

For: FSA Employees

FY 2024 Student Loan Repayment Program

Approved by: Administrator



1 Overview

A Background

The Student Loan Repayment Program (SLRP) can be used by federal agencies to attract and retain highly qualified individuals. Eligible FSA employees may submit requests to participate in the FY 2024 SLRP.

B Purpose

This notice provides information on the FY 2024 SLRP:

- eligibility requirements
- request process
- approval process
- payment process
- service agreement terminations.

C Contact Information

For questions or additional information about this notice:

- County Offices will contact their State Office
- State Offices will contact:
 - Amy.Webbink@usda.gov for eligibility and policy-related questions
 - SM.FPAC.FSA.DAFO.PPOD.ATEAM@usda.gov for payment issues and processing questions
- National Office will contact OMS@usda.gov.

Disposal Date	Distribution
June 1, 2025	All FSA employees; State Offices relay to County Offices

2 FY 2024 SLRP

A Overview

SLRP may be used to attract and retain highly qualified individuals. SLRP allows 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. SLRP is not a student loan forgiveness program. SLRP cannot be used to retain employees who are leaving for positions in other federal agencies, or to recruit employees from other federal agencies.

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

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

B Public Service Loan Forgiveness Program

SLRP and the Department of Education's Public Service Loan Forgiveness Program (PSLF) are separate and distinct programs. PSLF provides eligible public service employees with federal student debt forgiveness after 120 qualifying monthly payments.

Employees are encouraged to explore both programs before applying for SLRP. Employees may receive both SLRP and PSLF, but an SLRP lump sum payment will count as only 1 qualifying monthly payment and may impact whether subsequent payments count toward PSLF.

For more information, see:

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

3 Eligibility Requirements

A Eligible Student Loans

Only **federal** student loans are eligible for SLRP. Private student loans are not eligible for SLRP.

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.).

B Eligible Employees

Current permanent FSA employees are eligible to submit requests to participate in SLRP.

Note: Employees in positions excepted from the competitive service by reason of their confidential, policy-determining, policy-making, or policy advocating nature are not eligible for SLRP.

4 Submitting Requests

A Overview

FSA will consider FY 2024 SLRP requests up to the lesser of \$10,000 or the loan balance. Approval will be based on the following:

- employee meeting eligibility criteria
- supporting justification.

4 Submitting Requests (Continued)

B Required Documentation

No later than August 9, 2024, the employee must provide the following documentation to their State Office or National Office division to be considered for the FY 2024 SLRP:

- current statement from the loan servicer that shows the borrower's name, current loan status, current balance, terms of repayment, and monthly payment amount

Notes: Sample loan statements from common federal loan servicers can be found at [SLRP Sample Loan Documentation.pdf](#).

The employee's name must be reflected as the borrower's name on the statement.

The loan must not be in default and the loan statement must not show a past due amount.

If the loan number does not appear on the statement, the employee must add the loan number to the top of the statement.

- the loan servicer's payment address

Note: The employee **must ensure** that the address provided is the correct payment address. This address is often different than the return address on loan statements.

- copy of the employee's latest performance appraisal showing either of the following:
 - the employee received at least a "Fully Successful" rating, **or**
 - a written statement from the employee's supervisor that no performance appraisal is available but confirming fully successful performance
- AD-1152, Service Agreement for a Receipt of Repayment of Student Loan(s) (Exhibit 3), completed and signed according to subparagraph C.

Note: If the SLRP request is not approved and no SLRP payment is made, the service agreement is null and void.

Employee submissions received after August 9, 2024, will not be considered in FY 2024.

4 Submitting Requests (Continued)

C SLRP Service Agreement

Before receiving SLRP benefit, an employee must agree in writing using AD-1152. This agreement states 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.

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

5 Approval Process

A Written Determination and Justification

The State Office or National Office Deputy Area must determine that the high or unique qualifications of an employee or special needs of the agency make it essential to retain the employee, and in the absence of offering student loan repayment benefits the employee would likely accept employment outside of federal service. This written determination must include justification of the extent to which the employee's departure would affect the agency's ability to carry out an essential agency mission activity or function.

The National Office has already provided written justification covering GS and County Office (CO) employees in 1101 and 1165 series positions. No additional justification is needed.

For GS and CO employees occupying positions in other series, the State Office or National Office Deputy Area must provide written justification that:

- addresses the high qualifications of the employee or the special needs of the agency
- shows the employee would likely accept employment outside of federal service
- describes the extent to which the employee's departure would affect the agency's ability to carry out an essential agency mission activity or function.

5 Approval Process (Continued)

B HQ Employee Approval Process

The National Office Deputy Area must:

- complete AD-1151, Repayment of Student Loan(s) (Exhibit 1), according to the instructions in Exhibit 1
- e-mail the AD-1151 with supporting written determination and required documentation for employees in series other than 1101 or 1165 to OMS@usda.gov **no later than August 23, 2024.**

OMS will:

- review the submitted SLRP documentation and determine whether to approve
- notify the respective National Office Deputy Area of approval or disapproval
- forward approved SLRP requests and supporting documentation to the FPAC Business Center HRD for review, final approval, and payment processing.

C CO Employee Approval Process

The State Office must complete AD-1151 according to the instructions in Exhibit 1.

The State Office administrative branch will review the SLRP and determine whether to recommend approval.

If approval is recommended, Administrative Officer (AO)/Executive Officer (EO) or other SED-delegated Administrative Specialist will:

- complete AD-1151 and sign Boxes 15-16
- forward AD-1151 to SED for approval.

SED will determine whether to approve AD-1151. If approved, SED will complete and sign Boxes 18-20.

The State Office will:

- notify the employee of approval or disapproval
- upload the approved AD-1151 and required documentation to the SLRP OneDrive folder according to the instructions in Exhibit 2 **no later than August 30, 2024**
- complete a spreadsheet that DAFO will separately provide with the information for the approved SLRP request **no later than August 30, 2024.**

5 Approval Process (Continued)

D GS State Office or Service Center Employee Approval Process

The State Office must complete AD-1151 according to the instructions in Exhibit 1.

The State Office administrative branch will review the SLRP and determine whether to recommend approval. If approval is recommended, AO/EO or other SED-delegated Administrative Specialist will:

- complete AD-1151 and sign Boxes 15-16
- upload AD-1151 for employees in series other than 1101 or 1165 and required documentation to a DAFO/State Office shared OneDrive folder according to the instructions in Exhibit 2 **no later than August 23, 2024**

After all required documentation is uploaded into the folder, the State Office will:

- notify DAFO of the SLRP request by e-mailing sm.fpac.fsa.dafo@usda.gov with the subject line “SLRP Complete: [Employee Name]”
- complete a spreadsheet that DAFO will provide separately with the information for the SLRP request.

DAFO will determine whether to approve AD-1151. If approved, DAFO will:

- complete AD-1151 and sign Boxes 18-20
- notify the State Office of approval or disapproval
- upload approved AD-1151 to the SLRP OneDrive and note approval on the spreadsheet provided by DAFO **no later than August 30, 2024.**

State Offices are responsible for notifying the employee of SLRP approval or disapproval.

6 Payment Process

A Overview

The total amount of taxes is first deducted from the gross loan payment 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. Payments are **not** made directly to employees.

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

B Processing Approved SLRP Payments

Once the AD-1151 is approved, student loans will be repaid in a lump-sum payment to the loan servicer by either:

- the FPAC Business Center HRD Compensation Section
- an automated process.

All information for approved SLRP requests **must** be timely entered in the DAFO-provided spreadsheet so that payments can be made in FY 2024.

7 Service Agreement Termination

A Annual Verification

The current status of each loan will be verified annually to ascertain whether the loan is in arrears or default by:

- FPAC Business Center HRD Compensation Section for HQ employees
- State Office Administrative Branch for all other employees.

B Termination

The repayment incentive will be terminated if the loan is in arrears or default.

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.

Instructions for Completing AD-1151, Repayment of Student Loan(s)

AD-1151 can be downloaded from <https://www.usda.gov/sites/default/files/documents/ad-1151.pdf>. Complete the AD-1151 according to the following instructions.

Note: Ensure that the form is not locked after signature, can be edited, and a digital approval signature is added. Locked forms will be returned for resubmission.

Box	Instructions
1	Enter "Farm Service Agency".
2	Enter "AG FA" for a GS employee. Enter "XC CE" for a CO employee.
3	Leave blank.
4	Enter the employee's four-digit Personnel Office Identifier (POI). Note: The POI can be found in the employee's EmpowHR record under the Position Tab.
5	Enter full legal name of applicant as reflected in EmpowHR.
6	Enter the employee's full social security number.
7	Enter the city and State of the employee's official duty station.
8	Enter the duty station code. Note: The duty station code can be found in the employee's EmpowHR record under the Job Tab reflected as the "Location" 9-digit code.
9	Enter the employee's official position title.
10	Enter GS or CO, as applicable.
11	Enter series/grade step. Example: 1101/Grade 7/Step 10
12	Enter current salary.
13	Enter the regular line of accounting for the State and county. Note: Do not use Fund 95 LOA or any other special LOA for the applicable State and county when processing incentives.
14	Leave blank.
15-16	For GS employees, enter the name, title, and signature of the SED, AO/EO, or applicable Deputy Administrator (for National Office employees). Note: Ensure that the signature does not lock the form. For CO employees, enter the name, title, and signature of the State Office AO, EO or Administrative Specialist who completed the SLRP review and is recommending approval.
17	Ensure that the amount entered does not exceed either \$10,000 or the employee's loan balance.
18-20	For GS employees, leave blank. For CO employees, enter the name, title, and signature of the SED if it is determined that all requirements are met for approval.

Instructions for Uploading SLRP Requests to DAFO/State Office Shared OneDrive Folder

Each SED, AO, and EO will be provided access to a OneDrive folder for their State's SLRP requests. Administrative Specialists who had access to FY 2023 SLRP OneDrive folders should also still have access.

Note: SED's, AO's, and EO's may request additional State Office employee access by e-mailing sm.fpac.fsa.dafo@usda.gov.

Within each State folder, the State Office will create an individual folder for each employee for whom SLRP is requested.

Folders must be titled in the following format: **Pay Plan_Position Title_Employee Last Name_Employee First Name**.

Example: GS_FLPT_Smith_John

The following must be uploaded as separate documents in the employee's folder:

- completed AD-1151
- supporting written justification for employees in series other than 1101 or 1165 according to paragraph 4
- all other required employee documentation according to paragraph 4.

Instructions for Completing AD-1152, Service Agreement for a Receipt of Repayment of Student Loan(s)

AD-1152 is available at <https://usdagcc.sharepoint.com/sites/fsa-dafops/DAFO%20Resources/Forms/AllItems.aspx?id=%2Fsites%2Ffsa%2Ddafops%2FDAFO%20Resources%2Fad%2D1152%2Epdf&parent=%2Fsites%2Ffsa%2Ddafops%2FDAFO%20Resources>.

The first two fields on the form must **not** be edited from what is shown in the following example.

The amount of the repayment entered into the third field cannot exceed the lesser of \$10,000 **or** the loan balance.

Employees must sign and date the agreement manually or with a digital LincPass signature. Other forms of electronic signature are not acceptable.

SERVICE AGREEMENT FOR A RECEIPT OF REPAYMENT OF STUDENT LOAN(S)	
<p>In return for the repayment of my student loan(s) as described below, I hereby agree to remain an employee of the U.S. Department of Agriculture (USDA) - <u>Farm Service Agency</u> for the period beginning <u>today and ending 3 years</u> following the effective date of the student loan repayment, unless I am separated for reasons beyond my control and which are acceptable to the above named agency. The amount of the repayment of student loan I will be receiving under this agreement is _____.</p> <p>I agree that if I do not remain in the agency and maintain an acceptable level of performance for the above specified period I will repay to the agency the total amount of student loan repayment benefits I have received. I understand that this service agreement does not constitute a right, promise, or entitlement for continued employment or noncompetitive conversion to the competitive service. I understand that under such circumstances these monies are recoverable from me as a debt due the United States Government, and the agency is not responsible for making your loan payments and any late fees you are charged.</p>	
Signature	Date
Form AD-1152 (03/2002)	