



DEPARTMENT OF THE ARMY
INSTALLATION MANAGEMENT COMMAND
US ARMY GARRISON ROCK ISLAND ARSENAL
1 ROCK ISLAND ARSENAL
ROCK ISLAND, ILLINOIS 61299-5000

IMRI-ZA

OCT 13 2016

MEMORANDUM FOR US Army Garrison Rock Island Arsenal Employees, 1 Rock Island Arsenal, Rock Island, IL 61299-5000

SUBJECT: Student Loan Repayment Program – Policy Memorandum #B-18

1. References:

- a. 5 USC Section 5379, Student Loan Repayments.
- b. 5 CFR, Part 537, Repayment of Student Loans.
- c. Office of the Under Secretary of Defense (OUSD) Memorandum, 30 Sep 04, subject: Department of Defense (DoD) Student Loan Repayment Program.
- d. Secretary of the Army Memorandum; 31 Mar 14, subject: Delegation of Authority – Department of Defense (DoD) Student Loan Repayment Program.
- e. Matrix of ASA (M&RA) Delegated Civilian Human Resources (CHR) Authorities, 31 Mar 14, subject: Student Loan Repayment Program. Authority to approve student loan payments.
- f. IMCOM Memorandum, 25 Aug 14, subject: Extension and Update of IMCOM Civilian Human Resources Delegations Authorities, Version 01-2014 and Issuance of Civilian and Military Award Delegations.
- g. IMCOM Memorandum, 27 Oct 14, subject: Policy Memorandum 690-3 – Delegation of Authority for Approval of Student Loan Repayment Program.

2. Garrison supervisors may use the Student Loan Repayment Program (SLRP) as a method for attracting or retaining qualified employees. Employees meeting the criteria detailed in reference 1c, may apply for repayment of student loans. SLRP procedures and Service Agreement are enclosed. Approval of a SLRP application in one year does not confer continuation of automatic approval for additional years. Employees must reapply via the same process each year.

3. Employees requesting student loan repayment will initiate the Student Loan Repayment Service Agreement, and obtain a current letter/statement from their lending institution indicating the amount owed by the employee. The employee will submit this documentation to their immediate supervisor for consideration.

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4. Applications approved by supervisors will be forwarded to their Director's office for review and approval before submitting to the Directorate of Human Resources (DHR). The DHR will review and submit the request through the Directorate of Resource Management (DRM), Garrison Command Group, to the IMCOM Region Director for approval. If the SLRP is approved by the IMCOM Region Director, the Student Loan Repayment Service Agreement will be completed with appropriate information regarding actual repayment amount and dates of service.

5. A copy of the approved Service Agreement will be provided to the employee. Another copy will be forwarded as an attachment to the Request for Personnel Action (RPA) to complete processing. One copy will be retained by DHR for reporting requirements.

6. USAG RIA POC for this policy is Ms. Lisa K. Alderson, Director of Human Resources, 309-782-8221, e-mail lisa.k.alderson.civ@mail.mil.

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KENNETH J. TAUKE
Colonel, MP
Garrison Commander

STUDENT LOAN REPAYMENT PROCEDURES

1. Student loan repayments are used as recruitment or retention incentives. These procedures apply to applicants selected for shortage skills positions and employees assigned to shortage skills positions in IMCOM appropriated and non-appropriated fund positions, excluding non-citizens in non-appropriated fund Local National/Host Nation/Component Commander Employment System.
2. Repayment is limited to outstanding federally insured loans made by educational institutions or banks, and other private lenders as made or insured under the Higher Education Act of 1965 and the Public Health Act. When selecting employees to be recipients, authorized management officials will adhere to the merit system principles. More than one loan per employee may be repaid as long as the payments do not exceed the legally prescribed limits, but payments to cover accrued penalties associated with loans will not be authorized.
3. The annual limitation for student loan repayments is \$10,000 per employee in any calendar year, and aggregate limitation of \$60,000 for any one employee.
4. Requesting officials must prepare a written determination that, in the absence of the student loan repayment, the activity would encounter difficulty in filling the position or retaining an employee in that position.
5. **Determinations for recruitment purposes** must be made before the employee enters on duty in the position for which loan repayment is authorized. An activity may not use this authority to recruit current Federal employees from other agencies.
6. **Determinations for retention purposes** must be based on the qualifications of the employee or the special need of the activity for the employee's services and an assessment that in the absence of offering loan repayments, the employee would be likely to leave the Federal service. An activity may not offer to repay the loan for an employee who is likely to leave for any position in any branch of the Federal government.
7. The requesting official must verify that the employee has a qualifying outstanding student loan before payment is authorized. The requesting official must also verify the amount of previous student loan repayments, if any, made by the Department on the recipient's behalf, prior to submitting a student loan agreement for approval.
8. An employee selected to receive the student loan incentive must sign an agreement prior to receiving any repayments.
9. The minimum service agreement is three years unless the employee is involuntarily separated. The service agreement will state the amount of the loan repayment authorized for each year of the recipient's service requirement. Service requirements begin on the date the employee signs the agreement.

10. Employees who fail to complete the period of service specified in the service agreement must reimburse the amount of all benefits received under the existing service agreement. Reimbursement is required unless the employee is involuntarily separated for reasons other than misconduct or performance.

11. The employee's debt may be waived, in whole or in part, if the authorized loan-approving official determines that recovery would be against equity and good conscience, or against the public interest.

12. Each authorizing loan-approving official is responsible for ensuring that the justification for each student loan repayment incentive is documented and records are maintained in accordance with 5 CFR Part 537. Student Loan Repayments will be processed via AutoNOA by the authorized approving official in accordance with the guidance found at <https://nccpoc.ria.army.mil/autonoa/HOME/Guides.aspx>.

STUDENT LOAN REPAYMENT SERVICE AGREEMENT

Title 5 USC 5379 allows repayment of outstanding federally insured student loans made by educational institutions or banks and other private lenders as authorized by the Higher Education Act of 1965 and the Public Health Service Act. Student loan repayments are made directly to the lender subject to the conditions stated in this agreement. Use of this authority in no way constitutes a right, promise, or entitlement for continued employment or noncompetitive conversion to the competitive service.

CONDITIONS OF EMPLOYMENT

The Installation Management Command agrees to provide a student loan repayment benefit to:

EMPLOYEE	SOCIAL SECURITY NUMBER	POSITION

subject to the conditions of employment stated in this document.

(STUDENT LOAN REPAYMENT IS BEING PROVIDED IN ACCORDANCE WITH THE CONDITIONS OUTLINED IN 5 CFR 537.106).

CONDITIONS OF LOAN REPAYMENT

I agree to complete _____ (MINIMUM OF THREE YEARS SERVICE) _____. My period of service begins on _____ (DATE) _____. In return, _____ (COMPONENT ORGANIZATION) _____ will make payments on my outstanding federally insured loan to:

(LENDER NAME AND ADDRESS)

REPAYMENT AMOUNT	YEARS	TOTAL

Increases or renewals made under this part not to exceed \$10,000 each calendar year up to a lifetime total of \$60,000 (may/may not) be made without requiring a new period of service. If increases or renewals are made, however, the Department of Defense (DoD) Component shall document the changes on a revised service agreement. The DoD Component shall provide the Defense Finance and Accounting Service (DFAS) with a copy of the amended service agreement to ensure the size and duration of payments to the loan holder are adjusted accordingly.

LOAN REPAYMENT PROCEDURES

DFAS will make payments to the lender on a biweekly basis. It will determine the amount to be paid by dividing the annual repayment amount by the number of pay periods in the year for which payments are made. This usually will be 26 payments per year, except for years having 27 pay periods. In those cases, 27 biweekly payments will be made. The loan repayment amount will be considered as taxable wages and tax withholding will be made on a biweekly basis as appropriate. The DoD is not responsible for any late fees or penalties assessed by the loan holder(s) prior to, during, or subsequent to this agreement.

LOSS OF ELIGIBILITY FOR LOAN REPAYMENT BENEFIT

I understand I will no longer be eligible for the loan repayment incentive if I voluntarily end my employment with _____(COMPONENT ORGANIZATION)_____, am separated for reasons of misconduct or performance, fail to maintain an acceptable level of performance (as defined by the DoD Component), or in any way violate the terms of this agreement.

REIMBURSEMENT OF LOAN REPAYMENT BENEFIT

If I leave DoD before I complete the period of service specified in this agreement, I will reimburse DoD for the entire amount of all loan repayments considered as taxable wages that DoD has made in my behalf.

EMPLOYEE SIGNATURE

DATE

I certify that I have discussed the conditions of the student loan repayment program with this employee.

APPROVING OFFICIAL SIGNATURE

DATE

"This information is subject to the Privacy Act of 1974, as amended."