

# Reclamation Manual

## Directives and Standards

<b>Subject:</b>	Student Loan Repayment Benefit (SLRB) Program
<b>Purpose:</b>	This Directive and Standard (D&S) provides Bureau of Reclamation requirements for determining payment of an SLRB for recruitment and retention purposes. The benefit of this D&S is to ensure judicious and consistent use of this authority.
<b>Authority:</b>	5 United States Code (USC) 2105 - <i>Employee</i> ; 5 USC 5379 - <i>Student Loan Repayments</i> ; 5 Code of Federal Regulations (CFR) Part 537 - <i>Repayment of Student Loans</i> ; Department of the Interior (DOI) <a href="#">Personnel Bulletin (PB) 14-02</a> , <i>Departmental Policy on the Student Loan Repayment Benefit Plan</i> ; Department Manual (DM), <a href="#">370 DM 430</a> , <i>Performance Management System</i> ; DOI PB <a href="#">19-13</a> , <i>Changes to DM 451.2, Performance Awards</i> ; and Reclamation Manual (RM) D&S, <i>Performance Management</i> ( <a href="#">HRM 07-01</a> ).
<b>Approving Official:</b>	Deputy Commissioner – Policy, Administration and Budget (PAB)
<b>Contact:</b>	Human Resources Division, Human Resources Policy Office (84-12100)

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. An 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. The amount may be no more than the maximum allowed by law, per calendar year.
2. **Applicability.** This D&S applies to the Reclamation Leadership Team (RLT); Servicing Human Resources Offices (SHROs); all Reclamation hiring officials; and eligible SLRB recipients, including current or potential employees.
3. **Responsibilities.**
  - A. **Reclamation Human Capital Officer (HCO).** The HCO is responsible for:
    - (1) ensuring consistency and equity in offering an SLRB, taking into consideration the need to maintain a balanced workforce and manage budget constraints;
    - (2) approving or denying requests to offer and/or pay SLRBs for recruitment or retention purposes at limits and under conditions covered in this issuance for

# Reclamation Manual

## Directives and Standards

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purposes that are estimated to exceed \$20,000 gross maximum per employee or potential employee;

- (3) approving or denying requests to offer and/or 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. RLT.** RLT members 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) approving or denying requests to offer and/or pay SLRBs for recruitment or retention purposes at limits and under conditions covered in this issuance for purposes up to \$20,000 gross maximum per employee or potential employee;
- (3) approving or denying final requests to offer and/or pay an 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.

**C. Supervisor, Human Resources Policy Office (HRPO).** The Supervisor, HRPO is responsible for:

- (1) receiving and reviewing all SLRB request packets recommended for approval from RLT members 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 an SLRB are met as well as returning requests that do not meet D&S requirements, to the SHRO;
- (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 estimated to be for more than \$20,000 (gross total) for recruitment purposes, and contain the SHRO concurrence, to the HCO for review and approval/disapproval; and
- (4) returning all approved/disapproved requests to the SHRO.

**D. Hiring Officials.** Hiring Officials are responsible for:

# Reclamation Manual

## Directives and Standards

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- (1) ensuring equity and consistency in any/all decision(s) to offer an initial SLRB or to extend a current SLRB without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition;
- (2) verifying that funding is currently available for the amount of the 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 an 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 an SLRB as a recruitment tool);
- (4) considering the timing of SLRB benefit payments as they relate to the employee's or applicant's possible qualification for the PSLF program;
- (5) deciding the frequency of SLRB payments which may be bi-weekly, quarterly, or annually;
- (6) consulting and working with their SHRO to obtain guidance on the appropriate and legal use of the SLRB (see Appendix A – SLRB Request Checklist);
- (7) preparing SLRB request packets that include all required supporting documentation (for initial and/or final approval);
- (8) submitting requests and receiving initial approval to potentially offer an SLRB for recruitment purposes before the vacancy announcement advertising the position is issued;
- (9) forwarding all request packets (initial and final) through proper management channels to program officials and/or managers, through their SHRO further review and processing;
- (10) working with their SHRO during the early steps of the hiring process to inform them that they have received initial approval to offer payment of an SLRB for recruitment purposes so that mention will be made of the possibility in the vacancy announcement that will be issued;
- (11) 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;
- (12) preparing and completing a final detailed SLRB request packet through program officials and/or managers, to their SHRO to provide the specifics of the SLRB

# Reclamation Manual

## Directives and Standards

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they wish to offer to a tentatively selected candidate in the form of a recruitment incentive; and

- (13) in conjunction with their SHRO, administering and monitoring SLRB Service Agreements (see Appendix B) for individuals who have been approved to receive an SLRB for which their organization is providing funding.

E. **SHROs.** SHROs are responsible for:

- (1) providing guidance to hiring 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 (Appendix A and Appendix B), through available electronic records such as electronic Official Personnel Folder (eOPF), and either concurring or not concurring with the request;
- (3) returning non-concurred SLRB request packets to the relevant hiring official with an explanation that details the reasons for nonconcurrence, including information regarding any areas that are incomplete, inaccurate, or do not adhere to all of the requirements;
- (4) forwarding SLRB request packets through appropriate management and program official channels to their RLT member or the HCO for decision;
- (5) receiving packets from the RLT member or the HCO after review/decision;
- (6) act upon the RLT member's decision made regarding official approval/denial such as sending those requests that are not approved back to the initiating hiring official without action, or following through to process the approved requests;
- (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;
- (8) reviewing SLRBs used for retention or recruitment of employees, the SHROs will review the eOPF prior to approval to ensure the maximum amounts are not exceeded; and
- (9) ensuring that, in publicizing vacancy announcements, specific statements are included to indicate the possibility of offering an SLRB as a recruitment incentive (when management has obtained advance initial approval).

# Reclamation Manual

## Directives and Standards

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- F. **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;
    - (d) shows first disbursement dates;
    - (e) account numbers;
    - (f) payment history; and
    - (g) status of 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 an official performance rating of record of at least *Exceeds Expectations* (Level 4) on their official performance appraisal in order to be initially considered for and awarded an SLRB for retention;
  - (7) earning an official performance rating of record of at least *Fully Successful* (Level 3) or higher on all subsequent yearly performance appraisals they receive after initially being awarded and paid an 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

# Reclamation Manual

## Directives and Standards

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- (9) paying any income tax obligations resulting from receipt of the SLRB.

#### 4. Eligibility.

A. **Eligible Employees or Potential Employees.** An 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.(3) below regarding proration of payments); or
- (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.** An 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);
- (3) in a default status on a student loan; or
- (4) leaving Reclamation for any other position with another Federal agency or branch of the Federal government.

#### 5. Conditions and procedures for providing student loan repayment benefits.

Reclamation may offer an SLRB to eligible potential employees for recruitment purposes or eligible current employees for retention purposes. (See Appendix A – SLRB Request Checklist.)

A. **Recruitment.** An SLRB may be offered to recruit potential employees from outside the Federal service; however, hiring officials must obtain initial RLT approval to offer an SLRB and again upon selection. Tentatively selected candidates must 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

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- (3) the individual has graduated from an accredited college or university with at 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.** An 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;
- (7) the employee must have been on an official performance plan for at least one full year;
- (8) the employee must have earned an official performance rating of record of at least *Exceeds Expectations* (Level 4) on their most recent official performance appraisal in order to be initially considered for and awarded an SLRB for retention; and
- (9) the employee is likely to leave Reclamation for employment outside the Federal service in the absence of the SLRB.

C. **Payment.**

# Reclamation Manual

## Directives and Standards

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- (1) Annually, Reclamation will normally pay no more for an SLRB than the amount slated for payment for that year under the employee's established payment schedule with their lender. In addition, the SLRB payments 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 the 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), an 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 20 hours per week ( $\frac{1}{2}$  the number of hours worked in a full-time schedule) cannot receive more than \$5,000 ( $\frac{1}{2}$  of \$10,000) gross per year and no more than \$30,000 ( $\frac{1}{2}$  of \$60,000) gross over their lifetime. For a 30 hour per week schedule, an individual could receive no more than \$7,500 ( $\frac{3}{4}$  of \$10,000) gross per year, etc. Even after prorating, 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) Additionally, if a specific gross amount for an 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 an 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 to pay biweekly, quarterly, or annually toward their student loan.
- (7) 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.
- (8) All SLRB payments will be paid directly to the lending institution that holds the loan.
- (9) Payment of an approved SLRB will not begin until the SHRO has received all of the official documentation required to be submitted by the employee and/or



# Reclamation Manual

## Directives and Standards

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supervisor to support the SLRB such as lender loan documentation, associated forms, etc.

- (10) 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.
- (11) An 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.
- (12) The employee's official performance rating of record, after the initial decision to pay an SLRB, must not drop below *Fully Successful* at any time during the service period required under their SLRB Service Agreement or while they are receiving actual SLRB payments.

**D. Statements Required for Vacancy Announcements.** When a hiring official identifies that they would consider paying an SLRB for recruitment purposes, and initial approval has been received by the proper RLT member, the following statements will be included in the announcement:

- (1) If otherwise eligible and qualified, you may be offered a Student Loan Repayment Benefit (SLRB). The decision to offer an SLRB will be made on a case-by-case basis and is neither promised nor guaranteed.

## 6. SLRB Service Agreement.

### A. Requirements.

- (1) Individuals who receive an SLRB must initially agree to complete a minimum of three total years of service with Reclamation. Management may also require a period of service beyond the initial three 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 an SLRB which management is requesting to extend, are required to complete at least one additional year of service for any extension approved.
- (3) An 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 RLT member or the HCO (based on the benefit amount) and will be specific to the individual's approved benefit.

# Reclamation Manual

## Directives and Standards

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- (4) The period of service required under an SLRB Service Agreement may run concurrently with other similar agreements, such as those for retention, relocation, or recruitment incentives.
- (5) No payments to the loan servicer/lender will be authorized or paid until all appropriate individuals (employee/potential employee, hiring official, and SHRO 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 an 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.

### 7. 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: <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>.

# Reclamation Manual

## Directives and Standards

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- B. **Reclamation Leadership Team (RLT).** Reclamation's Executive Schedule, Senior Executive Service, and Senior Level positions comprise the RLT.
  - C. **SLRB Request.** A written determination by a Reclamation hiring official justifying the purpose, need, and amount necessary to offer and/or pay an SLRB for purposes of recruiting or retaining a highly qualified eligible employee or candidate to perform mission essential functions. Appendix A of this D&S outlines specific information that each memorandum request (initial and final) in order to be considered for approval.
  - D. **SLRB Request Checklist (Appendix A).** Outlines specific information that each memorandum request must address in order to be considered for approval.
  - E. **SLRB Service Agreement (Appendix B).** A written agreement between Reclamation and the employee that explains the terms, limitations, and conditions for receiving an SLRB, that must be signed and adhered to by the recipient.
  - F. **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 an 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.
8. **Appeal, Grievance, and Complaint Information.** Depending upon the issue involved, employees must address the matter by:
- A. discussing the issue with their SHRO;
  - B. utilizing the Department's formal or informal administrative grievance procedures ([370 DM 771](#));
  - 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: \_\_\_\_\_