

**WASHINGTON HEADQUARTERS SERVICES (WHS)  
JOHN S. McCAIN STRATEGIC DEFENSE FELLOWS PROGRAM  
STUDENT LOAN REPAYMENT CONTINUED SERVICE AGREEMENT (CSA)**

Title 5 USC 5379 and Section 932 NDAA FY19, the Department of Defense (DoD) John S. McCain Strategic Defense Fellows Program (“McCain Fellows Program”) allow repayment of outstanding federally insured student loans made by educational institutions or banks and other eligible 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.

**CONDITIONS OF EMPLOYMENT**

WHS and the McCain Fellows Program agree to provide a student loan repayment benefit to the individual below subject to the conditions of employment stated in this agreement, and the McCain Strategic Defense Fellows Program Implementation Guidance.

EMPLOYEE NAME	SOCIAL SECURITY NUMBER	POSITION (TITLE, PP, SERIES & GRADE)

**CONDITIONS OF LOAN REPAYMENT**

I agree to complete my one year McCain Fellows Program fellowship to receive the student loan repayment incentive. If I’m converted to a DoD billet after program completion/graduation, I agree to serve additional three (3) years of service for each year I’m eligible to receive student loan repayment incentives, as outlined in the McCain Strategic Defense Fellows Program Implementation Guidance. Service agreements to be served consecutively, not to exceed a total of seven (7) years.

My period of service (date of service) begins on \_\_\_\_\_.

In return, WHS and the McCain Fellows Program will make payments on my outstanding federally insured loan to:

LENDER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

LOAN ACCOUNT NUMBER: \_\_\_\_\_

I agree to notify the McCain Fellows Program Management Office immediately of any changes to the lender identified above in the servicing of my loan (i.e., outstanding loan amount, loan consolidation, assumption of loan by another lender, etc.).

McCain Fellows Program Incentive Plan	REPAYMENT AMOUNT (Up to \$10,000/year, or outstanding loan amount, whichever is less)	DoD SERVICE REQUIREMENT	CSA START/END DATES	CSA RENEWAL DATE AND PARTICIPANT SIGNATURE
Year 1		1 year (Complete Fellowship)	Start: End:	Date: Signature:
Year 2		3 year CSA	Start: End:	Date: Signature:
Year 3		3 year CSA	Start: End:	Date: Signature:
Year 4		N/A	Start: End:	Date: Signature:
	Total Outstanding Amount:	7 year total CSA		

Increases or renewals made under this part, not to exceed \$10,000 each calendar year up to a program total of \$40,000, may not be made without requiring a new period of service. After Year 4 (McCain Fellows Program Incentive Plan end date), the McCain Fellows Program participant/DoD employee may receive additional student loan repayment from their current DoD employing agency, if eligible and funding is available. Combined lifetime maximum of \$60,000 student loan repayment per DoD employee applies.

If I'm also receiving other additional McCain Fellows Program incentives (i.e. Relocation reimbursement incentive, Learning and Development incentive, etc.) and signed respective Continued Service Agreements for each incentives, the service agreements are to be served consecutively, with a combined service year maximum of seven (7) years.

If increases or renewals are made, however, the McCain Fellow/Participant is responsible for providing the updated changes and signed CSA renewal to the McCain Fellows Program Management Office.

WHS and the McCain Fellows Program shall provide the Defense Finance and Accounting Service (DFAS) with a copy of the amended service agreement to ensure the size and duration of payments to the loan holder are adjusted accordingly. A copy of this Service Agreement will be provided to the servicing Budget Office.

**LOAN REPAYMENT PROCEDURES**

DFAS will make payments to the lender on a biweekly basis. DFAS will determine the amount to be paid by dividing the annual repayment amount by the number of remaining pay periods in the year for which payments are made. This usually will be 26 payments per year, except for years having 27 pay periods. In those cases, 27 biweekly payments will be made. The loan repayment amount will be considered as taxable wages and tax withholding will be made on a biweekly basis as appropriate. The DoD is not responsible for any late fees or penalties assessed by loan holders prior to, during, or subsequent to this agreement.

**LOSS OF ELIGIBILITY FOR LOAN REPAYMENT BENEFIT**

I, \_\_\_\_\_, a McCain Strategic Defense Fellows Program participant understand that I will no longer be eligible for the loan repayment incentive if I voluntarily end my one year fellowship or DoD employment (if converted after program completion), fail to maintain an acceptable level of performance (as defined by the McCain Strategic Defense Fellows Program Implementation Guidance), or in any way violate the terms of this agreement. I also understand that the loan payments may not continue for periods of Leave without Pay (LWOP). If LWOP occurs, this can result in loss in loan payment benefits for these periods unless exceptions (i.e., returning from uniform service, full recovery from compensable injury, etc.) are granted.

**REIMBURSEMENT OF LOAN REPAYMENT BENEFIT**

If I am separated from DoD and the McCain Fellows Program for reasons of misconduct or poor performance, or if I leave DoD voluntarily before I complete the period of service specified in this agreement, I will reimburse DoD for the entire amount of all loan repayments considered as taxable wages that DoD has made in my behalf.

\_\_\_\_\_  
McCAIN FELLOW/PARTICIPANT SIGNATURE

\_\_\_\_\_  
DATE

*I certify that I have discussed the conditions of the student loan repayment program with the participant.*

\_\_\_\_\_  
McCAIN FELLOWS SUPERVISOR

\_\_\_\_\_  
DATE

**This information is provided pursuant to the Privacy Act of 1974.**

**AUTHORITY:** 5 USC 5379, EO 9397, Section 932 NDAA FY19 and the DoD McCain Strategic Defense Fellows Program Implementation Guidance.