



United States
**Office of
Personnel Management** Washington, DC 20415-0001

October 27, 2003

MEMORANDUM FOR HUMAN RESOURCES DIRECTORS

FROM: RHONDA DIAZ
Acting Deputy Associate Director
for HR Systems, Requirements and Strategies

SUBJECT: Nature of Action Code for Student Loan Repayments

We have established a new **Nature of Action (NOA) code 817** to facilitate payroll standardization and reporting on your agency's use of the Federal student loan repayment program.

The Federal student loan repayment program authorizes agencies to repay certain types of Federally insured student loans as a recruitment or retention incentive for highly qualified candidates or current employees. (See 5 U.S.C. 5379 and 5 CFR part 537.) Agencies may make a payment of up to \$6,000 per employee in any calendar year, up to a total of not more than \$40,000 for any employee. The law requires agencies to report annually to the Office of Personnel Management (OPM) on their use of the student loan repayment incentive. (See 5 U.S.C. 5379(h).) In recent years, OPM has issued a separate memorandum requesting this information. (See CPM 2002-13.) Agencies are required to provide data on the number of Federal employees who received student loan repayment benefits, their job classifications, and the total amount of student loan repayments paid each fiscal year.

To provide more control, standardization, and efficiency from a payroll standpoint, and to ease the administration of the statutory reporting requirement, we have established a new Nature of Action (NOA) code 817 for submission to the Dynamics file of the Central Personnel Data File (CPDF). Each fiscal year, agencies must submit an NOA code 817 for each employee authorized to receive student loan repayment benefits in that fiscal year. The agency must submit an NOA code 817 for an employee upon the initial authorization of student loan repayment benefits and in any subsequent fiscal year in which benefits are authorized to be paid. If student loan repayment benefits are not authorized to be paid in a subsequent fiscal year, the agency does not need to submit an NOA code 817 for that fiscal year, even if the employee has not yet fulfilled the service agreement.

In the Award Amount field, enter the amount authorized to be paid during that fiscal (not calendar) year, with leading zeroes as needed. An entry in the Legal Authority field is not required. The agency should not process an SF-50 for the NOA code 817, only a CPDF record.

If you have questions concerning this new CPDF reporting requirement, please contact Randall Matke at (202) 606-1203. If you have questions on the Federal student loan repayment program, please see OPM's Web site at <http://www.opm.gov/oca/pay/StudentLoan> or contact Vicki Draper at (202) 606-2858.