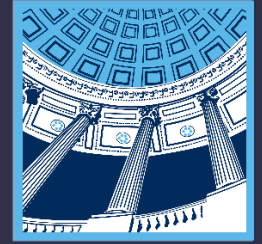


# Architect of the Capitol Status of the Student Loan Repayment Program



In January 2023, the Architect of the Capitol (AOC) Office of Inspector General (OIG) sent a memorandum to the Chief Administrative Officer of the AOC requesting certain documents and information pertaining to the AOC's Student Loan Repayment Program (SLRP) to review under a proactive investigation (2023-0001-INVPRO-P). The goal of the proactive investigation was to ensure that individuals receiving AOC funds were compliant with AOC policy and service agreements and that the program was being administered in compliance with agency policy. In addition, OIG analysts and investigative staff planned to review the data received for potential indications of fraud in accordance with the OIG's mission to promote efficiency and effectiveness to deter and prevent fraud, waste and abuse in AOC operations and programs.

## BACKGROUND

AOC Order 537-1 states that it is the policy of the AOC to use student loan repayment benefits as a human capital flexibility to attract, develop and sustain a well-qualified, high-performing workforce by repaying part or all their qualifying student loan(s). The program assists employees with payments on student loan debt incurred in support of courses of study already completed. Employees have no entitlement to this program and repayment is subject to budgetary considerations and at the discretion of the AOC. In exchange for repayment, the employee is subject to an initial three-year service agreement.

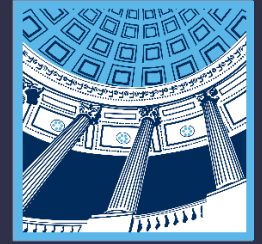
The maximum repayment is \$10,000 per employee per fiscal year and a lifetime aggregate of \$60,000 per employee. Employees may receive consecutive years of payments if they do not exceed the yearly or lifetime limitations.

An employee is indebted to the federal government and must reimburse the AOC for any student loan repayment benefits received under a service agreement if he/she:

- Leaves the AOC voluntarily before fulfilling the length of his/her service agreement (which includes entering the service of another federal agency or the private sector)
- Leaves involuntarily as a result of misconduct or poor performance
- Violates any other condition in the Service Agreement

The Architect of the Capitol may waive, in whole or in part, recovery of an employee's debt incurred for failure to meet a requirement of the Service Agreement if the AOC determines that recovery of the debt would not be in the public interest or would be against equity or good conscience.

# Architect of the Capitol Status of the Student Loan Repayment Program



## METHODOLOGY

The OIG requested certain information from the AOC for Fiscal Years (FY) 2017 to 2022. We reviewed all data provided by the agency and compared the amounts received by program participants with the applications, service agreements, and Payroll Disbursement Transmittal forms to ensure the information matched. We reviewed agency separation data to ensure all program participants who separated from the agency during the period of their service agreement were properly reported. We coordinated with the AOC Payroll and Processing Branch to verify data and obtain additional information on employees who had left the agency in the period reviewed.

## FINDINGS

Our review of the data provided revealed that between FY 2017 and FY 2022, 17 AOC employees separated from the agency prior to the fulfillment of their Student Loan Repayment Agreement. Of those, nine employees repaid the agency in full, while one employee received a waiver as allowed under agency policy. Five former employees have outstanding balances totaling \$39,438.58 and are all in compliance with the repayment terms agreed to with the AOC.<sup>1</sup> As of the date of our review, the remaining two former employees carried an additional debt of \$39,304.80 and had not made any payments; however, under the repayment terms they were not yet considered delinquent.

Our evaluation of the data for the period of review also showed that after FY 2017, SLRP participants consistently had a higher rate of retention compared to AOC as a whole. As noted in Figure 1, the retention rate of SLRP employees follows yearly trends of AOC employee retention as a whole but is consistently three to seven percent higher than the retention rate of all AOC employees.

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<sup>1</sup> Neither AOC Order 537-1 nor the Student Loan Repayment Service Agreement specify how a former employee is expected to repay AOC if they violate their Service Agreement. Section 17.3 of the Order states: “If an employee fails to repay the AOC for the amount owed, a sum equal to the amount outstanding shall be recovered from the employee under applicable regulations for collection by offset from an indebted government employee, or governing debt collection if the individual is no longer a federal employee.” Similarly, the Service Agreement states only, “I understand that if I fail to reimburse the AOC for the full amount owed as described in paragraph 2 above, the amount outstanding may be recovered from me through collection by salary offset or through the appropriate provisions under the Federal Claims Collection Standards.”

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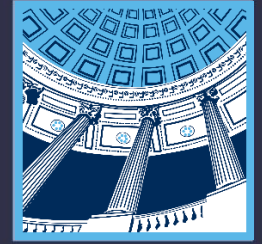
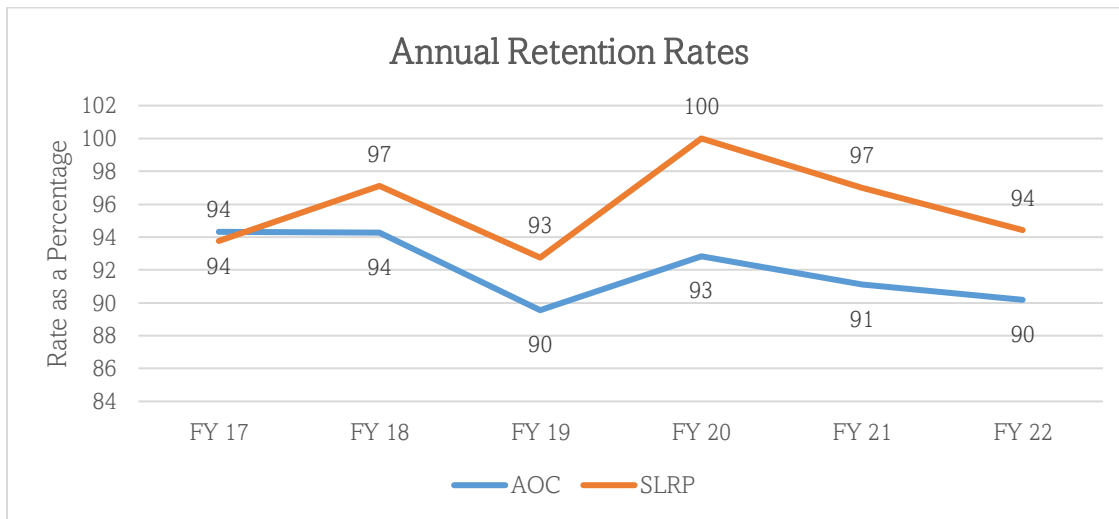


Figure 1: Comparison of AOC and SLRP Annual Retention Rates



Source: OIG review of Human Capital Management retention data.

Our review revealed no indications of fraud or mismanagement in the SLRP program.

## CONCLUSION

The AOC SLRP program appears to be meeting the stated intention of retaining AOC employees. Whether the program has attracted, developed and sustained a well-qualified, high-performing workforce was outside the scope of this review. The program appears to be appropriately administered under the AOC policy and no fraud was detected by our review. While the conditions of repayment to the agency for violating the Service Agreement may have been left vague intentionally as the circumstances for each loan repayment are unique, the AOC may benefit by informing program participants the expectations of repayment upfront in the event employees break their Service Agreement.