

For: FSA Employees

**Recruitment, Relocation, Retention Incentives and Student Loan Repayment Program**

Approved by: Administrator



**1 Overview**

**A Background**

The FPAC mission area recently issued [FPAC-P 4040-1](#), Recruitment, Relocation, and Retention Incentives and Student Loan Repayment Program (SLRP), outlining the requirements and responsibilities when offering these incentives to recruit and retain GS employees in the FPAC mission area. The FPAC policy noted that FSA may revise handbook 32-PM, "Pay Administration," Part 8, "Special Incentives," as appropriate to align with this policy.

**B Purpose**

This notice updates the requirements and process for requesting and offering a recruitment, relocation, or retention incentive or SLRP as a tool to recruit and retain both FSA GS and CO employees. FSA handbooks 32-PM and 27-PM will be updated in the future.

This recruitment/relocation/retention policy applies to all FSA employees, except the following:

- Presidential appointees
- appointees in the SES
- those in positions excepted from the competitive service by reason of their confidential, policy-determining, policy-making, or policy-advocating nature
- SES limited term appointees or SES limited emergency appointees when the appointment must be cleared through the White House Office of Presidential Personnel.

The SLRP applies to all FSA employees, except those in positions excepted from the competitive service by reason of their confidential, policy-determining, policy-making, or policy advocating nature.

<b>Disposal Date</b>	<b>Distribution</b>
June 1, 2023	All FSA employees; State Offices relay to County Offices

1 Overview (Continued)

D Contact Information

For questions or additional information about this notice:

- County Offices will contact State Offices
- State Offices will contact [Kimberly.Floehr@usda.gov](mailto:Kimberly.Floehr@usda.gov) and [Dan.Puccetti@usda.gov](mailto:Dan.Puccetti@usda.gov)
- National Office divisions will contact OMS at [OMS@usda.gov](mailto:OMS@usda.gov).

2 Eligibility for Recruitment, Relocation, and Retention Incentives

A Individual Eligibility for Recruitment Incentives

A recruitment incentive may be paid to an employee who is **newly appointed** to the Federal Government. “Newly appointed” refers to the first appointment (regardless of tenure) as an employee of the Federal Government or an appointment of a former employee of the Federal Government following a break in service of at least 90 calendar days when their federal service during the 90-calendar-day period immediately preceding the appointment was limited to one or more of the following:

- a time-limited appointment in the competitive or excepted service
- a non-permanent appointment (excluding a Schedule C appointment under 5 CFR Part 213) in the competitive or excepted service
- employment with the District of Columbia (DC) government when the candidate was first appointed by the DC government on, or after, October 1, 1987
- an appointment as an expert or consultant under 5 U.S.C. 3109 and 5 CFR Part 304
- employment under a provisional appointment designated under 5 CFR 316.403.

B Individual Eligibility for Relocation Incentives

An agency may pay a relocation incentive to a **current** employee who must relocate to accept a GS or CO position in a different geographic area if the agency determines that the position is likely difficult to fill in the absence of an incentive. A relocation incentive may be paid only when the employee’s rating of record under an official performance appraisal or evaluation system is at least “Fully Successful” or equivalent for their most recent position prior to the relocation.

## 2 Eligibility for Recruitment, Relocation, and Retention Incentives (Continued)

### C Eligibility for Individual and Group Retention Incentives

A retention incentive may be offered to a **current** employee if the agency determines that the unusually high or unique qualification of the employee or special needs of the agency make it essential to retain the employee, and the employee would likely leave the federal service in the absence of a retention incentive. The employee must have successfully completed any required probationary period and must have “Fully Successful” performance on their most recent official performance appraisal.

A group retention may also be offered if the agency determines a group or category of employees has unusually high or unique qualifications or when an agency has special needs that make it essential to retain the employees in that group or category, and when there is a high risk that a significant number of employees in the group would leave the federal service in the absence of a retention incentive. An employee who receives a group retention incentive must have successfully completed any required probationary period, have a “Fully Successful” performance rating on their most recent official performance appraisal, and maintain a performance rating of “Fully Successful.”

## 3 Requesting, Obtaining Approval for, and Paying Recruitment and Relocation Incentives

### A Process for Requesting a Recruitment or Relocation Incentive

For a recruitment or relocation incentive to be considered, the position must be determined to likely be difficult to fill in the absence of an incentive. The State Office or National Office division must submit FSA-164-3 and include an attachment justifying their request for use of a recruitment or relocation incentive to:

- [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for State and County office requests
- [OMS@usda.gov](mailto:OMS@usda.gov) for National Office requests.

The State Office or National Office must consider and, as applicable, include the following criteria in the attached justification.

- (1) The availability and quality of candidates possessing the competencies required for the position, including the success of recent efforts to recruit high-quality candidates for similar positions, using indicators, such as offer acceptance rates, the proportion of positions filled, and the length of time required to fill similar positions.

**Note:** Generally, for a recruitment or relocation incentive to be approved the position must have been announced previously without an incentive or with a lower incentive amount. The justification should include references to any recent job announcements (including vacancy numbers and dates posted), whether incentives were previously offered with those announcements, and the number of qualified applicants from previous announcements. Hiring managers are encouraged to interview all qualified applicants prior to requesting a recruitment or relocation incentive.

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### 3 Requesting, Obtaining Approval for, and Paying Recruitment and Relocation Incentives (Continued)

#### A Process for Requesting a Recruitment or Relocation Incentive (Continued)

- (2) Recent turnover in similar positions.
- (3) Labor-market factors that may affect the ability of the hiring manager to recruit high-quality internal or external candidates from similar positions, now or in the future, which may include such factors as salary ranges of comparable positions, scarcity of skills, emerging technology, etc.
- (4) Special or unique competencies required for the position.
- (5) Funding availability.
- (6) Positive and negative impacts on the morale of current employees.
- (7) The desirability of the duty station in such terms as remoteness, cost of living, community amenities, etc.
- (8) Previous efforts to use non-pay authorities, such as special training and work scheduling flexibilities, to resolve difficulties alone or in combination with a recruitment incentive.
- (9) The desirability of the duties, work or organizational environment, or geographic location of the position.
- (10) The urgency of filling the position.
- (11) The salaries typically paid outside the Federal Government for similar positions.
- (12) The approved use of a direct hire authority by OPM and consideration of available certificates in HireNow.

When completing FSA-164-3 for a recruitment or relocation incentive, offices may request either a percentage of salary or a specific dollar incentive. If requesting a percentage of salary, generally the first announcement with incentives should not be more than 15 percent of salary and the second announcement cannot be more than 25 percent of salary. If requesting a specific dollar incentive, the incentive request should be based off the lowest grade included in the job announcement and can be up to the dollar amounts in the table below.

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**3 Requesting, Obtaining Approval for, and Paying Recruitment and Relocation Incentives (Continued)**

**A Process for Requesting a Recruitment or Relocation Incentive (Continued)**

	<b>First Incentive Request</b>	<b>Second Incentive Request</b>
<b>Grade 3</b>	\$4,000	\$7,000
<b>Grade 4</b>	\$5,000	\$8,000
<b>Grade 5</b>	\$5,000	\$9,000
<b>Grade 6</b>	\$6,000	\$10,000
<b>Grade 7</b>	\$7,000	\$11,000
<b>Grade 9</b>	\$8,000	\$13,000
<b>Grade 11</b>	\$10,000	\$16,000
<b>Grade 12</b>	\$12,000	\$19,000
<b>Grade 13</b>	\$14,000	\$23,000

**Note:** If a State Office position, CED, Farm Loan Manager, or Farm Loan Officer position has been advertised merit promotion nationwide and no applications were received, States may request a 25 percent incentive (or equivalent flat dollar rate) on the readvertisement of the position without following the typical step of first requesting a 15 percent incentive.

**B Obtaining Approval to Offer a Recruitment or Relocation Incentive in a Job Announcement**

Approval to offer a recruitment or relocation incentive must be received from DAFO or OMS before a job announcement is posted. After approval, DAFO or OMS will provide the office with the signed copy of FSA-164-3 and the office can proceed with advertising the applicable job including the incentive. DAFO will concurrently pursue funding and approval with OMS and BUD for State requests. National Office requests will be routed to BUD for funding approval.

The availability of the recruitment or relocation incentive must be included in the job announcement. Recruitment and relocation incentives will be highlighted in the title of the job announcement.

**C Obtaining Approval to Offer Selectee a Recruitment or Relocation Incentive**

There is no obligation for the Agency to pay a recruitment or relocation incentive if they do not feel the selected candidate meets the criteria for a recruitment or relocation incentive.

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3 Requesting, Obtaining Approval for, and Paying Recruitment and Relocation Incentives (Continued)

C Obtaining Approval to Offer Selectee a Recruitment or Relocation Incentive (Continued)

Prior to receiving a recruitment or relocation incentive, the selected candidate must meet all eligibility criteria and the Agency must have a fully executed service agreement using the following applicable forms. Access forms from the employee forms site at <https://intranet.fsa.usda.gov/dam/ffasforms/currentforms.asp>.

Recruitment Incentive	Form FPAC-HR-0008, Employee’s Service Agreement for Receipt of a Recruitment Incentive
Relocation Incentive	Form FPAC-HR-0010, Employee’s Service Agreement for Receipt of a Relocation Incentive.

The length of the service agreement will depend on the amount of recruitment or relocation incentive. Incentives of \$10,000 or more will have a service agreement of 2 years. Incentives of a lesser amount will have a service agreement of 1 year. The service period must begin upon the commencement of service with the agency and end on the last day of a pay period.

• **Process for County Office Positions**

When a selection is made on a County Office job announcement offering a recruitment or relocation incentive, the State Office must submit the following information to [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for review and approval prior to establishing an effective start date:

- copy of the announcement (showing the incentive is posted)
- justification from the hiring manager explaining the difficulty filling the position
- [Form AD-1073](#) (recommendation and approval form)
- Form FPAC-HR-0008 (service agreement) or Form FPAC-HR-0010 (service agreement)
- approval in writing to offer an incentive
- most recent performance appraisal (supporting a fully successful or equivalent rating) **(Required for Relocation Incentive Only)**
- documentation to support the new position is not in the same geographic area as the worksite of the position held immediately before the move – i.e. is the worksite of the new position 50 or more miles from the worksite of the position held immediately before the move **(Required for Relocation Incentive Only)**

**3 Requesting, Obtaining Approval for, and Paying Recruitment and Relocation Incentives (Continued)**

**C Obtaining Approval to Offer Selectee a Recruitment or Relocation Incentive (Continued)**

• **Process for County Office Positions (Continued)**

- proof of relocation (purchase or rent home, apartment, or condo; reside at the home of a friend or family member; or temporarily reside in a hotel) **(Required for Relocation Incentive Only)**
- verification the employee is not under a previous relocation incentive service agreement. **(Required for Relocation Incentive Only)**

For CO employees, the State Office will prepare the written request for the recruitment or relocation incentive. DAFO must review and approve the recruitment or relocation incentive determination before the incentive is offered to the selectee. The selectee must meet the eligibility criteria in subparagraph 2 A and 2 B, and for relocation incentives, the employee must also establish and maintain residence in the new geographic area. A position is in a different geographic area if the worksite of the new position is 50 or more miles from the worksite of the position held immediately before the move. The incentive cannot exceed 25 percent of the annual rate of basic pay (including any special rate or locality pay) of the employee at the beginning of the service agreement.

• **Process for GS Positions**

When a selection is made on a GS job announcement offering a recruitment or relocation incentive the State Office or National Office division must submit the following information to the applicable HRD staffing specialist with a “cc” copy to [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for State requests and [OMS@usda.gov](mailto:OMS@usda.gov) for National Office requests prior to establishing an effective start date:

- copy of the announcement (showing the incentive is posted)
- justification from the hiring manager explaining the difficulty filling the position
- copy of FSA 164-3
- [Form AD-1073](#) (recommendation and approval form)
- Form FPAC-HR-0008 (service agreement) or Form FPAC-HR-0010 (service agreement)
- most recent performance appraisal (supporting a fully successful or equivalent rating) **Required Relocation Incentive Only**

**3 Requesting, Obtaining Approval for, and Paying Recruitment and Relocation Incentives (Continued)**

**C Obtaining Approval to Offer Selectee a Recruitment or Relocation Incentive (Continued)**

**• Process for GS Positions (Continued)**

- documentation to support the new position is not in the same geographic area as the worksite of the position held immediately before the move – i.e. is the worksite of the new position 50 or more miles from the worksite of the position held immediately before the move (**Required for Relocation Incentive Only**)
- proof of relocation (purchase or rent home, apartment, or condo; reside at the home of a friend or family member; or temporarily reside in a hotel) (**Required for Relocation Incentive Only**)
- verification the employee is not under a previous relocation incentive service agreement. (**Required for Relocation Incentive Only**)

For GS employees, the HRD staffing specialist will prepare the written request for the recruitment or relocation incentive and submit through the HR Employee Care Center (ECC) ticketing portal to the Compensation Team. A lead member of the Compensation Team will verify completeness of the records. They will make a recommendation and submit to the Compensation Section Chief. The Compensation Section Chief will approve, disapprove or forward to the Chief Human Capital Officer for approval dependent upon the amount of the incentive. HRD's Compensation Section is responsible for processing incentive or SLRP payments when approved.

**D Payment of a Recruitment or Relocation Incentive**

Recruitment incentives can be paid to the employee by one of the following methods:

- lump sum payment before commencement of the service period, but after signing the Form FPAC-HR-0008
- upon completion of the service agreement
- installment payments over the duration of the service agreement.

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### 3 Requesting, Obtaining Approval for, and Paying Recruitment and Relocation Incentives (Continued)

#### D Payment of a Recruitment or Relocation Incentive (Continued)

Relocation incentives can be paid to the employee by one of the following methods:

- lump-sum payment upon completing the Form FPAC-HR-0010 at the beginning of the service agreement
- installment payments over the duration of the service agreement
- a combination of both.

**Note:** An employee receiving a relocation incentive must maintain a residence in the new geographic location for the duration of the service agreement, and employees may be required to provide proof of residence periodically throughout the service agreement. Failure to maintain a residence will result in termination of the service agreement.

Approved recruitment or relocation incentives for CO employees will be processed and paid by the State Office. Approved recruitment or relocation incentives for GS employees will be processed and paid by the HRD Compensation Section.

### 4 Termination of Recruitment and Relocation Incentives

#### A Agency Unilateral Termination of a Service Agreement

FSA may unilaterally terminate a recruitment or relocation incentive service agreement based solely on the management needs of the agency, in which case the employee is entitled to recruitment or relocation incentive payments attributable to completed service and to retain any incentive payments already received that are attributable to uncompleted service.

#### B Termination of a Service Agreement for Cause

FSA must terminate a service agreement if an employee is demoted or separated for cause (i.e., for unacceptable performance or conduct), receives a rating of record lower than “Fully Successful” or equivalent during the service period, or otherwise fails to fulfill the terms of the service agreement. In these cases, the employee must repay any portion of the incentive attributable to uncompleted service. The full amount of the authorized recruitment or relocation incentive must be prorated across the length of the service period to determine the amount attributable to completed service and uncompleted service.

When an employee is separated as a result of material cause, such as either of the following, the employee must repay all recruitment incentive payments received under that service agreement:

- false or inaccurate statements or deception
- fraud in examination or appointment, or as a result of failing to meet employment qualifications.

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### 4 Termination of Recruitment and Relocation Incentives (Continued)

#### C Written Notification of Termination of a Service Agreement

FSA must notify an employee in writing when it terminates a recruitment or relocation incentive service agreement. The termination of a service agreement is not grievable or appealable.

### 5 Requesting, Obtaining Approval for, and Paying Retention Incentives

#### A Process for Requesting an Individual or Group Retention Incentive

For a retention or group retention incentive to be considered, the agency must determine that the unusually high or unique qualifications of the employee(s) or special needs of the agency make it essential to retain the employee(s), and the employee(s) would likely leave the federal service in the absence of a retention incentive. The State Office or National Office division must submit FSA-164-3 and include an attachment justifying their request for use of a retention incentive. The State Office or National Office division must consider and, as applicable, include the following criteria in the attached justification.

- Employment trends and labor market factors; such as, the availability and quality of candidates in the labor market possessing the competencies required for the position and who, with minimal training, cost, or disruption of service to the public, could perform the full range of duties and responsibilities of the employee's position at the level performed by the employee.
- The quality and availability of the potential sources of employees that are identified in any agency's succession plan, who possess the competencies required for the position and who, with minimal training, cost, and disruption of service to the public, could perform the full range of duties and responsibilities of the employee's position at the level performed by the employee.
- The success of recent efforts to recruit candidates and retain employees with competencies similar to those possessed by the employee for positions similar to the position held by the employee.
- Special or unique competencies required for the position.
- Agency efforts to use non-pay authorities to help retain the employee instead of or in addition to a retention incentive, such as special training and work scheduling flexibilities or improving work conditions.
- The desirability of the duties, work or organizational environment, or geographic location of the position.

**5 Requesting, Obtaining Approval for, and Paying Retention Incentives (Continued)**

**A Process for Requesting an Individual or Group Retention Incentive (Continued)**

- The extent to which the employee's departure would affect the agency's ability to carry out an activity, perform a function, or complete a project that the agency deems essential to its mission; and
- The salaries typically paid outside the Federal Government

**B Obtaining an Approval to Offer a Retention Incentive**

Requests for retention incentive(s) must have DAFO or OMS approval prior to offering an employee or group of employees a retention incentive. Requests will be submitted on FSA-164-3 and should be sent to [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for State and County offices and to [OMS@usda.gov](mailto:OMS@usda.gov) for National Office requests. After approval, DAFO or OMS will provide the applicable office with the signed copy of FSA-164-3 and the office may proceed with collecting the remaining forms and justification listed below. DAFO will concurrently pursue funding and approval with OMS and BUD for State requests. National Office requests will be routed to BUD for funding approval.

- **Process for County Office Employees**

Requests to offer a retention incentive for CO employee(s) must be reviewed and approved by DAFO before it is offered to a current employee or group of employees. The State Office must submit the following information to [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov):

- name of the employee or group of employees
- FSA-164-3 with DAFO and Budget approval
- [Form AD-1073](#)
- Form FPAC-HR-0009
- justification (sample template can be found on the OPM Website <https://www.opm.gov/policy-data-oversight/pay-leave/recruitment-relocation-retention-incentives/fact-sheets/retention-incentive-waiver-template.pdf> )
- most recent performance appraisal (supporting full successful or equivalent rating)
- confirmation the employee is not currently working under any service agreement required for payment of a recruitment incentive.

After approval, DAFO will provide the State Office with the signed copy of FSA-164-3 and [Form AD-1073](#) and the State can proceed with offering a retention incentive.

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### 5 Requesting, Obtaining Approval for, and Paying Retention Incentives (Continued)

#### B Obtaining an Approval to Offer a Retention Incentive (Continued)

- **Process for GS Employees**

Requests to offer a retention incentive for GS employee(s) must first be reviewed and approved by DAFO or OMS by submitting FSA-164-3 and supporting documentation to:

- [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for State and County requests
- [OMS@usda.gov](mailto:OMS@usda.gov) for National Office requests.

After receiving approval, the office must submit the following information through the HR ECC ticketing portal to the Compensation Team:

- name of the employee or group of employees
- [Form AD-1073](#)
- Form FPAC-HR-0009 (<https://intranet.fsa.usda.gov/dam/ffasforms/currentforms.asp>)
- approved FSA-164-3
- justification (sample template can be found on the OPM Website ( <https://www.opm.gov/policy-data-oversight/pay-leave/recruitment-relocation-retention-incentives/fact-sheets/retention-incentive-waiver-template.pdf> )
- most recent performance appraisal (supporting full successful or equivalent rating)
- confirmation the employee is not currently working under any service agreement required for payment of a recruitment incentive.

#### C Payment of a Retention Incentive

Retention incentives can be paid to the employee by either of the following methods:

- installments after completing specific periods of service
- a single lump-sum payment after completing the full-service period.

**Note:** An Agency may not pay a retention incentive as an initial lump-sum payment at the start of a service period or in advance of fulfilling the service agreement period for which the retention incentive is being paid.

**5 Requesting, Obtaining Approval for, and Paying Retention Incentives (Continued)**

**C Payment of a Retention Incentive (Continued)**

A Service Agreement for Retention Incentives is executed using Form FPAC-HR-0009, Employee's Service Agreement for Receipt of a Retention Incentive, and must be fully executed prior to receiving a retention incentive unless the Agency pays retention incentives in biweekly installments; and sets each biweekly installment payable at the full retention incentive percentage rate.

A Service Agreement for any retention incentive may not exceed one year, and the request must be reviewed on an annual basis. These incentives must have a new [AD-1073](#) and Form FPAC-HR-0009 (if applicable) for each renewal and a renewal is not guaranteed.

Approved retention incentives for CO employees will be processed and paid by the State Office. Approved retention incentives for GS employees will be processed and paid by the HRD Compensation Team.

**6 Termination of Retention Incentives**

**A Agency Unilateral Termination of a Service Agreement**

FSA may unilaterally terminate a retention incentive service agreement based solely on the management needs of the agency, in which case the employee is entitled to recruitment or relocation incentive payments attributable to completed service and to retain any incentive payments already received that are attributable to uncompleted service.

A retention incentive service agreement terminates when conditions change, such that the original determination to pay the retention incentive no longer applies (such as when the agency assigns the employee to a different position that is not within the terms of the service agreement) or when payment is no longer warranted. The employee is entitled to retain any retention incentive payment attributable to completed service and to receive any portion of a retention incentive payment owed by the agency for completed service.

**B Termination of a Service Agreement for Cause**

FSA must terminate a service agreement if an employee is demoted or separated for cause (i.e. for unacceptable performance or conduct), receives a rating of record lower than "Fully Successful" or equivalent during the service period, or otherwise fails to fulfill the terms of the service agreement.

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### 7 SLRP

#### A Overview

SLRP may be used to attract and/or retain highly qualified individuals. SLRP allows for the repayment of eligible student loans directly to the loan servicer up to \$10,000 per year for a maximum agency payment of \$60,000. This is not a student loan forgiveness program. SLRP may not be used to retain employees who are leaving for positions in other federal agencies, nor to recruit employees from other federal agencies.

The loan(s) cannot be in a default status. FSA will not reimburse the employee for any portion of the loan repaid outside of the period of the service agreement and cannot add additional loans the employee has taken out after the service period has begun.

The employee is responsible and liable for any loan(s) the employee has taken out. The employee also is responsible for any income tax obligations resulting from the student loan repayment benefit.

#### B Eligible Student Loans

Eligible student loans include:

- a loan made, insured, or guaranteed under Part B of Title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.)
- a loan made under Part D or E of Title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq., 1087aa et seq.)
- a health education assistance loan made or insured under Part A of Title VII of the Public Health Service Act (42 U.S.C. 292 et seq.) or under Part E of Title VIII of the Public Health Service Act (42 U.S.C. 297a et seq.).

#### C Using SLRP for Recruitment Purposes

##### • Requesting SLRP for Recruitment Purposes

For SLRP to be offered for recruitment purposes in a job announcement, the position must be determined to likely be difficult to fill with a highly qualified individual in the absence of an incentive. The State Office or National Office must submit FSA-164-3 and include an attachment justifying their request for use of SLRP to:

- [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for State and County requests
- [OMS@usda.gov](mailto:OMS@usda.gov) for National Office requests.

The requesting office must consider and, as applicable, include the criteria in subparagraph 3 A in the attached justification.

7 SLRP (Continued)

C Using SLRP for Recruitment Purposes (Continued)

Approval to offer SLRP must be received from DAFO or OMS before a job announcement is posted. After approval, a copy of the signed FSA-164-3 will be returned to the requesting office and the office can proceed with advertising the applicable job including the incentive. DAFO will concurrently pursue funding and approval with OMS and BUD for State requests. National Office requests will be routed to BUD for funding approval.

The availability of SLRP must be included in the job announcement.

- **Approval and Payment Process for County Office Positions**

When a selection is made on a County Office job announcement offering SLRP, the State Office must submit the following information to [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for review and approval prior to establishing an effective start date:

- copy of the announcement (showing the availability of SLRP)
- justification explaining the difficulty filling the position and that the selected candidate is highly qualified
- copy of the FSA 164-3
- AD-1151

For CO employees, DAFO staff will verify eligibility requirements are met and DAFO will approve or disapprove the request. The State Office is responsible for processing the SLRP payment when approved.

- **Approval and Payment Process for GS Positions**

When a selection is made on a GS job announcement offering SLRP, the requesting office must submit the following information to the applicable HRD Staffing Specialist with a “cc” copy to [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for State requests and to [OMS@usda.gov](mailto:OMS@usda.gov) for National Office requests prior to establishing an effective start date:

- copy of the announcement (showing the availability of SLRP)
- justification from the hiring manager explaining the difficulty filling the position and that the selected candidate is highly qualified
- copy of FSA 164-3
- [AD-1151](#) (recommendation and approval form).

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### 7 SLRP (Continued)

#### D Current Employee Requests for SLRP

Current permanent, non-probationary FSA employees may submit requests to participate in SLRP. For FY 2022, FSA will consider SLRP requests up to \$10,000. Approvals will be based upon employees meeting eligibility criteria, supporting justification, and available budget.

To be considered for SLRP in FY22, the employee must provide the following information to their State Office or National Office division:

- current statement from the loan servicer that shows the borrower, current loan status, current balance, terms of repayment, and monthly payment amount
- a copy of the latest performance appraisal showing the employee had received at least a “Fully Successful” rating.

**Note:** SLRP and the Department of Education’s Public Service Loan Forgiveness (PSLF) Program are separate and distinct programs. PSLF provides eligible public service employees with federal student debt forgiveness after 120 qualifying monthly payments. Prior to applying for SLRP, employees are encouraged to explore both programs. An employee may receive both SLRP and PSLF, but an SLRP lump sum payment will count as only one qualifying monthly payment and may impact whether subsequent payments count toward PSLF. For more information, see:

- The Department of Education PSLF website: <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>
- The June 2022 [Public Service Loan Forgiveness \(PSLF\) Presentation For The FPAC Mission Area](#).

The FSA State Office or National Office must provide the employee documentation and a written determination to DAFO or OMS for National Office requests that the high or unique qualifications of the employee or special needs of the agency makes it essential to retain the employee, and that in the absence of offering student loan repayment benefits, the employee would likely accept employment outside the federal service.

This determination must be based on a written description of the extent to which the departure of an employee would affect the agency’s ability to carry out an activity or perform a function that is deemed essential to an agency’s mission using [AD-1151](#), “Repayment of Student Loan(s).”

The AD-1151 and employee documentation must be sent to [SM.FPAC.FSA.DAFO@usda.gov](mailto:SM.FPAC.FSA.DAFO@usda.gov) for State and County Office requests and to [OMS@usda.gov](mailto:OMS@usda.gov) for National Office requests **no later than August 17, 2022**. **Any submissions after this date will not be considered in FY 2022.**

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### 7 SLRP (Continued)

#### D Current Employee Requests for SLRP (Continued)

FSA will review and make determinations on SLRP requests.

- For GS employees, DAFO or OMS will forward approved SLRP requests and supporting documentation to the Compensation Section for review, final approval, and processing in accordance with subparagraph F. The Compensation Section will work with applicable offices to obtain the required service agreement from the employee.
- For CO employees, DAFO will notify State Offices of approved SLRP requests. State Offices will process a SLRP payment in accordance with subparagraph F only after receiving DAFO approval and a signed service agreement from the employee.

#### E SLRP Service Agreement

An employee will not receive an SLRP incentive until the employee enters on duty (if associated with recruitment) and into a fully executed service agreement. Before receiving any SLRP benefit, an employee must agree in writing using [AD-1152](#), "Service Agreement for a Receipt of Repayment of Student Loan(s)," that the employee will:

- remain in the service of the agency for a period for 3 years, unless involuntarily separated
- if separated involuntarily on account of misconduct, or voluntarily before the end of the period specified in the agreement, repay the Government the amount of any benefits received by such employee from that agency under this section.

**Note:** An employee who receives a student loan repayment and moves to another federal agency, including another USDA agency, is not obligated to repay the benefit, unless the employee has agreed to make a repayment in this circumstance.

Due to budgetary considerations, FSA will determine repayment benefit amounts on an annual basis. A new service agreement will be required for each year's approved repayment benefits.

A SLRP service agreement in no way constitutes a promise of, or right or entitlement to, appointment, continued employment, or noncompetitive conversion to the competitive service.

7 **SLRP (Continued)**

**F Repayment Process for Approved SLRP Agreements**

Student loans will be repaid in a lump-sum payment to the loan servicer via an electronic funds transfer.

- For GS employees, the FPAC BC-HRD Compensation Section will process the lump sum payment.
- For CO employees, the State Office Administrative Branch will process the lump sum payment.

The total amount of taxes is first deducted from the gross loan amount and a net payment is made to the lender or note holder. A loan payment is the net payment made by an agency to the holder of a student loan, after deducting any tax withholdings that may be made from the gross student loan repayment benefit credited to the employee.

An employee may receive a recruitment/relocation or retention incentive concurrently with student loan repayment with a separate service agreement.

Student loan repayment benefits are in addition to basic pay and any other form of compensation otherwise payable to the employee.

**G Termination of an SLRP Service Agreement**

On an annual basis, verification of the current status of each loan will occur to ascertain whether the loan is in arrears or default.

- For GS employees, the FPAC BC-HRD Compensation Section will verify loan status.
- For CO employees, the State Office Administrative Branch will verify loan status.

If the loan is in arrears or default, the repayment incentive will be terminated.

An agency must also terminate a service agreement if an employee receives a rating of record lower than “Fully Successful” or equivalent during the service period or leaves federal service. An agency must notify an employee in writing when it terminates a repayment incentive service agreement. The termination of a service agreement is not grievable or appealable.