

Reclamation Manual

Directives and Standards

Subject:	Student Loan Repayment Benefit (SLRB) Program
Purpose:	This Directive and Standard (D&S) provides Bureau of Reclamation requirements for determining payment of a SLRB for recruitment and retention purposes. The benefit of this D&S is to ensure judicious and consistent use of this authority.
Authority:	5 U.S.C. 2105; 5 U.S.C. 5379, Student Loan Repayments; 5 CFR 537, Repayment of Student Loans; and Department of the Interior Personnel Bulletin Nos. 02-4 (537) and 14-02.
Approving Official:	Director, Policy and Administration
Contact:	Human Resources Policy and Programs Division (HRPPD) (84-58000)

1. **Introduction.** The Federal SLRB Program authorizes agencies to repay Federally insured student loans as a recruitment incentive to attract highly qualified candidates or as a retention incentive to encourage current employees who are highly qualified to remain with the agency. The decision to offer student loan repayment is an individual compensation decision that is made on a case-by-case basis as determined by organizational need, specific case justification, and budgetary limitations. A SLRB is not an entitlement. The amount of the SLRB repayment must be the minimum required to recruit a candidate for employment or to retain a specific employee and may be no more than the maximum allowed per calendar year allowed by law.
2. **Applicability.** This D&S applies to all Reclamation managers, supervisors, hiring or selecting officials, and eligible employees.
3. **Definitions.**
 - A. **Public Service Loan Forgiveness (PSLF) Program.** The PSLF Program was established by Congress with the passage of the College Cost Reduction and Access Act of 2007, (Pub. L. 110-84; 121 Stat. 784). It allows eligible borrowers to have the remaining balance of their Federal Direct Loans forgiven after they have served full time at a public service organization for at least 10 years, while making 120 qualifying loan payments. For more information refer to the Department of Education PSLF information page at: <http://studentaid.ed.gov/repay-loans/forgiveness-cancellation/charts/public-service>.
 - B. **Student Loan.** A student loan is a loan issued to a student or his/her parents to help pay for tuition, books, and living expenses. To be eligible for a SLRB, the loan must be made, insured, or guaranteed under parts B, D, or E of Title IV of the Higher Education Act of 1965 or is a health education assistance loan made or insured under part A of Title VII or part E of Title VIII of the Public Health Service Act.

Reclamation Manual

Directives and Standards

C. **SLRB Service Agreement.** A written agreement between Reclamation and the employee that explains the terms, limitations, and conditions for receiving a SLRB, that must be signed and adhered to by the individual. (Please see the Reclamation Intranet Human Resources (HR) Web site for a SLRB Service Agreement Template).

4. Responsibilities.

A. **Director, Policy and Administration.** The Director, Policy and Administration is responsible for:

- (1) ensuring consistency and equity in offering a SLRB, taking into consideration the need to maintain a balanced workforce and manage budget constraints;
- (2) approving or denying requests to offer SLRBs for recruitment or retention purposes at limits and under conditions covered in this issuance for purposes that are estimated to exceed \$20,000 gross maximum; and
- (3) approving or denying requests to pay all final SLRB for recruitment or retention purposes that exceed, up to the legal annual limit, the dollar amount (gross) the employee is required to pay annually.

B. **Regional Directors, Directors, Deputy Commissioners, Senior Advisors, and the Science Advisor.** Regional directors; directors; deputy commissioners; senior advisor for hydropower; senior advisor for design, estimating, and construction oversight and dam safety; and science advisor are responsible for:

- (1) reviewing requests received through proper management channels to offer SLRB within their region, directorate, office, or the organizations over which they have official responsibility;
- (2) ensuring SLRB requests are justified and appropriate, taking into consideration the need to maintain a balanced workforce as well as attract and retain highly skilled qualified employees to Reclamation;
- (3) approving or denying the hiring managers' requests to include the SLRB as an option in vacancy announcements and the actual option to pay or not pay SLRBs that are estimated to be less than \$20,000 gross maximum for recruitment purposes when advertising vacancies; and
- (4) approving or denying final requests to pay a SLRB for recruitment and regular requests for retention purposes that do not exceed the scheduled dollar amount (gross and the legal annual limit), as long as the total annual payment is less than the amount the employee is required to pay annually.

Reclamation Manual

Directives and Standards

- C. **Manager, HRPPD.** The Manager, HRPPD is responsible for:
- (1) receiving and reviewing all SLRB request packets recommended for approval from senior advisors, science advisor, regional directors, directors, or deputy commissioners that exceed the scheduled dollar amount (gross) the employee is scheduled to pay annually;
 - (2) ensuring all applicable rules, regulations, and guidelines for receiving or awarding a SLRB are met; and
 - (3) forwarding request packets that are complete, meet the criteria as stated in 5 CFR 537.106(b), that are for more than the individual is slated to pay on an annual basis toward the SLRB, are initially estimated to be for more than \$20,000 (gross total) for recruitment purposes, and contain the servicing human resources officers (HROs) concurrence to the Director, Policy and Administration for review and approval/disapproval.
- D. **Managers, Supervisors, and Hiring or Selecting Officials.** Managers, supervisors, and hiring or selecting officials are responsible for:
- (1) ensuring equity and consistency, without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, in his/her decisions to offer an initial SLRB or to extend a current SLRB;
 - (2) verifying funding is currently available for the amount of SLRB recommended (budgetary constraints, as well as the ability to commit funds for payments in future years may have a negative impact on Reclamation's ability to offer or continue to pay a SLRB);
 - (3) recommending the total gross amount of the SLRB to be offered (or indicating a maximum payment amount to be considered if requesting use of a SLRB as a recruitment tool);
 - (4) finding out whether the individual being considered to receive the benefit has (or has not) received a SLRB in the past from another agency/bureau;
 - (5) considering the timing of the SLRB benefit payments as they relate to the employee's or applicant's possible qualification for the PSLF Program (more information is available at <http://studentaid.ed.gov/repay-loans/forgiveness-cancellation/charts/public-service>);
 - (6) the actual decision regarding the timing of the SLRB payments which may be annually, quarterly, or monthly;
 - (7) consulting and working with their servicing HR office to obtain guidance on the appropriate and legal use of the SLRB (the Reclamation Intranet HR Web site

Reclamation Manual

Directives and Standards

provides a checklist that contains a listing of all of the documentation and information that must be contained within the written request packet and submitted before a decision will be made);

- (8) preparing SLRB request packets that include all required supporting documentation (whether for preliminary or final approval);
- (9) submitting requests and receiving preliminary approval to potentially offer a SLRB for recruitment purposes before the vacancy announcement advertising the position is issued;
- (10) forwarding all request packets (preliminary and final) through proper management channels to program officials and/or managers, and to their servicing HR office for further review and processing;
- (11) working with their servicing HR office during the early steps of the hiring process to inform them that they have received preliminary approval to offer payment of a SLRB for recruitment purposes so that mention will be made of the possibility in the vacancy announcement that will be issued;
- (12) ensuring that their selection decisions are based on merit principles and not whether the selectee has indicated that they will or will not accept the position without being offered a SLRB;
- (13) following through to submit a final detailed request packet through program officials and/or managers, to their servicing HR office to provide the specifics of the SLRB they wish to offer to a tentatively selected candidate in the form of a recruitment incentive; and
- (14) in conjunction with their servicing HR office, monitoring SLRB Service Agreements for individuals who have been approved to receive a SLRB for which their organization is providing funding.

E. Servicing HROs. Servicing HROs are responsible for:

- (1) providing guidance to hiring or selecting officials and employees on the provisions of the SLRB Program;
- (2) reviewing each SLRB request packet (initial and final) for completeness, accuracy, and adherence to all requirements and either concurring or not concurring with the request;
- (3) returning those packets which he or she did not concur with to the relevant hiring or selecting official with an explanation that details the reasons for non-concurrence, including information regarding any areas that are incomplete, inaccurate, or do not adhere to all requirements;

Reclamation Manual

Directives and Standards

- (4) forwarding the SLRB packets which he or she concurs with to their senior advisor, science advisor, regional director, director, appropriate deputy commissioner (for Washington office employees), or the Director, Policy and Administration for decision;
- (5) receiving packets from senior advisors, science advisor, regional directors, directors, or deputy commissioners after review;
- (6) directing their staff to act upon the senior advisors', science advisor's, regional directors', directors' or deputy commissioners' decisions made regarding official approval/denial such as sending those requests that are not approved back to the initiating hiring or selecting official without action, or following through to process the approved requests; and
- (7) compiling and maintaining reports based on organization/regional records as detailed under 5 CFR 537.111 and as required for accountability reviews by the Office of Personnel Management, the Reclamation HR Accountability Officer, and the Department.

F. Servicing HR Office Staff. Servicing HR office staffs are responsible for:

- (1) following the directions of their HR officer in regard to activities to be accomplished that are related to officially approved and disapproved SLRB requests;
- (2) ensuring that, in publicizing vacancy announcements, specific statements are included to indicate the possibility of offering a SLRB as a recruitment incentive (when management has received advance initial approval to offer to same); and
- (3) adding specific questions to all vacancy announcements for which payment of a SLRB has been approved for recruitment purposes, that ask whether individuals, if selected and otherwise eligible, will accept the position without a SLRB.

G. Employees and/or Potential Employees. Employees and/or potential employees are responsible for:

- (1) providing official documentation obtained from the lending institution that holds the student loan for which a request has been issued for repayment, that certifies;
 - (a) the outstanding loan balance at the start of the SLRB Service Agreement;
 - (b) shows the loan was authorized by the Higher Education Act of 1965 or the Public Health Service Act;
 - (c) specifies the established payment schedule for each loan;

Reclamation Manual

Directives and Standards

- (d) shows first disbursement dates;
 - (e) account numbers;
 - (f) payment history; and
 - (g) shows the status of my payments (up to date, late, delinquent, etc.).
- (2) providing detailed information to their supervisor regarding any SLRB payments received in the past from any Federal government organization;
 - (3) signing and adhering to their specific SLRB Service Agreement (including extensions);
 - (4) continuing to make loan repayments on the portion of the loan that continues to be their responsibility;
 - (5) providing appropriate documentation to their supervisor at the beginning of each year before any subsequent scheduled payments are made to show their student loan is in good standing;
 - (6) earning a performance rating of at least “superior” (or Level 4) on their official performance appraisal in order to be initially considered for and awarded a SLRB benefit for retention;
 - (7) earning a performance rating of “fully successful” (Level 3) or higher on all subsequent yearly performance appraisals they receive after initially being awarded and paid a SLRB;
 - (8) seeking information regarding their options under the SLRB and PSLF Programs including payment options and the resulting income tax treatment of each option; and
 - (9) paying any income tax obligations resulting from receipt of the SLRB.
5. **Use of the Benefit.** Reclamation may offer a SLRB to eligible potential employees for recruitment purposes or eligible current employees for retention purposes. (Please see the Reclamation Intranet Human Resources (HR) Web site for a template to follow in submitting requests to use a SLRB for recruitment or retention purposes.)
- A. **Recruitment.** A SLRB may be offered to recruit potential employees from outside the Federal service, when tentatively selected candidates meet all of the criteria below:
- (1) the individual is highly qualified and eligible to be appointed to the position;
 - (2) the education the student loan funded is directly related to or required for the performance in the position the individual has been selected to fill;

Reclamation Manual

Directives and Standards

- (3) the individual has graduated from an accredited college or university with a least a Bachelor's degree;
- (4) the individual is not currently employed in the Federal service;
- (5) in the absence of the benefit, the candidate has indicated in advance whether he or she would not accept the position offered; and
- (6) adequate documented evidence exists to show that Reclamation has experienced difficulties in filling the position or very similar positions with a highly qualified candidate.

B. **Retention.** A SLRB may be offered to a current Reclamation employee when management has determined that the employee meets all of the criteria shown below:

- (1) the employee is eligible to receive the benefit;
- (2) it is essential to retain the employee because of their high or unique qualifications or a specific special need of Reclamation;
- (3) the employee's departure would affect Reclamation's ability to carry out an important mission-related activity;
- (4) the education the student loan funded is directly related to or required for performance in the employee's current position;
- (5) the employee graduated from an accredited college or university with at least a Bachelor's degree;
- (6) the employee has no performance or conduct actions pending or currently in force against them;
- (7) the employee's most recent performance appraisal rating of record using the Department's performance appraisal system established under 5 CFR 430, is at least "Superior;"
- (8) the employee has maintained the appropriate performance rating referenced in Paragraph 5.B.(7) above for at least 1 full year; and
- (9) the employee is likely to leave the Department for employment outside the Federal service in the absence of the SLRB.

C. **Payment.**

- (1) Annually, Reclamation will normally pay no more for a SLRB than the amount slated for payment for that year under the employee's established payment

Reclamation Manual

Directives and Standards

schedule with their lender. In addition, the SLRB payments made cannot exceed \$10,000 gross per year or a maximum of \$60,000 gross for the lifetime of any individual.

- (2) The gross amount of SLRB must be no greater than the outstanding balance of the student loan at the time the benefit is approved.
- (3) In addition to the limits referenced in 5.C.(1) and 5.C.(2), a SLRB for a part-time employee will be prorated in proportion to the percentage of full-time service they are officially scheduled to perform. This means that an employee scheduled to work 40 hours per pay period (1/2 the number of hours worked in a full-time schedule) cannot receive more than \$5,000 (1/2 of \$10,000) gross per year and no more than \$30,000 (1/2 of \$60,000) gross over their lifetime. For a 60 hour per pay period schedule, an individual could receive no more than \$7,500 (3/4 of \$10,000) gross per year, etc. Even after pro-rating, in no case will the SLRB amount be more than the amount the individual is officially scheduled to pay monthly and annually toward their student loan.
- (4) The amount of approved benefit will be reviewed and may be changed or prorated as indicated in Paragraph 5.C.(3) above in the event that the employee's work schedule changes from full-time to part-time or vice versa.
- (5) Although a specific gross amount for a SLRB is approved, the actual SLRB received by the individual through payment(s) made to their loan servicing organization will be the net amount of the approved benefit minus appropriate taxes.
- (6) All decisions to offer a SLRB as well as the amount of the benefit are discretionary. Decisions regarding the amount of SLRB to be paid will be made within the parameters of ensuring that the benefit will not exceed the amount the individual is officially scheduled pay monthly as well as annually toward their student loan.
- (7) Preliminary requests to offer a SLRB as a recruitment tool, must be tentatively approved after passing through established management review channels including the HR officer, and the appropriate senior advisor, science advisor, regional director, director, or deputy commissioner before mention is made in a vacancy announcement. These requests must include specifics regarding the position (title, series, grade, location), the maximum dollar amount of SLRB that may be funded, and documented reasons and/or evidence to show that Reclamation has experienced difficulties in filling the position or very similar positions with a highly qualified candidate.
- (8) Before a SLRB that was tentatively approved to be used as a recruitment tool may be acted upon, a complete detailed request that provides specific information

Reclamation Manual

Directives and Standards

related to the selectee's student loan(s), including the recommended payment amount, addresses, etc., must be submitted through management channels and approved by the appropriate management official.

- (9) All SLRB request packets to use the benefit for retention purposes, must also be submitted through proper management channels and approved by the appropriate management official.
- (10) The criteria outlined in 5.A. or 5.B. must be fully met and supported before recommending a final specific payment amount for a SLRB for recruitment or retention purposes.
- (11) While the criteria in 5.A. or 5.B. must be fully met, the approving official will also consider how well the information provided in the recommendation supports the factors listed on the justification template. Based on their judgment regarding the strength of the case presented in the recommendation, the approving official will make a decision for denial, approval of the SLRB amount requested, or approval of a lesser amount for the SLRB.
- (12) The lifetime maximum loan amount an individual is eligible to receive from Reclamation is \$60,000 (gross) minus the gross amount of all previous SLRBs received from other Federal government organizations.
- (13) All SLRB payments will be paid directly to the lending institution that holds the loan.
- (14) Payment of an approved SLRB will not begin until the servicing HR office has received all of the official documentation required to be submitted by the employee and/or supervisor to support the SLRB such as lender loan documentation, associated forms, etc.
- (15) The preferred method of payment for the SLRB will be electronic funds transfer (EFT). Eligible employees must make reasonable efforts to obtain account and routing information from their lender in order to make the EFT payment possible.
- (16) A SLRB benefit may be paid by hard copy check only in those instances where the SLRB lender will not provide account and routing information for EFT.
- (17) The employee's official performance rating, after the initial decision to pay a SLRB, must not drop below "fully successful" at any time during the service time period required under their Service Agreement or while they are receiving actual SLRB payments.

Reclamation Manual

Directives and Standards

D. **Information Required for Vacancy Announcements.** When a manager identifies that they would consider paying a SLRB for recruitment purposes to attract well-qualified candidates, the following statements and questions will be included in the announcement:

(1) **Statements.**

- (a) The selectee(s) for this vacancy, if otherwise eligible and qualified, may be offered a Student Loan Repayment Benefit (SLRB).
- (b) The decision to offer a SLRB to the selectee(s) of this vacancy will be made on a case-by-case basis and is neither promised nor guaranteed.
- (c) Please see Reclamation Manual Directive and Standard, *Student Loan Repayment Benefit (SLRB) Program* (HRM 04-07) for more specific information regarding this possible benefit.

(2) **Announcement Questions.** The following questions, that can be answered with a “Yes” or “No,” will be added to the vacancy announcement templates and will be included in the vacancy announcement when management has obtained advance approval to offer a SLRB for recruitment purposes:

- (a) I understand that a Student Loan Repayment Benefit (SLRB) may be offered when filling this vacancy, but this extra benefit is neither promised nor guaranteed, and the actual decision to offer the benefit will be made on a case-by-case basis.
- (b) I understand the specific requirements for receiving a SLRB.
- (c) If I am selected to fill this vacancy, and otherwise meet all eligibility and qualifications requirements related to the benefit, I will accept the position without being offered a SLRB.
- (d) I understand that my decision to accept or decline a position offer without being offered a SLRB will not be used by management in making the final selection decision for this vacancy.

6. **Eligibility.**

A. **Eligible Employees or Potential Employees.** A SLRB may be authorized for current employees or potential employees who are or will be:

- (1) permanent full-time employees;
- (2) permanent part-time employees (see Paragraph 5.C.(2) above regarding proration of payments); or

Reclamation Manual

Directives and Standards

- (3) full-time temporary employees in the excepted service, serving under appointments intended for conversion to career or career conditional appointments in the competitive service.

B. Ineligible Employees or Potential Employees. A SLRB cannot be authorized for employees or potential employees who are or will be:

- (1) occupying positions excepted from the competitive service because of their confidential, policy making, policy determining, or policy advocating nature (i.e., Schedule C appointees);
- (2) occupying positions that are considered to be purely temporary (with no advance indication of potential conversion to a career or career conditional appointment in the competitive service); or
- (3) in default on a student loan. These individuals will regain eligibility when their loan(s) is/are removed from default.
- (4) In addition, a SLRB for retention purposes may not be offered to an employee who is likely to leave the Department for any position in any other agency or branch of the Federal government, rather than a position outside the government.

7. SLRB Service Agreement.

A. Requirements.

- (1) Individuals who receive a SLRB must initially agree to complete a minimum of 3 total years of service with the Department. Management may also require a period of service beyond the initial 3 years depending upon individual circumstances, the amount of the benefit approved, and length of time the benefit will be paid.
- (2) Individuals who have already received a SLRB which management is requesting to extend, are required to complete at least 1 additional year of service for any extension approved.
- (3) A SLRB Service Agreement will be created for each recipient approved to receive the benefit. This document will be signed **after** the associated benefit has been officially approved by the appropriate senior advisor, science advisor, regional director, director, or deputy commissioner, or the Director, Policy and Administration (based on the benefit amount) and will be specific to the individual's approved benefit.
- (4) The period of service required under a SLRB Service Agreement may run concurrently with other similar agreements, such as those for retention, relocation, or recruitment incentives.

Reclamation Manual

Directives and Standards

- (5) No payments to the loan servicer/lender will be authorized or paid until all appropriate individuals (employee/potential employee, manager/supervisor, and servicing HR office representative) have signed the SLRB Service Agreement.
- (6) The period of service agreed to in a signed SLRB Service Agreement starts on the date Reclamation makes the first official payment to the loan servicing organization.
- (7) At a minimum, each SLRB Service Agreement must identify:
 - (a) conditions of the loan repayment (or extension of the repayment) including the length of service required, official documents the individual must provide, and performance requirements;
 - (b) total gross amount approved for the benefit;
 - (c) number of years the benefit will be paid;
 - (d) schedule and amount of each payment to be made;
 - (e) employee responsibilities under the terms of the agreement;
 - (f) conditions that will trigger termination of the SLRB; and
 - (g) the conditions under which reimbursement of payments must be made to Reclamation for terminated SLRBs.

B. Termination of a SLRB Service Agreement. If a SLRB Service Agreement is terminated for any reason, further payments for the SLRB associated with that agreement are also terminated.

8. **Appeal, Grievance, and Complaint Information.** Depending upon the issue involved, employees must address the matter by:
 - A. discussing the issue with their servicing HR offices;
 - B. utilizing the Department's formal or informal administrative grievance procedures ([370 DM 752](#));
 - C. following the guidance contained in the negotiated grievance procedures section of their negotiated bargaining unit agreement, if applicable;
 - D. contacting the [Merit Systems Protection Board](#);
 - E. filing a complaint with the [Equal Employment Opportunity Commission](#); or
 - F. filing a complaint with the [Office of Special Counsel](#).

RECLAMATION MANUAL TRANSMITTAL SHEET

Effective Date: _____

Release No. _____

Ensure all employees needing this information are provided a copy of this release.

Reclamation Manual Release Number and Subject

Summary of Changes

NOTE: This Reclamation Manual release applies to all Reclamation employees. When an exclusive bargaining unit exists, changes to this release may be subject to the provisions of collective bargaining agreements.

Filing instructions

Remove Sheets

Insert Sheets

All Reclamation Manual releases are available at <http://www.usbr.gov/recman/>

Filed by: _____

Date: _____