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Student Loan Repayment Benefit Service Agreement Template

Title 5 USC 5379 allows for the repayment of outstanding federally insured or guaranteed student loans that are made by educational institutions or banks and other private lenders as authorized by the Higher Education Act of 1956 and the Public Health Service Act, and defined in 5 CFR 537.102. Student loan benefit payments are made directly to the lender and are subject to the conditions stated in this Student Loan Repayment Benefit (SLRB) Service Agreement. Use of this authority in no way constitutes a right, promise, or entitlement for continued employment or noncompetitive conversion to the competitive service.

Subject to the conditions stated in this agreement, the Bureau of Reclamation (Reclamation) agrees to provide an SLRB to:

Employee Name: _____

Last Four Digits of Social Security Number: XXX – XX- _ _ _ _

Title, Series, Grade: _____

Work Schedule (include number of hours scheduled if part-time): _____

Name of Organization and Organization Code:

Organization Cost Code for funding the SLRB: _____

Other Incentives Reclamation has approved for the Employee within the past 5 years: (If more space is needed, provide an attachment.)

Incentive: _____ Period of Time: _____ Amount: _____ Performance Rating: _____
(Type) (Years) (Gross)

Conditions of Loan Repayment:

I, _____, as the employee receiving the repayment, agree to complete at least 3 years of service with Reclamation, have received a Superior or above official rating of record to initially receive this SLRB, will continue to earn at least a Fully Successful or higher level of performance for all subsequent years I receive an SLRB or are covered under this Service Agreement, continue to make loan repayments on the portion of the

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loan that continues to be my responsibility, and not violate any of the conditions of this SLRB Service Agreement.

I agree to provide my servicing human resources (HR) office with current official documentation from the appropriate lending institution (dated within the past 30 days) that:

- states the outstanding loan principal balance;
- shows the loan was authorized by the Higher Education Act of 1965 or the Public Health Service Act;
- specifies the established payment schedule for each loan;
- shows first disbursement dates for each of my student loans;
- lists the account numbers for each loan, if applicable;
- provides a brief history of my payments (usually the past five payments); and
- shows that I am not in default on my loan(s).

I also agree to provide my servicing HR office with detailed information and documentation regarding any other SLRB I may have received in the past from any Federal organization. I understand that all of the official information and documentation I have agreed to provide must be received in my servicing HR office before any payments related to my approved SLRB are made.

The service period required by this SLRB Service Agreement begins when Reclamation makes the first payment to (lender name and address):

Lender Electronic Routing Number: _____

Account Number, if applicable: _____

The first payment may be made no sooner than the date the repayment was authorized, I officially enter on duty in the position for which I was recruited, and my servicing HR office receives all of the information required to support the benefit (including appropriate cost or funding codes for payment). In return, Reclamation (through the Department of the Interior's Payroll Office) will make the agreed-upon payment(s) (subject to legal limits) for the specific outstanding federally insured or guaranteed loan designated under the following terms:

Total gross amount of Student Loan Repayment Benefit authorized: _____.

Number of years the repayment may be made: _____.

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Frequency of payments to be made each year (Bi-weekly, Quarterly, or Annually):

_____.

Total amount (gross) of payment made each year: _____

Length of the SLRB Service Agreement in years: (3, 4, 5, or 6 years) _____ years.

Continuing Employee Responsibilities:

I understand that it is my responsibility to make loan payments on the portion of the loan(s) that continues to be my responsibility, and that this benefit supplements but does not replace my responsibility to make those payments timely. In addition, any fees or additional interest incurred due to payments not made according to my payment schedule will be my responsibility, including late fees. My failure to make these loan, interest or fee payments will violate this agreement and terminate my eligibility for further loan repayment benefits.

I understand that Reclamation will pay no more per year for my SLRB than the amount I am slated to pay under the established payment schedule I have entered into with my lender(s), and will pay no more than is legally allowed per year or over my lifetime.

I also understand that each year, prior to any SLRB payments being made on my behalf, I must provide my servicing HR office with official documentation (dated within 30 days of new year's repayment date) from the lending institution that shows the outstanding loan balance at that time and that I have not defaulted on the loan(s). The institution must also certify that I have continued to make my payments during the previous year. I also understand that SLRB loan payments shall continue only so long as my official annual performance rating of record is validated to be no less than Fully Successful (after the initial approval year).

Loan Repayment Procedures:

The Interior Business Center's Payroll Operations Division (the Department's current payroll provider) will pay the approved SLRB to:

_____ (LENDER).

I understand that taxes and any other required withholdings will be deducted from the gross amount of each loan repayment for which I am approved. I also understand that the gross amount of the loan repayment made by Reclamation cannot be more than the balance of the student loan debt they have agreed to assist me in repaying, but at no time will they repay more than the principal balance I owed at the time this SLRB Service Agreement was first officially signed and approved.

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I understand that if I change to a part-time work schedule at any time during the agreed upon service period, the amount of the SLRB I am receiving will be reviewed and will be prorated in proportion to the percentage of full-time service I am scheduled to perform (i.e., if I work 20 hours per week instead of 40 hours per week, I cannot receive more than ½ of the original benefit amount approved, no more than ½ of the \$10,000 gross per year and no more than ½ of the maximum of \$60,000 gross over a lifetime. For a 30 hour per week schedule, I cannot receive more than ¾ of the original benefit amount approved, no more than ¾ of the \$10,000 gross, etc.).

Further, I understand that the net amount of the repayment amount approved will be disbursed directly to the loan holder and not to me; however, it is the gross amount that is applied to my annual and lifetime payments.

I understand that my W-2 Form, Wage and Tax Statement, will show the gross amount of the repayment as wages and taxes and other assessments deducted from the gross amount in the appropriate categories on the W-2 Form. Payments to lenders will be in the form determined by the Interior Business Center, Payroll Operations Division.

Neither Reclamation nor the Department is responsible for any late fees or penalties assessed by the loan holder(s) prior, during, or subsequent to this agreement.

Termination of an SLRB

I understand that my SLRB **will** be terminated if I:

- voluntarily end my employment with Reclamation during my required service period, including any officially approved extension of the initial service period;
- voluntarily leave Federal service;
- do not maintain at least a Fully Successful level performance rating throughout my service period;
- fail to make the loan payments that continue to be my responsibility;
- do not provide my servicing HR Office with the information specified in this agreement by the dates indicated; or
- violate any other conditions of this Service Agreement.

I understand that my SLRB **may** be continued or terminated if I:

- leave the Reclamation organization/office that initiated the SLRB for employment in another Reclamation organization/office; or
- leave the Reclamation organization/office that initiated the SLRB for employment in another Interior Bureau.

This SLRB may also be terminated, with my prior notification, due to budgetary or other reasons acceptable to management.

Reimbursement of an SLRB

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I understand that I will be required to reimburse Reclamation for the gross amount of the SLRB payments made on my behalf (up to the date of separation) if, before completing the service period required in this agreement, I:

- voluntarily separate from federal employment;
- am separated on account of misconduct; or
- am separated on account of performance.

I understand that I will not be required to reimburse Reclamation for the gross amount of the SLRB payments made on my behalf (up to the date of separation) if, before completing all the service periods required by this agreement (including extensions), I:

- voluntarily leave Reclamation to enter the service of another Federal agency; or
- am separated involuntarily by reasons other than misconduct, unacceptable performance, or a negative suitability determination.

If I have completed the initial service period but fail to complete any additional service time attributed to an approved extension to my SLRB, I understand that I will be required to reimburse Reclamation for only the gross amount of the additional SLRB paid beyond the original amount received for the initial service period.

I understand this agreement will be revisited annually to confirm that eligibility requirements continue to be met, and to validate my work schedule and official performance rating of record.

Governing Law: The Parties (Reclamation and the individual receiving the benefit) agree that this SLRB Service Agreement shall be governed by and interpreted in accordance with the laws of the United States and in conformity with 5 CFR 537 and all applicable policies of the Bureau of Reclamation and the Department of the Interior.

Integration: The Parties agree that this SLRB Service Agreement document is a fully integrated and complete representation of their agreement. No prior or subsequent oral or written communications between the Parties shall be considered to be a part of the agreement or be used to interpret the terms of this agreement. The only acceptable modifications of this SLRB Service Agreement must be made in accordance with the Modification and Severability sections of this SLRB Service Agreement.

Modification: The Parties agree that to be effective, any modification of this SLRB Service Agreement must be mutually assented to in writing and in accordance with 5 CFR 537.107(b).

Severability: The Parties agree that if any of the provisions of this SLRB Service Agreement are deemed to be invalid, illegal, vague, or unenforceable, such provisions shall be modified to the minimum extent necessary and in conformity with 5 CFR 537 and the spirit of this SLRB Service Agreement to make such provisions enforceable. The Parties understand that if the

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aforementioned modification is not feasible, the offending provision will be struck and the remainder of the SLRB Service Agreement shall be given full force and effect.

Certification:

I certify that I have reviewed this SLRB Service Agreement and I understand and agree to all of the conditions included in this document.

Employee Printed Name, Signature and Title

Date

Supervisor/Manager Printed Name Signature
and Title

Date

Servicing HR Office Representative Printed Name
Signature and Title

Date