



225 FW 11
***Student Loan
Repayment
Program***

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11.1 What is the purpose of this chapter? This chapter establishes policy and guidance about the administration and uniform application of the Service's Student Loan Repayment Program.

11.2 What is the Service policy on the Student Loan Repayment Program? Responsible officials may, at their discretion, use this program to:

A. Recruit candidates from outside the Federal sector when we would encounter difficulty filling the position with a highly qualified candidate unless we repay student loans, and

B. Retain Service employees when the high or unique qualifications of the employee or a special need for the employee's services makes it essential to retain the employee, and without the repayment of student loans, the employee would likely leave for employment outside the Federal service.

11.3 What is the scope of the policy? We may offer to repay student loans, when necessary and appropriate, to:

A. Temporary employees who are serving on appointments leading to conversion to term or permanent appointments,

B. Term employees with at least 3 years left on their appointment,

C. Permanent employees, and

D. Employees serving on excepted appointments who are eligible for noncompetitive conversion to a term, career, or career-conditional appointment (including, but not limited to Presidential Management Fellows).

11.4 What are the authorities for the Student Loan Repayment Program?

A. Office of Personnel Management Regulations, Repayment of Student Loans ([5 CFR 537](#)).

B. Departmental Policy on the Student Loan Repayment Benefit Plan, [Department of the Interior Personnel Bulletin 02-4 \(537\)](#).

C. Revised Departmental Policy on the Student Loan Repayment Benefit Plan, [Department of the Interior Personnel Bulletin 04-08 \(537\)](#).

11.5 Who is responsible for the Service's Student Loan Repayment Program?

A. The **Director** is the approving official for requests for student loan repayments.

B. Regional Directors; the Chief, Law Enforcement; and Assistant Directors:

(1) Ensure the appropriateness of the requests they send to the Headquarters Division of Human Capital for approval by the Director, and

(2) Annually approve the disbursement of funds under this program.

C. The **Assistant Director - Budget, Planning and Human Resources** is the technical advisor to the Director for program administration and implementation.

D. The Chief, Division of Human Capital:

(1) Develops national policy for the student loan repayment program.

(2) Serves as the technical authority and primary point of contact for responding to inquiries and requests for information about the program.

(3) Reviews requests for student loan repayment and sends the requests to the Director with a recommendation and supporting documentation.

(4) Sends a copy of the loan payment approval to the servicing human resources offices for processing.

E. The servicing human resources office:

(1) Provides guidance to supervisors, managers, and employees on the student loan repayment program.

(2) Reviews requests for loan repayment to ensure they conform to statutory, regulatory, and policy guidance before sending the requests to Headquarters for approval.

(3) Verifies the amounts of outstanding student loans to avoid overpayment and ensures that loans are federally insured or guaranteed.

(4) After approval, works with the manager/supervisor to complete [FWS Form 3-2218](#) (Student Loan Repayment Service Agreement) and monitors the agreement.

(5) Reviews the annual authorization for loans that are to be paid out over a period of 2 or more years.

F. Managers and supervisors:

(1) Determine the necessity of offering to repay student loans and the amount to offer.

(2) Ensure equity and consistency in decisions about to whom to offer the repayment of student loans.

(3) Prepare the requests for repayment and send them through the appropriate approval chain to their servicing human resources office and the Regional Director; Chief, Law Enforcement; or Assistant Director.

(4) Send annual authorizations, after the responsible Service Directorate member signs them, to the Headquarters Division of Human Capital.

G. The employee or applicant selected to receive payment under this program:

(1) Provides his/her supervisor or potential supervisor with official documentation from the lending institution that:

(a) States the current outstanding loan balance (within the previous 30 days),

(b) Certifies that the loan is authorized by the Higher Education Act of 1965 or the Public Health Service Act.

(2) Signs [FWS Form 3-2218](#), agreeing to:

(a) Abide by the conditions it establishes,

(b) Make loan repayments on the portion of the loan that continues to be his/her responsibility, and

(c) Provide appropriate documentation to his/her supervisor for each subsequent payment after the initial one.

11.6 Is there a maximum limit that may be repaid under this program? There is a maximum limit of \$10,000 per employee per calendar year and a lifetime Federal employment total of \$60,000 per employee for the repayment of student loans.

11.7 Can employees apply to have their student loans repaid under this program?

A. No. This is a discretionary program that supervisors and managers use when they believe it is in the best interest of the Service.

B. An employee who has student loans and is seriously considering leaving Federal service may ask his or her supervisor if he/she would be willing to request that the Service repay some or all of the outstanding loans if the employee agrees to remain employed by the Service.

11.8 How do supervisors and managers determine to whom to offer the repayment of student loans?

A. Supervisors and managers determine if there is a need to request repayment of student loans on a case-by-case basis.

B. To offer the repayment of student loans, the official must make a written determination that:

(1) In the absence of offering loan repayment, the Service would encounter difficulty either in filling the position with a highly qualified candidate or retaining a highly qualified employee in that position.

(2) The high or unique qualifications of the employee or special need of the Service for the employee's services makes it essential to retain the employee, and in the absence of offering student loan repayment, the employee will likely leave the Federal service.

(3) For employees who might leave Federal service, includes a description of the extent to which the employee's departure would affect the Service's ability to carry out an activity or perform a function that is essential to our mission.

C. When selecting employees to receive loan repayments, officials must adhere to merit system principles and take into consideration the need to maintain a balanced workforce in which all groups are appropriately represented in Government service.

11.9 What are the terms of the program?

A. Decisions about who should be offered the repayment of student loans are final. Employees have no appeal or grievance rights.

B. The amount of the repayment must be the minimum necessary to recruit a candidate for employment or to retain the employee.

C. Each determination (including the amount to be paid) must be made before the employee actually enters on duty in the position for which he or she was recruited. Budgetary constraints may have a negative impact on our ability to approve requests under this program.

11.10 How do supervisors/managers make requests under this program?

A. Managers and supervisors must submit requests in writing (see [section 11.8](#) for how to make determinations).

B. In addition to completing [FWS Form 3-2219](#) (Other Taxable Income - Student Loan Repayment Benefit) for payroll, the required information also includes:

(1) Appropriate documentation from the lender of the outstanding loan balance, and

(2) Certification that the loan is authorized by the Higher Education Act of 1965 or the Public Health Service Act.

C. The supervisor/manager sends requests to his or her servicing human resources office for review.

D. The servicing human resources office sends the request through the supervisory chain to the appropriate concurring official.

E. The Regional Director; Chief, Law Enforcement; or Assistant Director indicates his/her concurrence on the request by signing and dating [FWS Form 3-2219](#), and then sends the request to the Headquarters Division of Human Capital.

F. The Division of Human Capital reviews the request and sends it to the Director's office for approval.

11.11 What is the service agreement?

A. Employees who receive student loan repayments must sign an agreement ([FWS Form 3-2218](#)) to remain employed with the Service for a minimum of 3 years, or in the case of multiple payments, 3 years from the date of the last payment to the lender. For example:

(1) If the Service made a single payment of \$10,000 on December 31, 2012, the employee/applicant's agreement would run through December 31, 2015.

(2) If an employee/applicant receives approval for the repayments for a total amount of \$40,000, the repayment would take place over a period of at least 4 years (the annual limit is \$10,000). If the last disbursement to the lender is made on December 31, 2009, the employee's service agreement will run through December 31, 2012.

B. The service agreement covers the total loan amount paid. A new service agreement is not necessary for each annual payment. However, with each payment, the employee must provide the supervisor with official documentation from the lending institution that:

(1) Shows the current outstanding loan balance (within the previous 30 days), and

(2) Certifies that the employee made required payments during the previous year.

C. The supervisor sends the documentation to the servicing human resources office for verification of the remaining loan balance to ensure accurate payment.

D. The agreement may be extended due to unforeseen circumstances [e.g., the employee is in a nonpay status (leave without pay) for an extended period of time].

11.12 Can an employee lose eligibility for continuing benefits under this program?

During the service agreement period, an employee will lose the continued benefit if he or she:

A. Separates from the Service,

B. Does not maintain at least a Fully Successful (level 3) performance rating,

C. Violates any of the conditions of the service agreement, or

D. Fails to make loan repayments on the portion of the loan that continues to be his/her responsibility.

11.13 How does the Service make the student loan repayments?

A. The employing office must provide funding and a cost accounting code for the payments under this program.

B. Every year for which the benefit was approved, the supervisor/manager must send to the Headquarters Division of Human Capital a written notification ([FWS Form 3-2219](#)).

(1) The supervisor/manager first sends the notification to his or her servicing human resources office for review and signature.

(2) The servicing human resources office then sends it to the Regional Director; Chief, Law Enforcement; or Assistant Director for signature as the recommending official.

C. The Division of Human Capital sends a separate written authorization each year that such disbursement is authorized to the Director for approval.

D. The National Business Center's (NBC) Payroll Operations Division disburses payment to the loan holder on an annual basis after they receive written authorization from the Director. The loan repayment amount disbursed to the lender will be the net amount after all taxes and other assessments have been withheld. Neither the Service nor the Department of the Interior is responsible for any late fees assessed by the loan holder.

11.14 How are taxes withheld for the student loan repayment program? To minimize the tax ramifications for the employee, the NBC Payroll Office pays only the net amount to the lending institution. The gross amount authorized by the Service is credited toward the annual and lifetime limits. You can find more information about the tax implications of this program in the [Office of Personnel Management Student Loan Repayment Program Questions and Answers](#) document.

11.15 What happens if an employee voluntarily moves to another position in the Service? The employee will lose this benefit unless the new supervisor/manager wants to continue paying the benefit. The new supervisor/manager must apply for the employee to receive the benefit in upcoming years, and the employee must still be eligible for the program.

11.16 When must an employee reimburse the Service for repayment of a student loan?

A. An employee receiving the benefit who voluntarily leaves or is separated from the Service due to misconduct or performance, and before the end of the period he or she agreed to serve, must reimburse the Service for the entire gross amount of the loan the Service paid. The employee must also pay interest on the balance owed.

B. The Service will not prorate the amount the employee must repay.

C. The Assistant Secretary for Fish and Wildlife and Parks may waive repayment in whole or in part when recovering payment would be against good conscience or against the public interest (see section 11.17).

11.17 Can an employee request a waiver of the repayment? Yes. An employee who wants to request a waiver of the repayment must send a written request to his/her supervisor/manager. The supervisor/manager must send it through the servicing human resources office for review and then through the supervisory chain to obtain the concurrence of the appropriate Regional Director; Chief, Law Enforcement; or Assistant Director. The servicing human resources office then sends the request to the Headquarters Division of Human Capital to prepare a request package for the Assistant Secretary for Fish and Wildlife and Parks to review.

11.18 Where are the files maintained for the program? The servicing human resources office files the service agreement in the employee's official personnel folder and maintains other documentation relating to the student loan repayment program in a separate file.

11.19 What are the reporting and evaluation requirements? The Division of Human Capital must:

A. Coordinate reports requested by the Office of Personnel Management and the Department.

B. Review the use and effectiveness of the student loan repayment authority at least annually and recommend changes to this policy as necessary.

C. Conduct an evaluation of the program during reviews of servicing human resources offices,

as needed.

For information on the content of this chapter, contact the Division of Human Capital. For more information about this Website, contact [Krista Holloway](#) in the Division of Policy and Directives Management.

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