

NURSING SCHOLARSHIP PROGRAM CONTRACT  
FOR FULL-TIME STUDENT  
SCHOOL YEAR 2012 - 2013

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
HEALTH RESOURCES AND SERVICES ADMINISTRATION  
BUREAU OF CLINICIAN RECRUITMENT AND SERVICE

Section 846(d) of the Public Health Service Act ("Act"), as amended by Public Law 107- 205 on August 1, 2002, authorizes the Secretary of Health and Human Services ("Secretary") to provide applicants selected to be participants in the Nursing Scholarship Program ("Scholarship Program") with scholarship awards. In return for the awards, applicants must agree to serve for a period of not less than 2 years as nurses in a health care facility with a critical shortage of nurses.

Pursuant to section 846(d)(4) of the Act, applicants are required to submit with their application a signed contract stating the terms and conditions of participation in the Scholarship Program. The Secretary shall sign only those contracts submitted by applicants who are selected for participation.

The terms and conditions of participating in the Scholarship Program for the 2012 - 2013 school year are set forth below.

### Section A - Obligations of the Secretary

Subject to the availability of funds appropriated by the Congress of the United States for the Nursing Scholarship Program, the Secretary agrees to:

1. Provide the undersigned applicant ("applicant") with a scholarship award for the school year 2012 - 2013 during which the applicant:
  - a. is enrolled, or is accepted for enrollment, as a full-time student in an accredited (as determined by the Secretary) school of nursing in one of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, the U.S. Virgin Islands, the Territory of Guam, the Territory of American Samoa, the Republic of Palau, the Republic of the Marshall Islands or the Federated States of Micronesia; and
  - b. is pursuing a course of study in a collegiate, associate degree, or diploma school of nursing.

The scholarship award may consist of payments, in whole or in part, for tuition, an amount for all other reasonable educational expenses incurred by the student, and a monthly stipend for the 12-month period beginning with the first month of each school year in which the applicant is a participant in the Scholarship Program. The disbursement of these scholarship payments may be delayed by the Secretary pending receipt of verification, satisfactory to the Secretary, of the applicant's continued eligibility for scholarship support. Scholarship support will not extend beyond 4 school years or the applicant's completion of the required classes for graduation, whichever is less.

2. Annually determine the neediest health care facilities with a critical shortage of nurses.

### Section B - Obligations of the Applicant

The applicant agrees to:

1. Accept the scholarship award provided by the Secretary under Section A.1. of this contract for the school year 2012 - 2013.
2. Maintain enrollment as a full-time student until completion of the course of study for which the scholarship award is provided.
3. Notify the Scholarship Program promptly in writing as soon as one of the following events is anticipated: repeat course work; a delay in the applicant's graduation date (e.g., due to a leave of absence approved by the school); a change from full-time student status to a less than full-time student status; withdrawal from courses; a change in school or program; and a withdrawal or dismissal from school.
4. Maintain an acceptable level of academic standing while enrolled in the course of study for which the scholarship award is provided.
5. Serve one year of full-time obligated service for each school year a scholarship award is provided, with a minimum obligation of 2 years of full-time clinical service.
6. Serve his or her period of obligated service in a healthcare facility with a critical shortage of nurses identified by the Secretary

pursuant to Section A.2. of this contract. The service obligation may be fulfilled on a full-time or part-time basis. Full-time service is defined as a minimum of 32 hours per week. Part-time service is defined as a minimum of 16 hours per week up to a maximum of 31 hours per week. Part-time service is subject to approval by the Secretary. The applicant must accept an offer of employment from such healthcare facility within 6 months of the applicant's date of graduation.

7. If approved by the Secretary to provide part-time service, extend the period of the obligated service set forth in paragraph 5 of this Section so that the aggregate amount of service performed will equal the amount of service that would be performed through a period of full-time service.
8. Commence obligated service in accordance with paragraph 6 above, within 3 months of the date of the applicant's acceptance of an offer of employment from such health care facility or within 9 months of the applicant's date of graduation from nursing school, whichever occurs first.
9. Undertake service in accord with policies and procedures in effect at the time the service obligation is required to begin.
10. Permit the U.S. Department of Health and Human Services to collect any debt owed by the applicant, as a result of an overpayment of scholarship award payments, through the administrative offset of subsequent scholarship award payments to the applicant under this Contract, an Optional Contract or an Extension Contract, until the debt is paid in full. An overpayment of scholarship award payments occurs when scholarship award payments are made:
  - a. for repeat course work;
  - b. during any period when the applicant is on an approved leave of absence from the school;
  - c. during any period when the applicant is enrolled as a less than full-time student; or
  - d. due to administrative error.
11. Comply with Title 2, Code of Federal Regulations, Part 180, Subpart C (2006), as supplemented by Subpart C of Title 2, Code of Federal Regulations, Part 376 (2007).

### Section C - Breach of Scholarship Contract

1. If the applicant:
  - a. fails to maintain an acceptable level of academic standing in the nursing program;
  - b. is dismissed from the nursing program for disciplinary reasons;
  - c. voluntarily terminates the nursing program before the completion of such training; or
  - d. fails to provide health services in accordance with Section B of this contract,

then the applicant shall be liable to the United States to repay all funds paid to the applicant, or on the applicant's behalf, under this contract, and to pay interest on such amounts at the maximum legal prevailing rate from the date of the applicant's default.

2. The amount owed under paragraph 1 of this Section must be paid within 3 years of the date of the applicant's default.

### Section D - Cancellation, Suspension, and Waiver of Obligation

1. Any service or payment obligation incurred by the applicant under this contract will be canceled upon the applicant's death.
2. The Secretary may waive or suspend the applicant's service or payment obligation incurred under this contract if:
  - a. compliance by the applicant with the obligation is impossible; or
  - b. compliance would involve extreme hardship and enforcement of such obligation would be unconscionable.

(OVER)

**Section E - Contract Extension**

1. The applicant may annually request extension of this contract, if the request is submitted in accordance with procedures established by the Secretary.
2. Subject to the availability of funds appropriated by the Congress of the United States for the Scholarship Program, the Secretary may approve a request for contract extension if:
  - a. the request does not extend the total period of scholarship award beyond 4 school years;
  - b. the applicant is otherwise eligible for continued participation in the Scholarship Program;
  - c. the applicant has demonstrated past compliance with the requirements, policies and procedures for participating in the Scholarship Program; and
  - d. the applicant has complied with the procedures for requesting continued scholarship support.

**Section F - Contract Termination**

1. The Secretary may terminate this contract with the applicant if, not later than 30 days before the end of the school year to which the contract pertains (i.e., by June 1 of that school year), the applicant:
  - a. submits a written request for such termination; and
  - b. repays all amounts paid to, or on behalf of, the applicant under the contract for that school year.

---

**The Secretary or his/her authorized representative must sign this contract before it becomes effective**

---

|  |                     |      |
|--|---------------------|------|
| Applicant Name ( <i>Please Print</i> ) | Applicant Signature | Date |
| Secretary of Health and Human Services |                     | Date |

---

**OPTIONAL CONTRACTS**

---

This Nursing Scholarship Program Contract for the 2012 - 2013 school year ("2012 - 2013 Contract") is hereby amended by the Secretary of Health and Human Services and the applicant to provide the applicant with additional scholarship support for the 2013 - 2014 school year, under the same terms and conditions set forth in the 2012 - 2013 Contract except to the extent that the terms set forth in the 2012 - 2013 Contract may be subsequently amended by statute or regulation. Disbursements for the 2013 - 2014 school year will begin at the start of that school year.

|                                  |                     |                     |
|----------------------------------|---------------------|---------------------|
| <b>2013-2014<br/>SCHOOL YEAR</b> | Applicant Signature | Secretary Signature |
|----------------------------------|---------------------|---------------------|

This Nursing Scholarship Program Contract for the 2012-2013 school year ("2012-2013 Contract") is hereby amended by the Secretary of Health and Human Services and the applicant to provide the applicant with additional scholarship support for the 2014-2015 school year, under the same terms and conditions set forth in the 2012-2013 Contract except to the extent that the terms set forth in the 2012-2013 Contract may be subsequently amended by statute or regulation. Disbursements for the 2014-2015 school year will begin at the start of that school year.

|                                  |                     |                     |
|----------------------------------|---------------------|---------------------|
| <b>2014-2015<br/>SCHOOL YEAR</b> | Applicant Signature | Secretary Signature |
|----------------------------------|---------------------|---------------------|

This Nursing Scholarship Program Contract for the 2012-2013 school year ("2012-2013 Contract") is hereby amended by the Secretary of Health and Human Services and the applicant to provide the applicant with additional scholarship support for the 2015-2016 school year, under the same terms and conditions set forth in the 2012-2013 Contract except to the extent that the terms set forth in the 2012-2013 Contract may be subsequently amended by statute or regulation. Disbursements for the 2015-2016 school year will begin at the start of that school year.

|                                  |                     |                     |
|----------------------------------|---------------------|---------------------|
| <b>2015-2016<br/>SCHOOL YEAR</b> | Applicant Signature | Secretary Signature |
|----------------------------------|---------------------|---------------------|