toward the portion that relates to study at Hastings.

FAQ 9 May I receive PICAP if my loans are in forbearance or deferment?
No, loans must be in repayment status and in good standing to receive PICAP funding.
Calculation of Program Assistance

FAQ10  If I receive a PICAP award how much of my debt will be funded?

Your loan servicer determines your monthly educational loan payment on an amortization schedule that is based on the number of years in your repayment schedule (10 – 30 years) and the applicable interest rate. PICAP bases its payment on your expected monthly loan payment as determined by the loan repayment schedule you have in place with your loan servicer on January 1.

A PICAP forgivable loan equivalent to a percentage of your expected loan payments will be made twice a year on a sliding scale. The percentage will be based on your expected annual income and the length of qualifying public interest employment you have completed by January 1.

Payment Percentage Grid

The following chart demonstrates the maximum percentage paid. Depending on available funds each year, recipients may receive less than the maximum amount. Refer to FAQ6 for income treatment for married and domestic partnerships.

<table>
<thead>
<tr>
<th>Years Employed in Public Interest</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 or Less</td>
<td>$50,001-60,000</td>
</tr>
<tr>
<td>1-2</td>
<td>70%</td>
</tr>
<tr>
<td>3-4</td>
<td>74%</td>
</tr>
<tr>
<td>5-10</td>
<td>80%</td>
</tr>
</tbody>
</table>

FAQ11  If I pay more on my loan than the expected standard monthly payment will PICAP pay more?

No. The PICAP benefit is based on your scheduled, regular payment amount.

Disbursement of Funds

FAQ12  When do I get my PICAP loan disbursement?

PICAP loans and loan disbursements are issued twice a year after completion of the required documents establishing eligibility. Checks are sent directly to the participants or deposited directly into a bank account. Direct deposit paperwork can be found at [http://uchastings.edu/fiscal/direct-deposit.html](http://uchastings.edu/fiscal/direct-deposit.html).

FAQ13  Are my loan disbursements from PICAP taxed?

Hastings does not take a position on whether or not PICAP benefits in the form of a forgivable loan are tax exempt from federal taxation pursuant to IRS Code 108(f). Other loan repayment assistance programs (LRAPs) have taken that position. You should consult your tax advisor to determine PICAP taxability in your particular case.

Forgiveness (cancellation) of PICAP forgivable loan

PICAP forgivable loans are issued twice a year (January and July). At the end of each six-month period (June and December) the PICAP Loans are forgiven (cancelled) after the participant confirms that s/he maintained eligibility and made all of the required educational loan payments.

Participants MUST submit confirmation of loan payments within 60 days of the end of the loan period in order to have their loan forgiven. Otherwise, the PICAP Loan either becomes immediately due or goes into repayment according to the terms of the promissory note. If the loan goes into repayment the interest rate will be an annual fixed rate of 5% and the repayment period will be five years or earlier as required pursuant to the minimum monthly payment.
Changes in Eligibility
FAQ14 What happens if I become ineligible for the program after having received a loan disbursement?
As a PICAP recipient, you agree to notify the Financial Aid Office within 30 days of becoming ineligible so that the PICAP award can be adjusted in a timely manner. Traditional PICAP participants MUST notify Financial Aid if they find their total annual income will exceed the defined maximum. As long as you notify Financial Aid within 30 days you preserve the option to keep a prorated amount for which you may be eligible. You may then choose to either repay the balance of the loan immediately or go into repayment for the balance according to the terms of the promissory note.

If you fail to notify Financial Aid within 30 days of becoming ineligible you forfeit your repayment options and the entire amount of your loan becomes due immediately.

FAQ15 What happens if my eligibility changes and I am not eligible for the full amount of the disbursement I received, but I remain eligible for the program and am eligible for a lesser amount?
Sometimes a person’s circumstances change and s/he becomes ineligible for part of the most recent disbursement he received, but continues to maintain eligibility for the PICAP program. In such a case, an appropriate adjustment will be made to the subsequent PICAP amount.

Leaves of Absence
A participant may take up to two years of leave for purposes of child care, nurturing responsibilities, relocation, further education, debilitating injury or illness, etc. During this period the participant is not eligible for assistance. Upon recommencement of qualifying work, the graduate again becomes eligible for assistance.

Length of Program Participation
One may receive benefits for a maximum of 10 years.

PICAP Process Flow
Annual Application
- Applicant submits PICAP application documents to Financial Aid Office (FAO).
- FAO reviews documents and determines PICAP eligibility.
- FAO sends e-mail message regarding eligibility to applicant detailing the amount of the approved PICAP benefit and the link to the PICAP Promissory Note (P-Note).
- Applicant prints and completes page one Schedule of Advances and all information on page four of the P-Note. Applicant then submits ALL FOUR PAGES to FAO. P-Notes may be faxed or scanned and emailed, but the copy must have a handwritten (not typed) signature.
- FAO generates a Check Request for PICAP loan disbursement and sends it along with the complete P-Note to UCH Office of Fiscal Services.
- Fiscal Services processes the Check Request and mails the PICAP Loan disbursement to the applicant or the disbursement can be directly deposited into a bank account by completing the paperwork found here: http://uchastings.edu/fiscal/direct-deposit.html

Midyear
- PICAP recipient re-establishes eligibility no later than February 28 by resubmitting the application documents along with proof of loan payments made within prior six month period.
- FAO reviews submitted materials and determines whether or not the outstanding loan is eligible for forgiveness and the amount of the next loan disbursement.
- FAO sends e-mail message regarding eligibility to applicant detailing the amount of the approved PICAP benefit and the link to the PICAP Promissory Note (P-Note).
- Applicant prints and completes page one Schedule of Advances and all information on page four of the P-Note. Applicant then submits ALL FOUR PAGES to FAO. P-Notes may be faxed or scanned and emailed, but the copy must have a handwritten signature.
- FAO generates a Check Request for second PICAP loan disbursement and sends it along with the signed P-Note to UCH Office of Fiscal Services.
- Fiscal Services forgives the outstanding loan and issues the second loan disbursement.
Limited Funds
Because PICAP funds are limited, awards are not guaranteed. Awards are made based on an annual budget approved by the UC Hastings Board of Directors and on the earnings of endowment funds restricted to the PICAP program. They are issued on a first come, first served basis until either the published deadline or all funds are committed.

In no case is program assistance available to graduates who have no outstanding law school loans.

Right to Modify
Hastings College of the Law reserves the right to change the terms of the PICAP program at any time.

More Questions?
Contacts: UC Hastings Financial Aid Office at (415) 565-4624
Linda Bisesi, Assistant Dean, Financial Aid bisesil@uchastings.edu
Suzanne Bartels, Financial Aid Specialist bartelss@uchastings.edu
University of California
HASTINGS COLLEGE OF THE LAW

July - December 2014 TRADITIONAL PUBLIC INTEREST CAREER ASSISTANCE PROGRAM (PICAP)
APPLICATION (Participation Form)

To receive funding consideration all required documents must be received by August 31, 2014. Funds are limited and issued on a first-come, first-served basis until committed or August 31. Applications complete after August 31 will receive consideration only if funds are available.

I. PERSONAL DATA (Print Clearly)
Name: __________________________ SSN: __________________________ Date of Birth ____________
Address: _________________________ City __________________________ State ______ Zip_________
Home Telephone: ______________ Work Telephone: ________________________________
Status (check one): Single ______ Married ______ Domestic Partnership ______
E-mail Address: ___________________ _________________________________
Applicant’s expected 2014 total gross income from all sources (equivalent to your share of Fed Tax Form line 22):
_________________________
Date of Hastings Graduation: __________________

II. EMPLOYMENT INFORMATION
Current Employer: __________________________________________________________
Employer’s Address: __________________________________________________________
Phone Number: ______________ Starting Date: __________ Ending Date _____________
Full-time: ______________ Part-time: __________ Job Title: __________________________

III. PREVIOUS FULL-TIME PUBLIC INTEREST EMPLOYMENT
Current Employer: __________________________________________________________
Employer’s Address: __________________________________________________________
Phone Number: ______________ Starting Date: __________ Ending Date _____________
Full-time: ______________ Part-time: __________
Annual Salary: ______________ Job Title: __________________________

IV. SPOUSE/DOMESTIC PARTNER EMPLOYMENT INFORMATION
Current Employer: __________________________________________________________
Employer’s Address: __________________________________________________________
Phone Number: ______________ Starting Date: __________ Ending Date _____________
Full-time: ______________ Part-time: __________ Job Title: __________________________
Spouse/Domestic Partner’s expected 2014 total gross income from all sources (equivalent to spouse’s/partner’s share of Fed Tax Form line 22): _______________
V. QUALIFYING LOANS
In determining your educational loan repayment obligations, only loans certified for study at Hastings will be considered. Loan programs eligible for assistance are Federal Subsidized and Unsubsidized Stafford Loans, Federal Perkins Loans, and Hastings College Loans. Undergraduate loans, alternative loans, Bar Study Loans, family, personal loans, or loans for other than educational purposes are not included.

If you consolidated your Hastings loans with loans taken for study at schools other than Hastings, we need to determine the portion of the Federal Consolidation Loan that is Hastings debt. Therefore, in the Consolidation Loan area below, break out the amount of Stafford or Perkins Loan borrowed at Hastings that is now included in the Consolidation Loan.

Please complete the following table. INCLUDE ONLY LOANS TAKEN FOR STUDY AT HASTINGS.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Lender</th>
<th>Outstanding Balance</th>
<th>Monthly Payment</th>
<th>Date Payments Begin</th>
<th>Length of Repayment (10 - 30 Yrs)</th>
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<tbody>
<tr>
<td>Perkins</td>
<td>Hastings College</td>
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<tr>
<td>Subsidized Stafford</td>
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<tr>
<td>Unsubsidized Stafford</td>
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<tr>
<td>Hastings College Loan</td>
<td>Hastings College</td>
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<tr>
<td>James O’Neill Loan</td>
<td>Hastings College</td>
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<tr>
<td>Federal Consolidation Loan</td>
<td>SubStafford at Hastings</td>
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<td></td>
<td>UnsubStafford at Hastings</td>
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<td>Perkins at Hastings</td>
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VI. AGREEMENT
I declare under the penalty of perjury, all information on this application is true and complete to the best of my (our) knowledge.

I agree to report to the Financial Aid Office within 30 days, any change that causes me to become ineligible for a current loan disbursement. If I notify Financial Aid within 30 days of becoming ineligible I understand that I preserve the option to keep a pro-rated amount for which I may be eligible. I may then choose either to repay the unearned portion of the loan immediately or go into repayment according to the terms of the promissory note.

Furthermore, I understand that failure to report within 30 days a change that causes me to become ineligible will result in the loan becoming immediately due.

I understand that as a continuing PICAP loan recipient, if I fail to submit loan payment confirmation so that my PICAP loan can be forgiven (cancelled) by the August 31 and February 28 deadlines or fail to notify the Financial Aid Office of my intent NOT to re-apply, by those same dates, my PICAP loan will become immediately due and payable.

I authorize the Fiscal Services Office to release my Perkins, O’Neill, or Hastings Loan repayment history for the purpose of calculating my PICAP assistance.

______________________________________________  __________________________
Applicant's Signature                          Date

__________________________________________________  __________________________
Spouse/Domestic Partner Signature              Date
PART A: TO BE COMPLETED BY THE APPLICANT.

INSTRUCTIONS: Please complete Part A and forward this form to your current and, if applicable, former employer(s).

Name: ____________________________________________________________
Social Security Number: _____________________________________________

I authorize my employer, _____________________________________________, to provide the information requested in Part B to Hastings College of the Law.

Applicant’s Signature _____________________________________________ Date __________________________

PART B: TO BE COMPLETED BY THE APPLICANT’S EMPLOYER.

INSTRUCTIONS: The above named individual has applied to the loan repayment assistance program at Hastings College of the Law. The application process requires employer certification of the applicant's employment status. Please complete the following information and return it to our office. If you have any questions, please contact the Hastings College Financial Aid Office at (415) 565-4624 or by email at financialaid@uchastings.edu.

The above named individual is a _______________ current ______________ former employee.

Date employment began/will begin: ________________________________

Date employment ended (if applicable): ______________________________

Employment Status: Full-time: Yes  No  Part-time: Yes  No

Leave of Absence: Yes  No (If yes, give dates) ______________________________

Estimated Gross annual salary (January 1, 2014 - December 31, 2014) ______________________________

Is a JD degree required for this individual’s position? Yes  No

Employing agency is a:

☐ local, state or federal government agency

☐ private, non-profit agency qualifying for tax exemption under IRS Sections Code 501(c)(3)

☐ foreign non-profit, NGO, field of international justice (attach description)

Print Name and Title _____________________________________________ ______________________________

Signature ___________________________ Date ____________________________

Telephone ___________________________ Email ____________________________