

Student Loan Repayment Program

Fiscal Year 2011

Application Window: September 13 through September 20, 2011

This bulletin serves as official notification that the Department of Housing and Urban Development is exercising its management flexibility to retain highly or uniquely qualified employees in critical positions through the implementation the Student Loan Repayment Program. The Department may agree to repay by direct payment to the lender (on behalf of the employee) all or part of any outstanding Federally insured student loan or loans. The operation of this program is contingent upon the availability of funds. This fiscal year, student loan repayment benefits may be issued up to \$6,000 per calendar year, not to exceed a maximum Departmental career benefit of \$40,000.

Applicants unable to submit an application during the open application window due to approved sick or annual leave, may authorize their supervisor or another employee to submit an application on their behalf. This authorization should be a signed memorandum from the employee to the authorized individual that clearly states the designee is authorized to submit an application on behalf of the employee. This memorandum should be scanned and emailed to SLRP2011@hud.gov. Upon receipt of the memorandum the designee will be contacted with further instructions.

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Eligibility

Employees (as defined in 5 U.S.C. 2105) are eligible to receive a student loan repayment benefit if they meet all three criteria below. They must be:

1. Highly qualified,
2. Have a current performance rating of at least "fully successful" or equivalent, and
3. Have completed at least one year of continuous service.

Employees serving in the following positions are covered:

- Permanent;
- Temporary and serving on appointment leading to conversion to term or permanent appointments;
- Term with at least three years remaining on the appointment; and,
- Excepted appointments with conversion to term, career, and career-conditional appointments.

Ineligible Employees:

- Possess a loan that is past due, delinquent, or in default until such time as the loan is shown to be in good standing; and
- Occupy a position that is excepted from the competitive civil service because of its confidential, policy-determining, policy-making, or policy-advocating nature (e.g., Schedule C appointee).

Application Process

All applications **must** be completed online.

- Employee's Responsibility

The employee must complete [Section I of the automated form](#) HUD-550, Application for Repayment of Student Loan, and click "submit" to forward application to his/her supervisor for certification. Upon completion, you will receive an e-mail notification.

- Employee's Required Documentation

In addition to completing the employee section of the automated application as outlined above, the employee is also required to submit the following documentation to the OCHCO, Policy Development and Advisory Staff at SLRP2011@hud.gov:

1. The applicant must contact his/her lender/loan service representative(s) to request a written verification of outstanding loan(s) and the amount(s). The verification must be completed by the lender/loan service, not the employee and must be signed by an authorized lender/loan service representative. In the event the applicant is unable to obtain written verification with a company seal or on letter head the employee may complete the verification form, provide their most current billing statement from the lender and self-certify that the information is accurate. For your convenience, attached is a copy of an authorization letter and verification form that can be used to obtain this information from your lender/service representative.
 2. A copy of your most recent federal service performance appraisal rating cover sheet. If no recent performance rating is available, please attach a brief note of explanation.
 3. A completed form HUD-551, Service Agreement, as applicable.
- Service Agreement
 1. Agreement obligates the employee to remain in the employment of the Department for a minimum of three years.
 2. If the employee fails to meet any of the terms and conditions in the agreement, the Department must be reimbursed for the full amount of student loan repayment benefits received.
 3. After the third calendar year of service, an additional year of employment with the Department will be required for each subsequent calendar year a repayment benefit is issued.
 - Supervisor's Responsibility
 1. [Section II of the automated form](#) addresses the essential services and functions of the applicant's position and **must** be completed by the supervisor. This is to document his/her

- determination that he/she would encounter difficulty in retaining a highly or uniquely qualified employee in that position.
2. The supervisor submits [Sections I and II](#) to the OCHCO for review.

Notification

Employee notification will be via email. Once an application is submitted, it will be reviewed and the applicant will be notified via e-mail if the application requires additional information. Upon notification, the employee has 24 hours to provide requested missing information.

Taxation

The student loan repayment will be disbursed as a lump sum payment. The lump sum payment is considered supplemental wages; therefore, the appropriate taxes are withheld from the lump sum payment.

Required Documentation

Documentation must be scanned and emailed to SLRP2011@hud.gov (preferred method). Please contact the OCHCO Contacts listed below if you require additional assistance by the application deadline:

- Service Agreement
- Performance Appraisal (2010 performance cycle)
- Lender Verification

Reference

Chapter 4 of the Pay Administration Handbook (550.2 Chg. 1, June 2004)

Questions

Please email questions to SLRP2011@hud.gov.

OCHCO Contacts:

Yvette Moore at Yvette.D.Moore@hud.gov or call (202) 402-6639
Denetrice Williams at Denetrice.J.Williams@hud.gov or call (202) 402-4447.

Guides

- [Applicant's Guide](#)
- [Supervisor's Guide](#)