

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.

The _____, U S. Army Corps of Engineers, agrees to provide a student loan repayment benefit to:

EMPLOYEE	SOCIAL SECURITY NUMBER	POSITION SERIES

subject to the conditions of employment stated in this document.

(STATE ANY LOCAL CONDITIONS OF EMPLOYMENT SPECIFIC TO EACH AGREEMENT HERE)

CONDITIONS OF LOAN REPAYMENT

I agree to complete _____ (MINIMUM OF THREE) YEARS SERVICE _____. My period of service begins on _____ and will end on _____. In return, _____ U. S. Army Corps of Engineers will make payments on my outstanding federally insured loan(s) to:

(LENDER(S) NAME, ADDRESS, AND ACCOUNT NUMBER)

REPAYMENT AMOUNT	YEARS	TOTAL

Increases or renewals made under this part not to exceed the statutory limits of \$6000 each calendar year up to a lifetime total of \$40,000 may be made without requiring a new period of service. If increases or renewals are made, however, they shall be documented on a revised service agreement. The Defense Finance and Accounting Service (DFAS) will be provided a copy of this and any amended service agreement to ensure the size and duration of payments to the loan holder(s) are adjusted accordingly.

LOAN REPAYMENT PROCEDURES

DFAS will make payments to the lender on a biweekly basis. The loan repayment amount will be considered as taxable wages and tax withholding will be made on a biweekly basis as appropriate. The employee is 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 the _____, U. S. Army Corps of Engineers, am separated for reasons of misconduct or performance, fail to maintain an acceptable level of performance as documented by a rating of fully successful or equivalent on my latest performance appraisal, or in any way violate the terms of this agreement.

REIMBURSEMENT OF LOAN REPAYMENT BENEFIT

If I voluntarily leave the U. S. Army Corps of Engineers before I complete the period of service specified in this agreement, I will reimburse the entire amount of loan repayments resulting from this agreement considered as taxable wages that have been made on my behalf unless a waiver of repayment is authorized.

EMPLOYEE SIGNATURE

DATE

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

APPROVING OFFICIAL'S SIGNATURE

DATE

Approving Official's Typed Name and Title

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