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UNITED STATES ATTORNEYS' PROCEDURES

USAP 3-4.537.001

Student Loan Repayment

Effective Date: September 15, 2008

Certified Current : September 15, 2008

Next Review/Rescind: September 15,
2009

Last Updated: September 23, 2008

1. PURPOSE

This procedure constitutes the Executive Office for United States Attorneys' plan for making student loan repayments as an incentive to recruit or retain highly qualified personnel.

2. SCOPE

The Executive Office for United States Attorneys (EOUSA) and all United States Attorneys' offices.

3. REFERENCES

- Title 5, United States Code, 5379
- Title 5, Code of Federal Regulations Part 537
- Department of Justice Human Resource Order 1200.1, Chapter 2-12

4. BACKGROUND

The Department of Justice established a procedure for the payment of student loans effective June 17, 2005. This USAP provides guidance to districts and to EOUSA on requesting student loan repayment as a management tool to recruit and retain highly qualified attorney and support staff.

5. DEFINITIONS

Rating of Record: The annual performance rating prepared at the end of an appraisal period for the performance of officially assigned duties over the entire period and the assignment of a summary rating level.

Service Agreement: Specifies the length of time an employee accepting a student loan repayment is obligated to remain in service. A sample service agreement is provided in Attachment 4.

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Student Loan: For repayment purposes, student loans means:

- A loan made, insured, or guaranteed under parts B, D or E of title IV of the Higher Education Act of 1965; or
- A health education assistance loan made or insured under part A of title VII of the Public Health Service Act, or under part E of title VIII of that Act; or
- As otherwise defined by 5 CFR 537.102

6. PROCEDURES

A. Eligibility

(1) Student loan repayments may be paid to highly-qualified applicants or employees (including part-time employees), not appointed under Schedule C, in the following categories, who are non-schedule C, and who the District seeks to recruit or retain:

- (a) Permanent employees;
- (b) Term employees with at least 36 months left on their appointments;
- (c) Temporary employees who are serving on appointments leading to conversion to term or permanent appointments; and
- (d) Employees serving on excepted appointments leading to conversion to term, career, or career conditional appointments.

(2) Repayments are limited to the indebtedness outstanding at the time the employee enters into the service agreement.

(3) Repayments may be made only on student loans that are not currently in default.

B. Relationship to Other Incentives. An employee may receive a student loan repayment in addition to other incentives when necessary to recruit or retain the employee in the federal service. Student loan repayments should be approved at the minimum level necessary to ensure recruitment or retention

C. Recommendations and Approvals

(1) United States Attorneys and EOUSA Assistant Directors, Deputy Directors, or equivalent, may recommend student loan repayments as a recruitment or retention incentive. If the student loan repayment is a recruitment incentive, it must be approved before the employee reports for duty in the new position.

(2) The Director, EOUSA, approves student loan repayments, and may delegate this authority to the EOUSA Assistant Director, Personnel Staff, or other officials as necessary.

(3) Recommending officials must certify the availability of funds to pay for the incentive, which may be paid from specialized funds, e.g., Health Care Fraud or

Affirmative Civil Enforcement, as appropriate for the position.

(4) Complete recommendations for student loan repayments should be forwarded to the Assistant Director, EOUSA Personnel Staff, through the district's servicing EOUSA Human Resources Specialist, at least 30 days prior to the requested effective date

(a) New Hires. Requests for student loan repayments may be consolidated with other incentives, including a recruitment incentive, service credit for annual leave, and an above the minimum rate of pay, provided the documentation requirements for each incentive are met. A checklist is provided at Attachment 1. Requests must include the following:

(i) Explanation of the difficulty that would be faced, in the absence of student loan repayment, in filling the position with a highly-qualified employee. Such factors include the availability of comparable candidates in the labor market able to perform the duties of the position being filled with minimal training and disruption to mission accomplishment, and the success of recent efforts to fill similar positions, or recruit candidates with skills similar to those possessed by the candidate.

(ii) Criteria used to determine the amount and timing of repayment, and the terms of the service agreement.

(iii) Description of any other recruitment incentives considered or offered.

(iv) Requests must include the resume/application of the candidate; position description (if applicable), vacancy announcement, including a comparison of the skills of other candidates for the position, documentation of student loan balances (see attachment 3); and SF-52, Request for Personnel Action.

(b) Current Employees. Requests to approve a student loan to retain a current employee in federal service may be submitted at any time. The employee must have a current rating of record of "successful" or "outstanding" to be eligible. Requests for student loan repayments for retention purposes may be submitted along with a request for a request for a retention incentive, provided the documentation requirements for both incentives are met. A checklist is provided at Attachment 2. Requests must include the following:

(i) A description of the employee's high or unique qualifications or the special need for the employee's service, including the extent to which the employee's departure would affect the organization's ability to carry out an activity or perform an essential function.

(ii) Any current service agreements the employee is serving on due to receipt of a relocation, recruitment or retention incentive, including the

amount of the incentive and the length of the service agreement. The request must include the justification for the student loan repayment in addition to the other incentives received.

(iii) Whether any other retention incentives were considered or offered.

(iv) Requests must include a current performance rating of record, complete with narrative; position description (if applicable); documentation of student loan balances (see Attachment 3); documentation of any previous student loan repayments made by the employee; and the SF-52, Request for Personnel Action.

(3) The approving official will notify the recommending official of the decision and return the SF-52 documenting the approval. The recommending official must provide the employee receiving the incentive with an SF-50, Notification of Personnel Action, documenting the action. The SF-50 should be filed in the Employee's Performance File.

D. Service Agreement

A service agreement, signed by the employee and a management official, is necessary before making a student loan repayment. The service requirement is to remain working for the component, i.e., any United States Attorney's Office and the EOUSA. The original signed service agreement will be retained on the left hand side of the employee's Official Personnel Folder, and a copy will be forwarded to the EOUSA Personnel Staff. A model service agreement is provided at Attachment 4. For an incentive up to \$30,000, the service agreement period is three years. The service agreement may cover one additional year for each whole increment of \$10,000 over \$30,000. A student loan repayment service agreement will run concurrently with a service agreement required for any other purpose, e.g., for a recruitment or retention incentive. Repayment is required for the full amount (gross payment) of all student loan repayments made if the employee fails to complete the service agreement period because:

(1) the employee is separated involuntarily on account of misconduct or performance including failure to successfully complete a probationary or trial period; or

(2) the employee leaves the agency voluntarily.

Repayment is *not* required if the employee is:

(1) involuntarily separated for reasons other than misconduct or performance; or
(2) the employee accepts a position in another component of the Department of Justice.

See DOJ Order 1200.1, Chapter 2-3, Student Loan Repayment, for repayment procedures and USAP 3-4.550.003, Administrative and Salary Offsets for procedures to collect employee debts to the government.

Service Agreement Examples	
Employee signs a three year service agreement effective October 1, 2008, and:	
Conditions:	Result:
1) Receives a \$6,000 repayment on October 12, 2008, and 2) Accepts position with the private sector on March 15, 2009.	Employee is indebted to the Department of Justice for the full (gross) amount of the Student Loan repayment (\$6,000).
1) Receives a \$6,000 repayment on October 12, 2008, and 2) Accepts position with the FBI on March 15, 2009.	Employee is not indebted to the Department of Justice because the FBI is a DOJ component.

E. Payments

- (1) The maximum student loan repayment authorized by statute is \$10,000 per calendar year, and \$60,000 per employee. Student loan repayments made for recruitment and retention purposes are fully funded by the district making the request.
- (2) Payments may be applied only to the indebtedness outstanding at the time the agency and the employee enter into an agreement, and may not begin before the employee enters on duty with the agency.
- (3) Payments may be made in a lump sum as long as it does not exceed the \$10,000 per calendar year limitation on student loan repayments imposed by statute.
- (4) The service agreement will document when the student loan repayments will be made.
- (5) Student loan repayments are taxable; they are not subject to the limitation on aggregate pay.

F. Processing. Student loan repayments are made directly to eligible loan holders, and not to employees. Student loan repayments must be processed in EPIC and SPPS. Processing instructions for SPPS are provided in attachment 5.

G. Annual Review. The Justice Management Division (JMD) requires annual reports of student loan repayments. The Personnel Staff, EOUSA, will submit reports to JMD when requested.

POC:
EOUSA Personnel
Staff
Operations

Division
202.616.6800

Attachments :

1. Request for Student Loan Repayment (New Hire)
2. Request for Student Loan Repayment (Current Employee)
3. Student Loan Information
4. Sample Student Loan Repayment Service Agreement
5. NFC Processing Procedures for Student Loan Repayment (SPPS)
6. EOUSA Processing Instructions for Student Loan Repayment

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