

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND
REHABILITATIVE SERVICES
REHABILITATION SERVICES ADMINISTRATION
WASHINGTON, D.C. 20202-2531

INFORMATION MEMORANDUM

RSA-IM-92-28

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DATE: September 1, 1992

TO : STATE VOCATIONAL REHABILITATION AGENCIES (GENERAL)
STATE VOCATIONAL REHABILITATION AGENCIES (BLIND)
REGIONAL REHABILITATION CONTINUING EDUCATION
PROGRAMS
LONG-TERM TRAINING PROJECTS
RSA SENIOR MANAGEMENT TEAM

SUBJECT: RSA LONG-TERM TRAINING SCHOLARSHIP REQUIREMENT INFORMATION
FOR STUDENTS

CONTENT: Attached, for your information, is a copy of the subject document. I hope this handbook will help you, and the rehabilitation scholars you assist, in understanding the training payback requirements.

If you need assistance with the information in this document or the provisions of the Rehabilitation Training Program, you may contact Richard Melia, Director, Division of Resource Development, Office of Developmental Programs, Room 3324, Switzer building, 330 C Street, S.W., Washington, D.C. 20202-2649. Dr. Melia may be reached at 202-205-9400. Additional points of contact are listed in the handbook.

We are aware that the payback provision is likely to be changed as a result of pending action by the 102nd Congress to revise and extend the Rehabilitation Act of 1973. A new version of this document will be issued after the new legislation is enacted.

Commissioner, RSA

Attachment

1/ Under Development

**U.S. DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES
REHABILITATION SERVICES ADMINISTRATION**

**RSA LONG-TERM TRAINING
SCHOLARSHIP REQUIREMENT INFORMATION
FOR STUDENTS**

AUGUST, 1992

OSERS/REHABILITATION SERVICES ADMINISTRATION

Dear Prospective RSA Scholar:

The decision you make regarding your future career may well be one of the most important decisions in your life. We are fortunate to be citizens of this country where our society offers a wide array of choices, rewards, and challenges.

Your choice of rehabilitation as a career offers wide opportunities, and the satisfaction of knowing that your work will not only contribute to our society, but will also assist and help other individuals. Personnel employed in the State-Federal programs of vocational rehabilitation, supported employment, and independent living have a number of career choices, all of which help to enrich the lives of individuals with disabilities.

There is an acute need for qualified personnel in the field of rehabilitation. Specifically, State rehabilitation agencies, and the nonprofit facilities with which the State rehabilitation agencies make agreements to provide vocational, supported employment, and independent living services, have critical personnel needs. To ensure that the RSA Training Program helps State agencies in filling these jobs, Congress added a "payback" provision for RSA scholars to the Rehabilitation Act. This handbook explains the payback requirement.

RSA SCHOLAR! I hope that you will accept that designation proudly and consider it a privilege and an honor to serve in this exciting field. I also hope that the information in this handbook will be helpful to you as you begin your career in rehabilitation.

Sincerely,

Nell C. Carney, CRC
Commissioner

RSA LONG-TERM TRAINING SCHOLARSHIP REQUIREMENT INFORMATION FOR STUDENTS

As an **RSA SCHOLAR**, you will be receiving support from a program with a proud history of more than seventy years of cooperation between the Federal government and the States in restoring hundreds of thousands of persons with disabilities to productive lives. You will also be preparing for a professional career in a dynamic field.

The **Rehabilitation Services Administration (RSA)**, a component of the **U.S. Department of Education**, is the principal Federal agency responsible for administering provisions of the Rehabilitation Act of 1973, as amended. RSA's major activities are to provide funds, leadership, and technical assistance to States in the day to day administration of vocational rehabilitation, supported employment, and independent living programs.

Since 1954, RSA has provided grants to increase the numbers of personnel trained to provide services to persons with severe disabilities, and to improve the quality of professional rehabilitation services. Most grants include scholarship funds to relieve the financial burden of students.

The amendments to the Rehabilitation Act in 1986 require recipients of RSA scholarships for academic certificates or degrees to "payback" their assistance through employment in a State rehabilitation agency or nonprofit or related facility or agency providing services under an agreement with a state rehabilitation agency. This is to assure that when you graduate and enter employment, you will work in programs that use RSA funds to provide services to individuals with severe disabilities.

In other words, there are "strings" attached to the RSA support you accept. As an **RSA Scholar**, you must sign an agreement with the college or university that provides you with RSA training funds. The agreement states that after completing your degree or certificate, you will, on a full-time basis, work for a State rehabilitation agency, or a qualifying agency that provides services to individuals with disabilities under an agreement with a State rehabilitation agency. The agreement further states that you will work not less than two years for each year of RSA supported study. If you attend school for only nine months, but that is a full academic year at your institution, you will be responsible for paying back two full years of employment. Any portions of time for part-time support will be prorated. For example, if you were supported only three months, your payback time would be six months.

After graduation, you must keep in touch with your college or university, advising them of your place and duration of employment. The terms of your agreement must be met within ten years following graduation. However, RSA has designated that, under certain limited circumstances, the repayment requirements can be waived or deferred.

If you do not work for one of the approved types of agencies, you will be required to repay the RSA funds that you received. If you do not complete your academic program, you still must work in a job as specified, until your agreement is met. If you partially meet the employment requirements, you must repay a prorated sum, based upon the years of unmet employment in a ten-year period.

It is important that you very carefully read your agreement, the accompanying Federal regulations that define key terms, and this handbook, so that you understand your obligations in accepting RSA funds. Your college or university advisors can assist you with any questions concerning RSA support. Once you sign the agreement, however, you will be legally bound to the RSA "payback" requirements.

According to graduate follow-up surveys by the National Council on Rehabilitation Education, well over 90 percent of the individuals receiving RSA scholarship/traineeship support work in State agencies or organizations that meet the requirements of the regulations. There are many ways to legally meet your "payback" requirements. Be sure to contact your academic advisor for examples of options open to counselors, therapists, physicians, nurses, evaluators, psychologists, administrators, and related specialists to meet the "payback" requirements.

The questions and answers that follow provide additional information on the "payback" requirements. If, after reading this booklet and discussing your specific needs with your academic advisor, you still have questions or concerns, please contact us at RSA. The names, addresses, and phone numbers of RSA staff you may wish to contact are listed in this handbook.

We are aware that the payback provision is likely to be changed as a result of pending action by the 102nd Congress to revise and extend the Rehabilitation Act of 1973. A new version of this document will be issued after the new legislation is enacted.

FREQUENTLY ASKED QUESTIONS

1. What financial aid is included in my payback requirement?

The requirement applies to all RSA financial assistance to a scholar in an area of long-term rehabilitation training and includes payments for tuition, stipends, books, fees, and travel. The total to be repaid is the cumulative amount of all scholarship assistance, plus interest. [34 CFR 386.4]¹

2. How is an academic year defined for purposes of my payback requirement?

An academic year means a full time course of study (1) taken for a period totaling at least 9 months; or (2) taken for the equivalent of at least 2 semesters, 2 trimesters, or 3 quarters. The employment obligation of a part-time scholar is based on the accumulated academic years of training for which scholarship aid is received. If you attend school from September to June, your payback obligation is two full years. Work requirements for portions of an academic year are prorated. [34 CFR 386.4; 34 CFR 386.44]

3. I received partial funding. What are my payback requirements?

The amount of financial assistance you receive, whether partial or full, does not affect your obligation to meet your employment commitment. Your employment obligation as a part-time scholar will be based on the "accumulated academic years" of training for which you received assistance. [34 CFR 386.44]. An "accumulated academic year" is the equivalent of each period totaling at least nine months of full-time study in a degree or certificate program.

4.If I am dismissed or drop out of my program for academic or non-academic reasons, to what degree am I liable for payback?

You are liable for repayment of the costs received if you are dismissed or voluntarily leave the program for academic or non-academic reasons. If you seek to meet the obligation through employment, the employment must be in a position as defined in the regulations. Circumstances for deferrals and exceptions are described in the regulations. [34 CFR 386.44]

¹ CFR is a citation for Code of Federal Regulations. General and permanent rules published in the Federal Register are codified in the CFR. The CFR is kept up to date by the individual issues of the Federal Register. Title 34 is presently composed of volumes addressing education, including rehabilitation. Regulations are cited by volume title, part, and section number. Thus, 34 CFR 386.4 refers to Title 34, Part 386, Section 4.

5. What information, in addition to this Handbook, will help me to understand the payback requirement?

It is strongly suggested that you become familiar with the final regulations published in the Federal Register on August 14, 1987. [34 CFR 386] The regulations should help you understand the payback provision. Your college or university should have additional program guidance information available, such as names and addresses of qualifying employers.

6. I am a Resident in Physical Medicine and Rehabilitation. Does the payback requirement apply to residency programs in PM&R?

Yes. Residency programs receiving grants under the Rehabilitation Long-Term Training Program in the field of PM&R must adhere to the final Rehabilitation Long-Term Training regulations published in the Federal Register on August 14, 1987. [RSA-PPD-88-8, May 5, 1988]²

7. Must I work on a full-time basis in a qualifying agency?

Yes. A scholar must work on a full-time basis for either the State rehabilitation agency or a related agency, facility, or qualifying organization. However, if you work for a related agency, service to rehabilitation clients of the State-Federal programs of vocational rehabilitation, supported employment, or independent living need not be provided forty hours a week (or whatever number of work hours equals full-time employment in your job). Rather, the requirement can be met if you are employed full-time by the qualifying organization, and your work is on a continuing basis as a consultant or practitioner serving rehabilitation clients. For example, if a rehabilitation physician works full-time for a qualifying organization whose clientele includes individuals receiving services through programs funded under the Rehabilitation Act, the work would meet payback requirements. [34 CFR 386.4; 34 CFR 386.44]

8. What is meant by a "related agency?"

The State-Federal programs of vocational rehabilitation, supported employment, and independent living are the programs intended to benefit from the payback provision. Congress recognized, however, that State rehabilitation agencies often accomplish their mission through agreements with other programs. Thus, the employment obligation may be met by obtaining and maintaining employment, in the field in which you were trained, in a nonprofit or related agency providing services under an agreement with a State rehabilitation agency. State agencies maintain lists of public agencies, non-profit organizations such as rehabilitation facilities, and for-profit sole professional practices with which the State agency maintains such services agreements. If an organization is included on such lists, it is a "related agency." Confirmation

² RSA-PPD-88-8 is a citation for RSA Program Policy Directive number 8 in FY 1988. The Program Policy Directive provides additional information on the application of the payback provision to residency programs. Contact your residency training advisor or your appropriate RSA Regional Office (see attached listing) for further information on this PPD or ways that you may satisfy the payback provision when you are a practicing rehabilitation physician.

may be required that the State rehabilitation agency has an agreement with your employer in your area of specialty. [34 CFR 386.4; 34 CFR 386.44]

9.If I engage in full-time employment for a State agency or related rehabilitation agency while in training, will that count toward payback?

Full-time rehabilitation employment while in training does not meet the work requirement. Regulations state that "within the ten-year period after cessation of enrollment in the course of study for which the scholarship is awarded, the scholar will obtain and maintain employment..." (emphasis supplied) [34 CFR 386.44]

10.Does RSA specify the geographical location in which my work requirement must be satisfied?

Regulations implementing the payback requirement do not specify the geographical location in which the work requirement must be satisfied. You may select where you wish to seek and maintain employment, provided that within the ten-year period following the completion of your training, your employment obligation is fulfilled with a State agency or related program. [34 CFR 386.44]

11.I'm considering working for a private, for-profit rehabilitation business. Will I be able to fulfill the payback employment requirement if the business provides services to State agency rehabilitation clients?

Such employment is not with a related agency as defined in the regulations and hence would not satisfy the requirement. [34 CFR 386.44]

12.Under what circumstances may I receive an exception to the repay requirements?

You are not required to repay if you are unable to continue your course of study or enter employment due to an impairment that is expected to continue indefinitely or result in death, or if, in fact, you should die. [34 CFR 386.45 (a)]

13. Under what circumstances may repayment of my scholarship be deferred?

Repayment of a scholarship may be deferred during the time the scholar is:

- (1) engaging in a full-time course of study at an institution of higher education;

- (2) serving, not in excess of three years, on active duty as a member of the armed services of the United States;
- (3) serving as a volunteer under the Peace Corps Act;
- (4) serving as a full-time volunteer under Title I of the Domestic Volunteer Service Act of 1973;
- (5) temporarily totally disabled, for a period not to exceed three years; or
- (6) unable to secure employment as required by the agreement by reason of the care provided to a disabled spouse for a period not to exceed twelve months. [34 CFR 386.45 (b)]

14. How would I obtain a deferral or exception for one of the reasons listed above?

You, or when necessary, the legally responsible person acting on your behalf, must submit a written application and documentation as provided in Section 386.46 to the Commissioner, Rehabilitation Services Administration, Department of Education, Washington, D.C. 20202-2531. The Commissioner will respond in writing within 30 days. A copy of the Commissioner's response will be sent to the institution where you were trained. [34 CFR 386.44]

15. To whom must I report my whereabouts, jobs, or noncompliance with the terms of my agreement?

The academic institution where you were trained is responsible for keeping track of you and your employment until the payback requirement is met. Institutions must contact you by mail once a year, with a follow-up mailing if you do not respond. Your agreement states that you are responsible for notifying the institution about changes in your address, employment, or other significant facts related to completion of the payback requirement. [34 CFR 386.44 (c) (3) and 386.44 (f)]

16. What types of reports will my college or university make to the Education Department about me?

Your college or university is required to provide statistical reports periodically on the number of RSA scholars, amounts of financial assistance, and related summary data. In addition, specific reports on scholars are required when scholars fail to meet their payback obligation, or do not begin employment by a date that would allow them to complete payback within a ten-year time period. [34 CFR 386.44 (g)]

17. Who collects the funds if I do not fulfill the payback requirement?

The Secretary of the Department of Education is responsible for collecting the funds if you do not comply with the regulations. [34 CFR 386.44 (c) (4); 34 CFR 386.47]

18. What happens if my employment obligation is not completed and I do not repay my scholarship?

According to the terms and conditions of your scholarship agreement, you may be liable for interest, collection costs, and other penalties established by law. The amounts and frequency of repayment are set forth in regulations that apply to similar obligations of individuals to the United States Government. [34 CFR 386.47; 31 U.S.C. 3717 (interest rates)]

19. When will I enter repayment status?

You enter repayment status on the first day of the first calendar month after the earliest of the following dates, as applicable: (1) The date you inform the Secretary that you do not plan to fulfill the employment obligation under the agreement. You should send such notice to the Commissioner, Rehabilitation Services Administration, Education Department, Washington, D.C. 20202-2531. (2) Any date when your failure to begin or maintain employment makes it impossible for you to complete your employment obligation within the ten years after the end of your course of study. [34 CFR 386.47 (e)]

20. What recourse will I have to appeal a finding of non-compliance with the regulations for the payback provision?

The responses of the Secretary at the time of publication of final regulations state that appeals will be handled administratively. Such appeals should be directed to the Commissioner, Rehabilitation Services Administration, Education Department, Washington, D.C. 20202-2531. The Commissioner will acknowledge all such appeals in writing within 30 days.

NOTE: If you need assistance with the information in this document or the provisions of the Rehabilitation Training Program, you may contact Dr. Richard Melia, Director, Division of Resource Development. Office of Developmental Programs, Room 3324, Switzer Building, 330 C Street, S.W., Washington, DC 20202-2469. Dr. Melia may be reached at 202-205-9400. You may also contact the RSA Regional Office nearest you for help. These offices are listed in the Rehabilitation Services Administration Regional Office Directory reprinted below.

CITATIONS IN LAW: Section 12 (c), Section 304 (b)(3)(A), Section 304 (b)(3)(B) of the Rehabilitation Act of 1973, as amended; 29 U.S.C. 711(c) and 744(b)

CITATIONS IN REGULATIONS: 34 CFR 386.42, 34 CFR 386.43, 34 CFR 386.44, 34 CFR 386.45, 34 CFR 386.46, 34 CFR 386.47