EMPLOYEE INCENTIVE SCHOLARSHIP PROGRAM

1. REASON FOR ISSUE: This Veterans Health Administration (VHA) directive establishes policy for implementing the Department of Veterans Affairs (VA) Employee Incentive Scholarship Program (EISP) and provides specific direction and procedures related to the operation of EISP within VA. The purpose of EISP is to assist VHA in meeting its need for qualified health care staff in occupations for which recruitment or retention is difficult.

2. SUMMARY OF MAJOR CHANGES: Changes to this directive include the following:


   b. Updates the responsible program office from the Healthcare Retention and Recruitment Office to the Scholarships and Clinical Education (S&CE) office and adds responsibility for the Workforce Management and Consulting (WMC) office.

   c. Revises the liability for breaching the EISP agreement to include all students leaving VA employment as required by the Jeff Miller and Richard Blumenthal Veterans Health Care and Benefits Improvement Act of 2016, Public Law 114-315 (December 16, 2016), codified at 38 U.S.C. 7675(b)(1)(E).

   d. Clarifies that EISP participants must complete their service obligation for the first scholarship award before applying for a second scholarship award.

   e. Clarifies that EISP participants may not complete an EISP service obligation and an obligation from another Federal program at the same time.

   f. Removes the authorization for the one-time $500 computer allowance.

   g. Includes guidance for administration of the VA National Education for Employees Program (VANEPP).

   h. Increases the minimum Grade Point Average (GPA) for acceptance into VANEPP from 2.5 to 3.0. **NOTE:** Eligibility requirements for any employee who submitted an application to the facility for participation in VANEPP prior to September 16, 2019, will be subject to the previously published requirements and standards outlined in VHA Directive 1020 and VHA Handbook 1020, which includes having a minimum 2.5 GPA at the time of submission.

   i. Modifies requirements for recommending scholarships to employees in Clinical Nurse Leader (CNL) academic programs.
j. Includes guidance for employee participation in the VA\Department of Defense Certified Registered Nurse Anesthetist (VA\DoD CRNA) initiative.

k. Adds provisions for Central Office, VA Integrated Service Network, and Program Office level employee participation in EISP.

l. Amendment, dated October 9, 2019, adds provisions for a grace period for all employees who were in the process of submitting applications to the facility prior to this directive publication date of September 16, 2019.

3. RELATED ISSUES. None.

4. RESPONSIBLE OFFICE. The Scholarships and Clinical Education program office (S&CE/10A2A) is responsible for the contents of this directive. Inquiries should be directed to 504-507-4901.


6. RECERTIFICATION. This VHA directive is scheduled for recertification on/or before the last working day of September 2024. This directive will continue to serve as national VHA policy until it is recertified or rescinded.

BY THE DIRECTION OF THE OFFICE OF THE UNDER SECRETARY FOR HEALTH:

/s/ Steven Lieberman, MD, MBA, FACHE
Principal Deputy Under Secretary for Health

NOTE: All references herein to VA and VHA documents incorporate by reference subsequent VA and VHA documents on the same or similar subject matter.

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EMPLOYEE INCENTIVE SCHOLARSHIP PROGRAM

1. PURPOSE

This Veterans Health Administration (VHA) directive implements the Department of Veterans Affairs (VA) Employee Incentive Scholarship Program (EISP) and provides specific direction and procedures related to the operation of EISP within VHA. The purpose of EISP is to assist VHA in meeting its need for qualified health care staff in occupations for which recruitment or retention is difficult. **AUTHORITY:** Title 38 United States Code (U.S.C.) 7601 through 7604 and 7671 through 7675.

2. BACKGROUND

a. EISP helps VA meet its needs for qualified health care staff in occupations for which recruitment or retention is difficult. EISP authorizes VA to award scholarships equivalent to 3 years of full-time coursework. The National Nursing Education Initiative (NNEI) and VA National Education for Employees Program (VANEEP) are initiatives within EISP. This directive provides specific direction for administration of all components of EISP.

b. VA competes with private sector organizations and other governmental agencies for scarce health care staff. Educational assistance, such as that afforded under EISP, is an excellent recruitment and retention tool that can help VA meet its current and projected workforce needs in certain health care occupations for which recruitment and retention is difficult. EISP helps VA meet its need for qualified health care staff by requiring scholarship recipients to complete a service obligation at a VA facility after graduation and licensure or certification.

3. DEFINITIONS

a. **Acceptable Level of Academic Standing.** An acceptable level of academic standing means the level at which a participant may continue to attend school under the standards and practices of the school at which a participant is enrolled in a course of study for which an EISP scholarship was awarded.

b. **Acceptance Agreement.** An acceptance agreement is a signed legal document between VA and an EISP participant which specifies the obligations of VA and the participant.

c. **Amendment.** An amendment is a change to the originally approved application agreement, or any subsequently approved program modification.

d. **Annual Enrollee Progress Review (Annual Report).** The Annual Enrollee Progress Review (Annual Report) is a yearly report completed by VA facilities and submitted to Scholarships and Clinical Education (S&CE) in which the VA facility validates each participant’s progress, current status, and funding distributed to or on behalf of the participant.
e. **Applicant.** An applicant is a VHA employee who has applied but has not been approved to participate in EISP.

f. **Bill of Collection.** The bill of collection is a document, detailing the amount and purpose of a debt and is issued by a VA facility to an employee who has incurred a financial liability. A bill of collection is issued as part of a VA facility’s notification of indebtedness. **NOTE:** VA Debt Collection Standards are located at [https://www.va.gov/finance/policy/pubs/volumeXII.asp](https://www.va.gov/finance/policy/pubs/volumeXII.asp).

g. **Bridge Program.** An EISP-sponsored academic bridge program provides concurrent movement along a degree path, whereby students complete coursework across two degree levels to achieve the higher degree level, without conferring the intermediate degree.

h. **Course Completion Date.** The course completion date is the date on which a participant in EISP completes the participant’s course of education or training under EISP. **NOTE:** Completion of the course of education or training will result in the educational institution officially conferring the participant with a degree or certification.

i. **VA facility.** For purposes of this policy, unless otherwise clearly specified, a VA facility is any VHA entity participating in EISP and is subject to the program criteria contained within this directive.

j. **Full-time Coursework.** A participant is considered full-time:

   (1) In the case of undergraduate work, if the participant is taking 30 semester hours per undergraduate school year; and

   (2) In the case of graduate coursework, if the participant is taking 18 semester hours per graduate school year.

k. **Obligated Service.** Obligated service means the period of time after the EISP participant’s course completion and during which the participant is employed by VHA in the full-time clinical practice of the participant’s profession, or a health care position in the occupation for which the scholarship was awarded. See 38 U.S.C. 7674(a) for additional information.

l. **Onsite Program Review.** The Onsite Program Review is conducted at the VA facility by Workforce Management Consulting (WMC) staff and used to evaluate key aspects of administering EISP at the local level.

m. **Participant.** A participant is a VHA employee whose application to EISP has been approved by VA, and whose agreement (i.e., acceptance agreement) has been accepted by VA.

n. **Replacement Salary.** Replacement salary is additional funding provided to the VA facility if a participant’s full-time education or training detrimentally affects staffing levels and the continuity of care. Replacement salary covers the cost of hiring a new
staff member (typically on a temporary basis) to carry out the duties and responsibilities of a participant while the participant is pursuing full-time education or training. This additional funding is not included in the educational expenses of the participant.

- **Scholarship.** A scholarship is a monetary award that covers all or part of the cost of a participant’s tuition and reasonable educational expenses (e.g., registration, allowable fees, books, materials, and supplies). There are limitations on the amounts of coursework, funding, and time to complete an academic program that may be authorized for an EISP participant. See 38 U.S.C. 7673 for additional information.

- **School Year.** School year means all or part of the 12-month period that starts on the date the participant begins school as a full-time or part-time student.

- **Service Commencement Date.** The service commencement date is the date on which a participant in EISP begins the period of obligated service.

- **Unconditional Acceptance.** Unconditional acceptance is defined as the applicant having met and completed all requirements and conditions required for entry into the specific academic program, and the applicant has been accepted or enrolled into the specific academic program for which scholarship funding is being requested.

- **Virtual Program Review.** The Virtual Program Review is the remote validation of VA facility or program office compliance with individual components of EISP through the submission of requested documents to the S&CE office. VA facility

4. **POLICY**

It is VHA policy, in order to provide sufficient staff to provide optimal health care to Veterans, to establish and implement an Employee Incentive Scholarship Program for the purpose of hiring and retaining qualified health care staff for which recruitment or retention is difficult. **NOTE:** EISP requirements noted in this document refer to all components of the program including NNEI and VANEEP unless specific requirements for NNEI or VANEEP are given.

5. **RESPONSIBILITIES**

- **Under Secretary for Health.** The Under Secretary for Health is responsible for:

  1. Ensuring overall VHA compliance with this directive.

  2. Reviewing EISP, NNEI, and VANEEP application packages and supporting documentation.

  3. Reviewing and, if approved, signing EISP acceptance agreements that have been signed by the EISP applicant and forwarded by the VA facility EISP Program Coordinator.
(4) Appointing the EISP participant to the position they will fulfill during their service obligation period (SOP), and notifying the EISP participant of their service commencement date, as described in Appendix A.

(5) Reviewing and granting or denying requests for suspension and waivers of a participant's service obligation or financial liability, as described in Appendix C and D.

(6) If preferred, delegating the duties in paragraph 5.a.(2) - 5.a.(5) (above) to a designee identified by the Under Secretary for Health in a Delegation of Authority memorandum.

b. **Deputy Under Secretary for Health for Operations and Management.** The Deputy Under Secretary for Health for Operations and Management is responsible for:

   (1) Overseeing the implementation of VHA EISP policy and programs within the Veterans Integrated Service Networks (VISN).

   (2) Establishing performance standards for the Assistant Deputy Under Secretary for Health for Administrative Operations, as well as, VISN Directors in relation to administration of EISP at VA facilities.

c. **Chief Nursing Officer.** The Chief Nursing Officer is responsible for:

   (1) Identifying and informing the Director, Scholarships and Clinical Education, of VHA national nursing academic priorities for EISP funding of nursing scholarships no later than the fourth quarter of each fiscal year; and

   (2) Supporting EISP scholarship application and waiver activities with Office of Nursing (10A1) staff on a case-by-case basis.

d. **Assistant Deputy Under Secretary for Health for Administrative Operations.** The Assistant Deputy Under Secretary for Health for Administrative Operations is responsible for:

   (1) Communicating the contents of this directive to each of the VISNs.

   (2) Ensuring that each VISN Director has the sufficient resources to fulfill the terms of this directive in all of the VA facilities within that VISN

   (3) Providing oversight to VISNs to assure compliance with this directive, relevant standards, and applicable regulations.

e. **Assistant Deputy Under Secretary for Health for Workforce Services.** The Assistant Deputy Under Secretary for Health for Workforce Services is responsible for:

   (1) Overseeing the program office implementation and administration of EISP policy and programs within VHA.
(2) Establishing performance standards for the Chief Officer of WMC and Director of S&CE in relation to administration of EISP from the program office level.

f. **Chief Officer of Workforce Management and Consulting Office.** The Chief Officer of WMC is responsible for:

1. Allocating adequate resources to implement, manage, and administer EISP requirements.
2. Approving requests from the Director of S&CE to suspend a VA facility’s participation in EISP, NNEI, and VANEEP when there is a failure to provide required documents, reports, or conduct program monitoring.

g. **Director of Scholarships and Clinical Education.** The Director S&CE is responsible for the national implementation and management of EISP, which includes:

1. Publishing and maintaining directives and supporting documentation relating to EISP.
2. Allocating EISP funds to VA facilities.
3. Evaluating EISP applications submitted by VA facility Directors based on the requirements in Appendix A, paragraph 8, of this directive.
4. Reviewing the EISP agreement made with the applicant for final approval as delegated by the Under Secretary for Health.
5. Reviewing Annual Review of Enrollee Progress Reports, Onsite Program Reviews, Virtual Program Reviews, and monitoring VA facility compliance with this directive. This compliance includes conducting program reviews of VA facilities to evaluate compliance with the requirements established in directives and procedures established by S&CE. Program reviews are listed under Reporting Requirements in paragraph 7. The Director S&CE may suspend a facility’s participation in EISP for its failure to comply with program requirements.
7. Providing EISP guidance to VA facilities including protocols for managing specific EISP program components.
8. Exploring new ways to provide flexible and innovative educational assistance to VA’s health care professionals and communicating recommendations to leadership.
9. Processing participants’ requests for waiver of their service or financial liability under EISP agreements and preparing recommendations to WMC as delegated by the Under Secretary for Health.
(10) Collaborating with VA facilities officials on matters related to EISP administration.

(11) Ensuring that all necessary EISP forms, including applications, are available to EISP Program Coordinators and employees.

h. Program Office Director for VHA Central Office. Each Program Office Director is responsible for ensuring all entities utilizing EISP within their respective purview are in compliance with this directive. NOTE: VA medical facilities exercising direct patient care responsibilities will receive preference in funding priority.

i. Veterans Integrated Service Network Director. Each VISN Director is responsible for ensuring all entities utilizing EISP within their respective VISN are in compliance with this directive.

j. VA Facility Director. Each VA facility Director is responsible for:

(1) Ensuring that VA facility-level EISP implementation and management is consistent with this directive. They must also ensure that local procedures related to this directive are developed and implemented in accordance with this directive and any labor obligations as necessary and applicable.

(2) Ensuring that VA facility EISP recommendations are based on merit without regard to race, color, religion, national origin, sex (including gender identity, transgender status, sexual orientation, and pregnancy), age, disability, genetic information, marital or parental status, or political affiliation.

(3) Prioritizing occupations for which recruitment and retention are difficult and publishing those occupations in an open and continuous announcement, as described in Appendix A. This prioritization must be conducted in conjunction with priorities established by the VHA, VISN, or VA facility Workforce Succession and Strategic Plan. This guidance can be found on the VHA Succession Planning Website located at https://dvagov.sharepoint.com/sites/VHAWMCWF. NOTE: This is an internal VA Web site that is not available to the public.

(4) Assessing current and anticipated workforce needs for employees with advanced degrees when prioritized occupations require education at the master’s or doctoral level. Specifically, EISP applications for the following degree programs should include justification by the VA facility Director based on the VHA, VISN, VA facility Workforce Succession and Strategic Plan, and the provisions of Appendix A paragraph 11:

(a) Non-clinical master’s degrees (e.g., business, health care administration) for clinical staff;

(b) Advanced nursing degrees that prepare a Registered Nurse (RN) to be a Nurse Practitioner (NP), Clinical Nurse Leader (CNL), Clinical Nurse Specialist (CNS), or Certified Registered Nurse Anesthetist (CRNA). In these cases, justification submitted
with the application must include a commitment from the VA facility to appoint the employee to an NP, CNL, CNS, or CRNA position no later than 180 calendar days after the date the participant has met the educational institution’s requirements for conferring the degree or certificate and when all applicable licensing and qualification requirements are met by the participant; and

(c) Doctoral-level degrees, except those degrees for occupations that have identified a doctorate degree as the required degree for entry into a practice.

(5) Locally publishing an open and continuous announcement about educational assistance opportunities for each component of EISP for which the VA facility will accept applications.

(6) Establishing a Selection Committee and identifying an EISP Program Coordinator. This includes assigning an RN as coordinator for EISP, VANEEP, and NNEI participants in nursing academic programs.

(7) Ensuring that applicants recommended to receive EISP, NNEI, or VANEEP awards have demonstrated acceptable performance and conduct; and a high likelihood that they will be successful in completing their education, training, and employment in such field.

(8) Reviewing and approving Selection Committee recommendations of potential EISP participants. **NOTE:** The operation the Selection Committee is at the discretion and based on the needs of the VA facility.

(9) Committing VA facility resources to provide required management of the scholarship program, including monitoring of participant’s academic progress and ensuring accountability for appropriate disbursement of the scholarship funds. **NOTE:** Additional resources should not be required for compliance with this policy. Program administration requirements may be assigned as collateral duties.

(10) Invoking authority as deemed appropriate under 38 U.S.C. 7405 to authorize a temporary employee in limited cases where a participant is unavailable to perform critical duties while pursuing education or training under EISP. In such cases, the temporary employee may be used to help prevent disruption of critical health care services.

(11) In cases when the dissemination of centralized funding is delayed, providing temporary funding to current participants up to the amount authorized for the EISP award.

(12) Appointing or assigning to the EISP-supported occupation participants who have completed their education or training programs and who have met all applicable licensing and qualification requirements to commence the service obligation period, within the timeframe prescribed in Appendix A. The service obligation period must be fulfilled in the full-time clinical practice of such participant’s profession or in another health-care position as determined by VA.

(14) Complying with requirements in paragraph 1 of Appendix D in cases where the applicable Office of Chief Counsel in the District and Human Resources (HR) are considering entering into a negotiated settlement with an employee who is an EISP participant with provisions that will affect or alter the EISP participant’s obligations under the program and agreement in any way.

k. **VA Facility Nurse Executive or Associate Director for Patient Care Services.** The Nurse Executive (NE), Associate Director for Patient Care Services (ADPCS), Central Office, VISN, or Program Office equivalent, is responsible for:

   (1) Assessing advanced nursing degrees that prepare a Registered Nurse (RN) to be a Nurse Practitioner (NP), a Clinical Nurse Leader (CNL), or a Clinical Nurse Specialist (CNS). In these cases, the justification and commitment-to-hire submitted with the application must include concurrence from the ADPCS or NE to appoint the employee to an NP, CNL, or CNS position no later than 180 calendar days after the date the participant has met educational institution’s requirements for conferring the degree or certificate and when all applicable licensing and qualification requirements are met by the participant.

   (2) Ensuring scholarship applicant recommendations for nursing is consistent with the facility workforce strategic plan and the provisions of Appendix A, paragraph 11.

   (3) Ensuring that an RN is assigned as coordinator for NNEI, VANEEP, and EISP participants in nursing academic programs.

l. **VA Facility EISP Selection Committee.** The VA facility EISP Selection Committee is responsible for:

   (1) Defining VA facility EISP selection criteria with VA facility leadership and publishing in a VA facility announcement.

   (2) Reviewing and evaluating applications.

   (3) Ensuring applicants and educational programs are in compliance with scholarship program criteria. See Appendix A.

m. **VA Facility Financial Management Officer.** The VA facility Financial Management Officer is responsible for:

   (1) Providing relevant scholarship fiscal information about EISP participants to the EISP Program Coordinator, as needed.

   (2) Ensuring award payments are processed using a method consistent with an EISP scholarship, in a timeframe specified in local VA facility procedures.
(3) Ensuring that award payments to participants are the amount of funding authorized by statute or the actual costs of the authorized education program to the participant; whichever is less. **NOTE:** Receipts and other appropriate documentation must be used to validate the amount of funds disbursed to each participant. See 38 U.S.C. 7673 for more information on the amount of funding authorized.

(4) Validating and issuing a Bill of Collection according to the signed agreement in cases where a participant breaches the acceptance agreement.

(5) Ensuring payments and collections initiated as a result of EISP scholarship awards are processed in accordance with applicable VA Financial Policies and Procedures (see paragraph 10.) Further guidance is located at [https://www.va.gov/finance/policy/pubs/](https://www.va.gov/finance/policy/pubs/). Financial liability will be assessed in accordance with paragraph 14 of Appendix A and administered in accordance with the Debt Management guidance found on the VA Office of Finance Website located at [https://www.va.gov/finance/policy/pubs/volumeXII.asp](https://www.va.gov/finance/policy/pubs/volumeXII.asp).


n. **VA Facility Human Resources Management Officer.** The VA facility HR Management Officer is responsible for:

1. Identifying and publishing a list of locally difficult to recruit and retain occupations, or specialties within occupations, which will be eligible for consideration of EISP awards. This list must match with the VA facility or VISN Workforce Succession Strategic Plan and be updated periodically as needs change.

2. Entering a copy of the executed EISP acceptance agreement in the participant’s official personnel folder.

3. Maintaining records regarding the completion of a participant’s degree program, commencement of the service obligation period (SOP), and annotating the employee’s service obligation in HR Smart, or subsequent system, as follows:

   a. Enter new scholarship participants into HR Smart, or subsequent system, using the program start date as the effective date;

   b. Upon a participant starting their obligated service, adjust the obligated service effective date in HR Smart, or subsequent system, to the actual SOP start date provided by S&CE; and

   c. Upon a participant breaching their agreement, adjust the obligated service expiration date in HR Smart, or subsequent system, to match the participant’s date of breach as determined by S&CE.

4. As needed, coordinating with participants, EISP Program Coordinators, and local leadership to appoint or assign participants who have completed their education or
training programs and who have met all applicable licensing and qualification requirements to commence the SOP, within the timeframe prescribed in paragraph 13 of Appendix A.

(5) As needed, coordinating with EISP Program Coordinators to meet EISP requirements by providing relevant information related to EISP participants.

(6) Verifying an employee’s status in EISP as part of the employee clearance of station procedures and collaborating with the financial management officer and the EISP Program Coordinator to process any employee who has outstanding obligations under EISP.


- **VA Facility EISP Program Coordinator.** The VA facility EISP Program Coordinator is responsible for:

  (1) Administering EISP, NNEI, and VANEEP locally.

  (2) Ensuring educational programs under consideration by applicants interested in EISP meet VA qualification standards listed in VA Handbook 5005, Staffing, Part II, Appendices II-G, Title 38 Qualification Standards for healthcare occupations supported [http://vaww.va.gov/OHRM/HRLibrary/Dir-Policy.htm](http://vaww.va.gov/OHRM/HRLibrary/Dir-Policy.htm).

  (3) Providing assistance and guidance to applicants during the application process as requested by the applicant.

  (4) Reviewing applications for completeness prior to submission to the Selection Committee.

  (5) Ensuring applicants are eligible VA employees (see Appendix A).

  (6) Ensuring hiring authority concurrence by current service chief and gaining service chief for applicants changing occupations.

  (7) Maintaining and providing EISP, NNEI, and VANEEP application packages and all appropriate supporting documentation to the Under Secretary for Health or designee for review.

  (8) Obtaining applicant’s signatures on the EISP acceptance agreements and forwarding them to the Under Secretary for Health or designee for final review and signature.

  (9) Notifying applicants who have been approved for funding within 10 days after S&CE provides notification of final scholarship approval and allocates funds to the requesting VA facility.
(10) Providing a copy of the executed EISP acceptance agreement to the participant and to HR for inclusion in the participant’s official personnel folder.

(11) Monitoring participant’s educational or training progress.

(12) Reporting participant’s academic or training progress to S&CE.

(13) As needed, coordinating with HR Management and Financial Management staff to meet program requirements.

(14) Acquiring the following information within 90 calendar days of a participant’s completion of the academic or training program and forwarding it to S&CE:

(a) Copy of the official school transcript, which includes the degree or certificate conferred; and

(b) Copy of Standard Form (SF) 50, Notification of Personnel Action (https://www.gsa.gov/forms-library/notification-personnel-action), which reflects the date the participant was appointed or assigned to a full-time position in the occupation code series for which EISP funding was provided. This form is required for those participants changing occupation series and for RNs who pursued NP, CNL, or CNS education or training programs.

NOTE: For participants changing occupations, submission of items 5.n.(14) (a) and (b) is extended to 180 days.

(15) Completing a Course Completion Certificate for each participant at the start of their SOP and forwarding it to S&CE.

(16) Submitting required reports and documents to S&CE, including the Annual Review of Enrollee Progress Report, Onsite Program Review, Virtual Program Review, amendments, student completions, and breaches of agreement.

(17) Coordinating with the VA facility Financial Management office to ensure award payments are processed in a timeframe specified in local VA facility procedures.

(18) Advising participants of their financial liability resulting from a voluntary and non-voluntary personnel actions including resignation, retirement, change in occupation, change from Title 38 or hybrid Title 38 position to a Title 5 position, conversion to part-time status during the SOP, misconduct, and performance. These actions may constitute a breach of the participant’s service obligation and EISP acceptance agreement. In cases where the participant has breached their EISP agreement, providing written notification to the participant. NOTE: See Appendix A, paragraph 14 for detailed information.

p. EISP Participant. The responsibilities of the EISP participant include:
(1) Reading, understanding, signing, and satisfying all requirements of the EISP agreement. Carefully reviewing the material contained in this directive and VA facility announcement to ensure that the participant fully understands the nature of the program, its benefits and limitations, and participant responsibilities.

(2) Ensuring the requested educational program complies with VA qualification standards listed in VA Handbook 5005, Staffing, Part II, Appendices II-G, Title 38 Qualification Standards for healthcare occupations supported http://vaww.va.gov/OHRM/HRLibrary/Dir-Policy.htm. **NOTE:** If the participant wishes to complete clinical training at a VA facility, ensuring the educational institution meets the applicable affiliation agreement requirements as delineated by the Office of Academic Affiliations.

(3) Submitting a complete and correct EISP, NNEI, or VANEPP application with all required supporting documentation to the EISP Program Coordinator.

(4) Reporting educational progress and expenses to the EISP Program Coordinator. The participant must provide the EISP Program Coordinator the grade report from the academic institution at the conclusion of each academic session (semester or quarter). Funds for the next academic session will not be disbursed to the participant until this grade report is received. **NOTE:** Academic dismissal from the approved program of study at any point during the participant’s pursuit of education or training under EISP constitutes failure to maintain an acceptable level of academic standing.

(5) Ensuring scholarship expenses are submitted to the EISP Program Coordinator in a timeframe specified in local VA facility procedures.

(6) Informing the EISP Program Coordinator of any change impacting the terms of the acceptance agreement. These changes include but are not limited to: change in employment status, change in education plan or status, and name change. Prior to any change, the participant is responsible for ensuring the change complies with program criteria specified in Appendix C. Changes may require approval or pre-approval from the VA facility or program office. Thus, the EISP Program Coordinator should be notified in advance of the change whenever possible, but in all cases, notification must occur no later than 10 days after the change.

(7) If the participant is seeking to transfer facilities, notifying the hiring authority of the gaining VA facility of participation in the scholarship program, and ensuring compliance with the scholarship program requirements can be met prior to transferring.

(8) Ensuring that EISP program officials have access to educational or training institution official transcripts and other information and documents required to assess the participant’s academic standing, status, and progress while participating in EISP.

(9) Meeting or exceeding performance requirements for the participant’s current VA position.
(10) Becoming eligible for retention, assignment, or appointment to the position for which the EISP-sponsored education or training program prepared the participant by meeting requirements to commence the SOP, as prescribed in paragraph 13 of Appendix A.

(11) If not changing occupations, submitting to the EISP Program Coordinator, no later than 90 days after completing the academic program, the final official transcript from the academic institution attended. The transcript must include the degree or certificate conferred and date.

(12) If changing occupations, completing any applicable licensure or certification requirements, meeting all applicable VA qualification standards, becoming eligible for appointment or assignment, and securing employment in a position in the 38 U.S.C. 7401 occupation for which the EISP scholarship prepared the participant. These conditions must be met as soon as possible, but no later than 180 calendar days after the date the participant has met the educational institution’s requirements for conferring the degree or certificate and when all applicable licensing and qualification requirements are met. This provision applies to all EISP, VANEEP, and NNEI participants. Once participants meet the requirements for appointment or assignment, they must notify their EISP Program Coordinators in writing or by email no later than 3 working days after the participant is eligible for appointment or assignment to the new position. Additionally, participants must provide documentation to the EISP Program Coordinator to support that they have met these requirements within 30 days of meeting the appointment or assignment requirements.

(13) If participating in VANEEP, identifying a mentor. The mentor must be a VA employee and be knowledgeable about the participant’s course of study. The mentor cannot be a peer. The participant must contact their assigned mentor at least once a month throughout the program. 

NOTE: Mentoring programs are established and administered at the VA facility level and at the discretion of the VA facility.

(14) Submitting a copy of their SF 50 to the EISP Program Coordinator within 30 days of appointment or assignment (see paragraph 5.n.).

6. RELATIONSHIP TO OTHER PROGRAMS

a. An individual is not eligible to participate in EISP if the individual is obligated under any other Federal program to perform service after completion of the course of education or training. See 38 U.S.C. 7602(b) for additional information. 

NOTE: EISP participants may not simultaneously complete service obligations resulting from other awards while completing the service obligation for EISP.

b. Awards authorized to Education Debt Reduction Program (EDRP) participants may be in addition to assistance available to EISP, NNEI, and VANEEP participants. However, if an employee is in a service obligation period associated with EISP, NNEI, or VANEEP, they are not eligible for EDRP as a retention incentive until the EISP...
service obligation has been fulfilled. **NOTE:** See VHA Directive 1021, Education Debt Reduction Program, dated May 31, 2012.

c. Recruitment bonuses, relocation bonuses, and retention allowances may not be paid to those with scholarship obligations to VA resulting from education or training activities.

d. When using EISP to supplement other VA programs and initiatives, applicants must meet and comply with eligibility and participation requirements contained within this directive.

7. REPORTING REQUIREMENTS

a. As assigned in paragraph 5.f, the Director of S&CE evaluates program effectiveness and prepares required reports, as requested, for the Under Secretary for Health. These reports may include the number of new and continuing EISP participants by type of academic program per year at the national, program office, VISN, and local VA facility levels, as well as other pertinent information necessary to assess the impact of the scholarship program on recruitment and retention. Additionally, the information contained in the reports may be used to comply with requests for information from various VA and non-VA entities as appropriate for release.

b. The Annual Enrollee Progress Review (Annual Report) is used to validate participant status, progress, and funding distributed to or on behalf of the participant. Each participating VA facility must submit the Annual Enrollee Progress Review to S&CE by July 31st each calendar year.

c. The Onsite Program Review is an ad hoc review used to evaluate key aspects of administering EISP at the VA facility level. In particular, the Onsite Program Review process is designed to:

   (1) Ensure VA facilities are administering EISP in compliance with this directive;

   (2) Confirm systems are in place to ensure VA facility accountability of the funds distributed for scholarship participants;

   (3) Confirm systems are in place to ensure participant accountability in fulfilling the acceptance agreement,

   (4) Ensure the programs are being effectively used to meet the VA facility workforce succession needs;

   (5) Assess the achievement of program goals and objectives; and

   (6) Generate feedback from VA facility personnel involved in the administration of the scholarship programs.
d. The Virtual Program Review is used by S&CE to validate VA facility compliance with individual components of EISP as stated in this directive. Each participating VA facility must submit a response to the Virtual Program Review annually.

e. A VA facility’s failure to provide required documents, reports, or conduct program monitoring, may result in suspension of facility’s participation in EISP, NNEI, and VANEEP. VA facilities are suspended by S&CE with the approval of the WMC Chief Officer. When a VA facility is suspended from participating in EISP, NNEI, or VANEEP, current participants at the VA facility in question will not lose their funding or their place in the program. They are to be managed by other officials designated by the VISN Director or appropriate Assistant Deputy Under Secretary for Health. No new scholarship applications from the suspended station will be approved while the suspension is in effect. Removal from suspension status is dependent on S&CE approval of the corrective actions and implementation plans submitted by the VA facility.

f. All VA employees are obligated to report suspected incidents of fraud, waste, abuse, or mismanagement of EISP funds to the Office of Inspector General Hotline (https://www.va.gov/oig/hotline/).

8. TRAINING

There are no formal training requirements associated with this directive. The following training is recommended for all EISP Program Coordinators, Alternate EISP Program Coordinators, and EISP Program Coordinator Assistants:

a. **Scholarship Coordinator Orientation.** Scholarship Coordinator Orientation provides local EISP Program Coordinators and other pertinent personnel with the training necessary to administer EISP and the initiatives contained within, at the local level. To ascertain scheduled training dates and to register for participation, contact the S&CE Office at vhascholarships@va.gov.

b. **Scholarship Coordinators SharePoint Orientation Training.** The SharePoint Orientation Training familiarizes EISP Program Coordinators with the information contained on the scholarship SharePoint site and the coordinator’s accountability for the security of the information therein. Training is completed via the Talent Management System (TMS) course # 13403. [https://www.tms.va.gov/SecureAuth35/](https://www.tms.va.gov/SecureAuth35/). **NOTE:** This is an internal VA Web site that is not available to the public.

9. RECORDS MANAGEMENT

All records regardless of format (paper, electronic, electronic systems) created by the requirements of this directive shall be managed per the National Archives and Records Administration (NARA) approved records schedules found in VA Records Control Schedule 10-1. For questions regarding any aspect of records management, contact the local facility Records Manager or Records Liaison.
10. REFERENCES


c. VA Financial Policies and Procedures, Volume XII, Chapter 1, VA Debt Collection Standards.

d. VA Financial Policies and Procedures, Volume XII, Debt Management.

e. VA Financial Policies and Procedures, Volume XII, Chapter 1B, Waiver of Debts.

f. VA Handbook 5005, Staffing, Part II, Appendices II-G.


h. VA Handbook 5007, Part VI, Chapter 2, Recruitment and Retention Incentive, dated March 6, 2017.


k. Amendment Form (https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx). **NOTE:** This is an internal VA Web site that is not available to the public.

l. Breach Amendment Form (https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx). **NOTE:** This is an internal VA Web site that is not available to the public.


n. Previous Participant Worksheet (https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx). **NOTE:** This is an internal VA Web site that is not available to the public.

o. Temporary Scholarship Suspension Request form (https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx). **NOTE:** This is an internal VA Web site that is not available to the public.

p. VA Forms Web (http://www.va.gov/vaforms/).
q. VANEEM Replacement Salary Forecast Worksheet
(https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx). **NOTE:** This is an internal VA Web site that is not available to the public.

r. VA Office of Finance (https://www.va.gov/finance/policy/pubs/volumeXII.asp). **NOTE:** This is an internal VA link that is not available to the public.


t. VHA Succession Planning Website (https://dvagov.sharepoint.com/sites/VHAWMCWF). **NOTE:** This is an internal VA Web site that is not available to the public.

u. Waiver Request Worksheet (https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx). **NOTE:** This is an internal VA Web site that is not available to the public.
EMPLOYEE INCENTIVE SCHOLARSHIP PROGRAM PROCEDURES

The Employee Incentive Scholarship Program (EISP) helps the Department of Veteran Affairs (VA) meet its need for qualified health care staff by requiring scholarship recipients to complete a service obligation at a VA facility after completion of the program and upon appointment or assignment to a position within the Veterans Health Administration (VHA). VA may award scholarships to permanent full-time and part-time employees pursuing degrees or training in health professional occupations for which recruitment or retention of qualified personnel is difficult. EISP is not an appropriate incentive for positions where recruitment and retention are not difficult. The National Nursing Education Initiative (NNEI) and VA National Education for Employees Program (VANEEP) are policy derived initiatives within EISP.

1. ELIGIBILITY

   a. EISP scholarships may be awarded under EISP only for education and training in a field leading to appointment or retention in a position under Title 38 United States Code (U.S.C.) 7401. **NOTE:** Please see VA Handbook 5005, Staffing, Part II, Appendices II-G, dated September 5, 2014, Title 38 Qualification Standards for healthcare occupations supported.

   b. An employee must meet specific eligibility requirements to participate in EISP. Applicants for participation in the scholarship programs:

      (1) Must be an employee of VA who, as of the date on which the employee submits an application for participation in EISP, has been continuously employed by VA for not less than 1 year in a permanent full-time or part-time appointment, without a time limitation.

      (2) Must have a record of employment with VHA that demonstrates a high likelihood that the applicant will be successful in completing the education or training, and employment in such field. **NOTE:** An employee who is approved for a scholarship award and subsequently receives or is subject to a sustained formal disciplinary or adverse action, or who receives a performance rating of less than “fully successful,” or a proficiency rating of less than “satisfactory” prior to beginning their service obligation period, may be terminated from the scholarship program (see paragraphs 14.a., 14.b., and 14.g. of this appendix).

      (3) If applying for NNEI, must be a VA Registered Nurse (RN) appointed to a position in occupation code series 0610 in a permanent full-time or part-time appointment without a time limitation and also meet all other eligibility requirements set forth in this section.

      (4) As outlined in 38 U.S.C. 7602(a), must have been unconditionally accepted for full-time or part-time enrollment, or enrolled in, an authorized education or training program as of the date the official application for an EISP award is submitted by the applicant.
(5) As outlined in 38 U.S.C. 7602(b), must not be obligated under any other Federal program to perform obligated service after completion of the course of education or training. **NOTE:** Previous recipients must complete any service obligation period resulting from a previous EISP award, prior to the date on which the employee submits an official application for a subsequent EISP award.

c. An applicant who previously received a scholarship award and is applying for a subsequent award is limited to the unused balance remaining from the maximum award limits specified in paragraph 5.c.(1) of this appendix. In cases where the previously completed award was for undergraduate level courses and the new award is for graduate level courses, the remaining undergraduate balances are converted to graduate equivalents. Awards will be based on the lesser of the remaining capitated funds, credit hours, or maximum allowed per credit hour. Award limitations are calculated using the Previous Participant Worksheet https://dvagov.sharepoint.com/sites/VHAWMCHRDPR/SCE/NS/Shared%20Documents/Forms/AllItems.aspx and must be included with the application package. **NOTE:** This is an internal VA Web site that is not available to the public.

2. ELIGIBILITY EXCLUSION

a. An employee, who previously participated in EISP and breached their obligation under a scholarship agreement for any reason, is not eligible to apply for another award. This includes an employee who previously applied for, and received, a waiver of liability under the program.

b. As outlined in 38 U.S.C. 7602(b), an individual is not eligible to apply to participate in EISP if the individual is obligated under any other Federal program to perform service after completion of the course of education or training.

c. Individuals serving in positions without compensation and other time-limited appointments are not eligible for EISP participation.

d. The scholarship application approval and subsequent funding is based on the successful completion of courses listed as completed, or scheduled to be completed, prior to the start of the scholarship. Failure to complete these courses by the start date of the scholarship sponsored courses may result in amendment of the program start date.

3. ACADEMIC CURRICULA

a. Academic curricula covered under this program includes education and training programs in a field leading to appointment, assignment, or retention in a position listed in 38 U.S.C. 7401. This includes occupations listed under 38 U.S.C. 7401(1) and 38 U.S.C. 7401(3). Education and training provided under EISP must meet applicable
requirements specified in VA's qualification standards related to the occupation in which the participant will be appointed, assigned, or retained.

b. All academic institutions must be located in the United States or its territories and accredited by an accrediting organization recognized by the Council for Higher Education Accreditation (CHEA) and the professional accrediting body identified in VA's qualification standards as required (without waiver) for the occupation in which the participant will be appointed, assigned, or retained.

c. All EISP-sponsored bridge programs must provide concurrent movement along a degree path, whereby students complete coursework across two degree levels to achieve the higher degree level, without conferring the intermediate degree (i.e., movement from an associate level degree to a master's level degree without a bachelor's degree being conferred). Degree programs that allow a student to confer the intermediate degree prior to, or without completing, the terminal degree, will not be approved.

4. ACADEMIC PROGRAM LENGTH

a. A participant may not receive a scholarship for more than the equivalent of 3 years of full-time coursework and the total amount of scholarship may not exceed the maximum specified in 38 U.S.C. 7673 for the equivalent of one year of full-time coursework. Full-time coursework consists of:

(1) In the case of undergraduate work, 30 semester hours per undergraduate school year; or

(2) In the case of graduate coursework, 18 semester hours per graduate school year.

b. In the case of a participant in EISP who is a part-time student, shall bear the same ratio to the amount that would be paid under paragraph a. if the participant were a full-time student in the course of education or training being pursued by the participant as the coursework carried by the participant to full-time coursework in that course of education or training.

c. The maximum number of school years for which a scholarship may be paid to a participant is 6 school years. This is calculated from the date of the approved start date.

5. ALLOWABLE SCHOLARSHIP EXPENSES

a. A scholarship award under EISP covers the cost of tuition and other reasonable education expenses (i.e., those related educational expenses associated with a degree or certificate program) to an annual limit specified in 38 U.S.C. 7673(b) for full-time coursework. This includes, but is not limited to: registration, fees, books (including computer software that is identified as required text for the course), materials and supplies, medical equipment (such as a stethoscope) if required for the course,
graduation fees, liability insurance, uniforms, shoes, and laboratory coats required by the school. VA facilities may pay for mandatory or required fees identified as eligible by the Scholarships and Clinical Education office (S&CE) and the educational institution; however, S&CE reserves the right to modify scholarship fees according to VHA policy and procedures. **NOTE:** Participants must complete enough credits prior to scholarship such that the credits receiving funding under the scholarship will take the participant to degree completion. Accordingly, funding is allocated to support courses at the end of a participant’s academic program that will result in the participant completing the degree or certificate program.

b. EISP scholarship funds may not be used for:

1. Repayment of failed or incomplete courses previously funded as part of the scholarship award;
2. Computer application software that is not required text for a specific class;
3. Computer access (such as broadband and internet fees) and supplies such as printer ink, paper, and file storage devices (such as discs, and jump drives);
4. Participant’s travel expenses, including parking, food, or lodging;
5. Training courses specifically designed to assist a participant to pass a licensure or certification exam;
6. Licensure exam fee;
7. Living expenses or personal debt;
8. Tutoring costs or cost of repeating a course;
9. Courses completed, or scheduled for completion, prior to approval of the EISP agreement; and
10. Expenses incurred during application for admission process.

c. In addition to the restriction on the amount of time to complete an EISP-sponsored academic program, there are limitations on the amounts of coursework and funding that may be authorized for an EISP participant.

1. The maximum number of credit hours of coursework that an employee may be authorized to pursue under EISP sponsorship is 90 semester hours at the undergraduate level, or 54 semester hours at the graduate level. The maximum amount of funding that may be authorized for each semester hour of coursework in an EISP participant’s academic program is $445.75 at the undergraduate level, and $742.91 at the graduate level. The maximum EISP award amount that may be authorized for the maximum amount of coursework is $40,117.37. **NOTE:** These amounts cover the cost of tuition, books, and all other appropriate expenses. The maximum scholarship award
amount listed above (see 38 U.S.C. 7631) is based on Fiscal Year (FY) 2019 award levels and will be increased in direct proportion to each Federal pay increase for those awards that are obligated in the same FY that such an increase in pay takes effect. The general Federal pay increase does not include locality pay.

(2) EISP payments made to participants are the amount of funding authorized by statute (see 38 U.S.C. 7671-7675) or the actual costs of the authorized education program to the participant; whichever is less. An EISP participant’s authorized academic plan may include coursework that can be accomplished in as little as one academic session or may involve several academic sessions over a period up to a maximum of 6 school years.

d. The maximum scholarship amount that can be paid to a part-time student may be calculated by following the two-step process described as follows:

(1) Divide the total number of authorized credit hours of coursework in the part-time student’s academic program by the number of credit hours for 3 years’ equivalent coursework (undergraduate or graduate) in a full-time academic program. **NOTE:** For coursework that is credited in semester hours the denominator will be 90 for undergraduate study and 54 for graduate study.

(2) Multiply the maximum scholarship amount that is authorized for a full-time student (paragraph 5.c.(1) of this appendix) by the proportion obtained in paragraph 5.d.(1) of this appendix.

e. EISP scholarship funds are exempt from taxation.

f. In accordance with 38 U.S.C. 7673(d), VA facilities may arrange for the advance payment of tuition and educational expenses with an educational institution in which a participant in EISP is enrolled.

6. PROGRAM ANNOUNCEMENT

a. Opportunities for employees to compete for scholarship awards under EISP need to be prominently displayed at the VA facility through an open and continuous announcement. This announcement is the responsibility of the VA facility using the scholarship program to support employees. It is generated to conform with the needs of the VA facility, and at a minimum, this announcement needs to include the following program information:

(1) The specific eligible occupations for which the VA facility will accept applications for EISP;

(2) Identified restrictions on degree programs as appropriate. For example, graduate or doctorate level degrees may be limited according to needs of the VA facility;

(3) The eligibility requirements for participation in EISP;
(4) The selection criteria;

(5) The application process;

(6) The name, routing symbol, and telephone number of the designated EISP Program Coordinator; and

(7) A statement emphasizing that the final decision on the award of a scholarship is contingent on the availability of EISP funds.

b. It is imperative that the educational opportunities identified in the program announcement are:

(1) Directly related to occupations for which the VA facility has identified as current or anticipated health care staffing needs;

(2) Consistent with national direction; and

(3) Reflect the VA facility’s commitment to meet these staffing needs through the use of EISP.

7. APPLICATION PROCESS

a. Initial Application for EISP and NNEI Scholarship. Each applicant must complete an official EISP Application and submit it to the designated EISP Program Coordinator at the VA facility where the employee is currently employed. Employees who are interested and eligible to participate in EISP, NNEI, or VANEEP are encouraged to apply for specific educational and training opportunities that are announced. S&CE must ensure that all necessary forms, including applications, are available to EISP Program Coordinators and employees. Applications are found on the VA Forms Web site located at http://www.va.gov/vaforms/. Program documents are listed in Appendix F along with applicable Intranet sites.

b. Application Submission Cycles and Deadlines. S&CE will establish and publish application submission cycle dates and deadlines for submission. To facilitate local processing, applicants must meet the local VA facility’s published application submission deadlines.

c. Application Packet Contents. The application packets submitted by the VA facility Director to S&CE must include:

(1) Application Packet Checklist.

(2) EISP Application.

(3) Documentation demonstrating the academic program meets the accreditation requirements specified in VA qualification standard.
(4) Documentation of unconditional acceptance for enrollment or enrolled in, the academic program for which the scholarship award will be used; this documentation must identify any specific area of concentration, if applicable. The documentation must be endorsed by the specific professional program being attended. Applicants may submit an Unconditional Letter of Acceptance, Letter of Good Academic Standing, or complete the Student Program Enrollment Status section of the Credit Hour Verification Worksheet located at https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx. NOTE: This is an internal VA Web site that is not available to the public.

(5) Documentation verifying the total program credit hours required, completed, in progress, and remaining for degree or certificate completion.

(6) An academic plan of study and program curriculum, or individual academic plan leading to degree or certificate completion.

(7) An individualized justification-of-support from the VA facility Director, if the employee is requesting an EISP or NNEI award for a non-clinical advanced degree or doctorate degree not required for entry into practice. The memorandum must identify specifically how the degree will benefit VHA.

(8) A justification-of-support and commitment-to-hire from the VA facility Director, if the employee is changing occupations, or if the employee is requesting an EISP or NNEI award for an advanced nursing degree to prepare a nurse to be a Nurse Practitioner (NP), Clinical Nurse Leader (CNL), or Clinical Nurse Specialist (CNS). The memorandum must identify specifically how the degree will benefit VHA.

(9) Additional documentation may be required for employees who are previous award recipients who successfully completed their prior obligations under the program, and those who are applying for salary replacement programs. The need for this documentation is determined by the Director S&CE and provided to the EISP Program Coordinator. See paragraphs 1.c and 12 of this appendix.

(10) Additional documentation determined by S&CE as required to ensure program compliance.

d. VANEEP Application. Appendix B provides application guidelines and procedures for VA facility and employee participation in VANEEP. NOTE: Employees who received a previous scholarship award using VANEEP are not eligible for a second award under VANEEP.

e. Application Procedures. EISP Program Coordinators must follow the specific procedures identified by S&CE for application processing. Procedures are found in this appendix and on the Scholarships & Clinical Education SharePoint site located at https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/default.aspx. NOTE: This is an internal VA Web site that is not available to the public.
8. SELECTION PROCESS

a. VA facility recommended selections for EISP, NNEI, and VANEERP participation are referred by the VA facility EISP selection committee to the VA facility Director.

b. The VA facility Director will forward applicants recommended for selection to the S&CE office for review and final approval or disapproval by the Under Secretary for Health or designee.

c. The S&CE office will provide notification of the Under Secretary for Health or designee’s final approval or disapproval to the VA facility.

9. ACCEPTANCE AGREEMENT

a. A decision to award a scholarship under EISP is not finalized until an official EISP acceptance agreement is first signed by the employee and then accepted and signed by the Under Secretary for Health, or designee. **NOTE:** The required elements for an EISP agreement are outlined in 38 U.S.C. 7604 and 7672. Workforce Management and Consulting (WMC) must ensure that EISP acceptance agreements are available to EISP Program Coordinators and employees.

b. Employees selected to participate in EISP:

   (1) Must remain in a permanent full-time or part-time appointment without a time limitation for the duration of the education or training program for which EISP, VANEERP, or NNEI funding is provided (see paragraph 13 of this appendix for appointment requirements while in the service obligation period).

   (2) Must agree to incur a service obligation, as specified in paragraph 13 of this appendix.

   (3) Must agree to complete any applicable licensure or certification requirements, meet all VA qualification standards related to the occupation in which the participant will be appointed, assigned, or retained, and be eligible for appointment or assignment to a position in the occupation for which the EISP scholarship prepared the participant. These conditions are required to be met as soon as possible, but no later than 180 calendar days after the date the participant has met the educational institution’s requirements for conferring the degree or certificate and when all applicable licensing and qualification requirements are met. This provision applies to all EISP, VANEERP, and NNEI participants. Once participants meet the requirements of this paragraph, they must notify their EISP Program Coordinator of their eligibility for appointment or assignment to their new position in writing or by email within 3 working days and provide documentation to support that they have met these requirements.
10. PROGRAM CHANGES

Changes to the finalized application, agreement, or any subsequently approved program modifications are termed amendments. Procedures for requesting an amendment to the finalized application or agreement are found in Appendix C.

11. FUNDING

a. Funding for EISP is centralized with funds distributed by S&CE as Specific Purpose Funds. S&CE is responsible for managing the funding process consistent with available funds, overall VHA goals, and identified health care staffing needs. Scholarships are awarded based on the availability of funds and VA needs. Scholarship awards are prioritized to allow as many participants as possible to obtain education or training in specified health care disciplines for which recruitment or retention is difficult. VA medical facilities exercising direct patient care responsibilities will receive preference in funding priority. A participant approved for an EISP award may receive funds to cover the full or partial cost of tuition and related educational expenses. S&CE will provide program guidance to VA facility Directors in an effort to help them assess the value and appropriateness of using EISP to address local staffing needs.

b. VA facilities are to review and recommend funding requests to S&CE by identifying health care staffing needs that can be appropriately met through the use of EISP. Typically, funding requests originate at the VA facility level. However, VISNs may consider funding requests when they plan to coordinate, as well as support, the infrastructure for innovative, accessible, and cost-effective education, or for training programs that are consistent with VISN strategic staffing goals and affect several VA facilities. Each VISN must review and coordinate the submissions to S&CE from the facilities under its jurisdiction. The requirements identified in the EISP funding request will be based on current or anticipated difficulties in filling health care positions as reflected in the VHA, VISN, or VA facility Workforce Succession and Strategic Plan, or changes in VA standards, or policies, related to the education or training of health care staff. For example, the latter allows a participant to pursue education to obtain a degree consistent with changes in a qualification standard.

c. S&CE will approve participant funding requests within the respective fiscal year for which the funding was authorized.

d. Local and national staffing issues will be considered by S&CE in making effective EISP funding decisions. Factors affecting funding include, but are not limited to:

(1) **VA Facility Issues.** VA facilities must list VA facility health care staffing needs (current and anticipated) by priority, and as reflected in the VA facility Workforce Succession and Strategic Plan. The analysis of staffing needs must include:

(a) The need for professionals prepared at advanced academic degree levels;

(b) Workload;
(c) Length of time it takes to fill vacant positions;

(d) Current and projected staffing levels;

(e) Employee turnover and vacancy rates;

(f) Nature and extent of VA facility recruitment efforts; and

(g) Academic levels and interest of eligible employees.

(2) **National Issues.** National issues include:

(a) Current and anticipated national VA occupational shortages as reflected in the VA Workforce Succession and Strategic Plan;

(b) Health care industry staffing trends;

(c) VA workforce demographics;

(d) Top management direction (e.g., program and mission changes); and

(e) Significant changes in standards and requirements affecting employment.

e. Scholarships are awarded based on availability of funds. Funding allocations are approved based on the following descending priority order:

(1) **EISP.** Applicants enrolled in:

(a) Academic programs which provide the minimum education for entry level into the occupation. **NOTE:** For entry into RN (0610 series), priority will be given to applicants enrolled in Bachelor of Science in Nursing (BSN) programs;

(b) Clinical master’s degree programs;

(c) Clinical doctorate programs; and

(d) Master’s degree programs related to their occupation.

(2) **NNEI.** Applicants enrolled in:

(a) RN (0610 series) enrolled in BSN programs;

(b) RN (0610 series) enrolled in master’s degree in nursing programs;

(c) RN (0610 series) enrolled in nursing doctorate programs; and

(d) RN (0610 series) enrolled in master’s or doctorate programs related to nursing.
(3) **EISP and NNEI.** Applicants enrolled in or accepted to other educational or training programs deemed critical to VHA’s mission. **NOTE:** S&CE periodically reviews and refines funding criteria consistent with VISN and local needs, and overall VHA goals.

**12. REPLACEMENT ASSISTANCE**

a. When a participant is unavailable to perform critical duties while pursuing education or training under EISP, replacement salary may be used to help prevent disruption to health care operations. Replacement salary covers the cost of hiring a new staff member (typically on a temporary basis) to assume the duties and responsibilities of a participant who is pursuing full-time education or training. Replacement salary is in addition to funding that is not included in the expenses allowed for a scholarship under EISP. **NOTE:** The VA facility Director is encouraged to invoke their authority, as deemed appropriate under 38 U.S.C. 7405, to authorize a temporary employee in limited cases where a participant is unavailable to perform critical duties while pursuing education or training under EISP.

b. Replacement salary support is limited and is only authorized in unusual circumstances. Decisions to authorize centralized replacement salary support are made on a case-by-case basis by S&CE; after all appropriate requests for scholarships have been funded. These decisions must be based on the following conditions:

1. Participants for whom replacement salary support is authorized shall incur a 3-year service obligation;

2. The participant selected to pursue education or training must be in a position that supports a critical VA mission;

3. The participant must agree to pursue education or training on a full-time basis and complete all program requirements within 3 academic years;

4. The participant enrolled in a degree program leading to initial licensure must maintain or exceed the minimum academic grade point average established by policy;

5. Based on the availability of centralized funding, the VA facility may be required to pay at least 50 percent of the cost of the base salary of the employee for which a replacement is required; and

6. There must be a documented critical need that includes evidence of a current or anticipated shortage in the occupation for which the replacement salary is requested. Documentation for a current shortage needs to include information such as the:

   a. Staffing vacancy and turnover rates;

   b. Length of time to fill the particular position or the length of time that the position has been vacant;
(c) Nature and extent of efforts to recruit candidates for the position including the use of paid advertising, attendance at recruitment forums and job fairs, and any assistance requested from and provided by the VA Placement Service; and

(d) Use of special salary rates. **NOTE:** Special Salary Charts may be found on the Office of Human Resources Management site at [http://vaww.va.gov/OHRM/Pay/](http://vaww.va.gov/OHRM/Pay/). **NOTE:** This is an internal VA Web site that is not available to the public.

c. Employees who received a previous scholarship award using VANE PEAP are not eligible for a second award under VANE EP. **NOTE:** Employees who receive EISP scholarships other than VANE EP scholarships are eligible for a second award, provided that they have completed the service obligation period required by the first award.

13. SERVICE OBLIGATION

a. All EISP participants, whether full-time or part-time employees, are required to serve in a full-time VHA position for a period of obligated service after completion of the applicable training or education approved under EISP.

b. A full-time student incurs a service obligation of 3 years, regardless of the amount of education received under EISP.

c. Part-time students incur a minimum service obligation of 1 year and a maximum service obligation of 3 years. The obligated service for a part-time student is pro-rated. It is based on the proportion of the number of credit hours carried by the student in any school year to the number of credit hours required to be carried by a full-time student as defined in this directive. However, in no circumstance will the requirement for obligated service for a part-time student under EISP be less than 1 year or greater than 3 years of full-time employment. The amount of obligated service owed by the participant will depend on:

   (1) The employee's status as a student (i.e., full-time or part-time); and

   (2) The total amount of education, the training funded by EISP, or if replacement or salary assistance is authorized.

d. **Service Commencement Date.** The service commencement date is the date upon which a participant becomes obligated to complete a service period. Not later than 60 days before the participant’s service commencement date, the Under Secretary for Health or designee must notify the participant of that service commencement date. VHA may request documentation from the participant in order to determine the participant’s service commencement date. The date for the commencement of a participant’s obligated service varies as follows:

   (1) If the participant is receiving a degree from a school of medicine, osteopathy, dentistry, optometry, or podiatry, the participant’s service commencement date is the
date upon which the participant becomes licensed to practice medicine, osteopathy, dentistry, optometry, or podiatry, as the case may be, in a State.

(2) If the participant is receiving a degree from a school of nursing, the participant’s service commencement date is the later of:

(a) The participant’s course completion date, or

(b) The date upon which the participant becomes licensed as a registered nurse in a State.

(3) In the case of a participant not covered by (1) or (2) above, the participant’s service commencement date is the later of:

(a) The participant’s course completion date, or

(b) The date the participant meets any applicable licensure or certification requirements.

NOTE: For paragraphs (2) and (3) above, completion of the course of education or training will result in the educational institution officially conferring the participant with a degree or certification.

(4) As soon as possible after a participant's service commencement date, the Under Secretary for Health or designee shall:

(a) In the case of a participant who is not a full-time employee in the VHA, appoint the participant as such an employee; and

(b) In the case of a participant who is an employee in the VHA but is not serving in a position for which the participant's course of education or training prepared the participant, assign the participant to such a position.

e. Commencement of Obligated Service.

(1) Except as provided in paragraph (2) below, a participant shall be considered to have begun serving the participant's period of obligated service:

(a) On the date, after the participant's course completion date, on which the participant is appointed as a full-time employee in the VHA; or

(b) If the participant is a full-time employee in the VHA on such course completion date, on the date thereafter on which the participant is assigned to a position for which the participant's course of training prepared the participant.

(2) A participant who, on the participant's course completion date, is a full-time employee in VHA serving in a capacity for which the participant's course of training
prepared the participant, shall be considered to have begun serving the participant’s period of obligated service on such course completion date.

(3) All NNEI participants, whether full-time or part-time employees, are required to serve in a full-time VHA position in occupation code series 0610 for their entire period of obligated service.

(a) The period of obligated service for NNEI participants begins on the day the RN completes the approved course of study or is assigned or appointed to a full-time position in the 0610 occupational code series.

(b) NNEI participants receiving scholarships for NP, CNL, and CNS programs must be appointed or assigned to NP, CNL, and CNS positions as soon as possible, but no later than 180 calendar days after the participant has met the educational institution’s requirements for conferring the degree or certificate and when all applicable licensing and qualification requirements are met.

(c) The period of obligated service for a NNEI participant in an academic program leading to credentialing as a NP, CNL, or a CNS begins on the day the RN is assigned to a full-time NP, CNL, or CNS position. It is required that NNEI participants, recommended for advanced degree programs (specifically NPs, CNLs, and CNSs), fulfill their period of obligated service in the position of NP, CNS, or CNL.

(f) The VA facility Director must appoint or assign an eligible EISP, NNEI, or VANEEP participant to a position in the 38 U.S.C. 7401 occupation for which the scholarship-sponsored education or training prepared the participant as soon as possible, but no later than 180 calendar days after the participant has met the educational institution’s requirements for conferring the degree or certificate, and when all applicable licensing and qualification requirements are met.

g. If unable to place any EISP, NNEI, or VANEEP participant within this time frame, the VA facility Director and participant must work with the National Healthcare Recruitment Service (VACOERecruitHealthcare@va.gov) to find a suitable position at another VA facility. NOTE: While participant preferences may be considered, initial assignment after graduation and completion of any applicable license or certification will be made based on the needs of the VHA. The participant may be required to accept assignment at any VA facility selected by the Under Secretary for Health or designee.

(h) EISP and NNEI participants (with the exception of participants in NP, CNL, and CNS programs) who are currently appointed to a Title 38 or hybrid Title 38 occupation and awarded a scholarship for an advanced degree in that same occupation are not guaranteed a change in position assignment based on their completion of the degree program. For example, a RN who is awarded an NNEI scholarship for a master’s degree in nursing with a nursing administration focus, is not guaranteed a management position.
i. **Service While in a Non-Pay Status.** A participant who is in non-pay status for more than 30 consecutive days during the participant’s period of obligated service will have the participant’s period of obligated service extended by the number of days that the participant was in non-pay status. However, time served by the participant in non-pay status for 30 consecutive days or less will be counted toward the participant’s obligated service requirement.

j. **Service in Other Agencies.** EISP participants who are members of the National Guard or in the Military Reserve and are involuntarily ordered to serve on active duty in the Armed Forces may use their active duty service to fulfill all or part of their EISP service obligation, if all of the following conditions are met:

1. The service commencement date under EISP precedes the participant’s orders for active duty;
2. The active duty assignment is in the occupation for which the EISP award was awarded (e.g., a participant who received an EISP award to become a RN must have a military active duty assignment as a RN); and
3. The employee consents to fulfilling the service obligation period while in active military duty status.

**NOTE:** For the purpose of EISP and this directive, the term “active duty” excludes active duty for training and all periods of active duty for which the participant has volunteered.

14. **PARTICIPANT LIABILITY**

a. **Liquidated Damages.** A participant in EISP, other than a participant described under paragraphs 14.d. and 14.g. of this appendix, who fails to accept payment, or instructs the educational institution in which the participant is enrolled not to accept payment, in whole or in part, of a scholarship award under the acceptance agreement enter into under EISP is liable to the United States for liquidated damages in the amount of $1,500. Such liability is in addition to any period of obligated service or other obligation or liability under the acceptance agreement. See 38 U.S.C. 7675(a). **NOTE:** Participants who sign the Agreement and do not use the funds for any reason are subject to the liquidated damages liability.

b. **Liability During Course of Education or Training.** Except as provided in paragraphs 14.d. and 14.g. of this appendix, a participant in EISP will be liable to the United States for the amount that has been paid to, or on behalf of the participant, under the acceptance agreement, if the participant:

1. Fails to maintain an acceptable level of academic standing in the educational institution in which the participant is enrolled as determined by the educational institution under regulations prescribed by the Secretary of VA;
2. Is dismissed from the educational institution for disciplinary reasons;
(3) Voluntarily terminates the course of education or training in such educational institution before completing the education or training;

(4) Fails to become licensed to practice medicine, osteopathy, dentistry, podiatry, or optometry in a State, fails to become licensed as a registered nurse in a State, or fails to meet any applicable licensure requirement in the case of any other health-care personnel who provide either direct patient-care services or services incident to direct patient-care services, during a period of time determined under regulations prescribed by the Secretary; or

(5) Fails to maintain employment as a VA employee while enrolled in the course of education or training being pursued by the participant as a VA employee. Employment in a time-limited appointment (e.g., positions without compensation and other time-limited appointments) does not constitute VA employment for the purpose of this liability provision.

See 38 U.S.C. 7675(b). **NOTE:** Liability under paragraph 14.b. is in lieu of any service obligation arising under a participant’s agreement.

c. **Liability During Period of Obligated Service.**

   (1) Except as provided in paragraphs 14.d. and 14.g. of this appendix, if a participant in EISP breaches the agreement by failing for any reason to complete the period of obligated service (including failure to accept an appointment to a full-time position in the occupation for which the EISP award prepared the participant, or in the case of NNEI participants failure to accept an appointment to a full-time 0610 occupation code series position), the United States is entitled to recover from the participant an amount equal to the amounts of all award funds paid to the participant, plus interest, multiplied times three, and prorated for months of service completed under the period of obligated service. See 38 U.S.C. 7675(c).

   (2) The amount the United States shall be entitled to recover from the participant is determined in accordance with the following formula: $A=3\Phi((t-s)/t)$.

   (3) In such formula:

   (a) “A” is the amount the United States is entitled to recover.

   (b) “$\Phi$” is the sum of the amounts paid under EISP to or on behalf of the participant; and the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum prevailing rate, as determined by the Treasurer of the United States.

   (c) “$t$” is the total number of months in the participant’s period of obligated service, including any additional period of obligated service.

   (d) “$s$” is the number of months of such period served by the participant.
NOTE: A participant’s voluntary change in employment status, such as voluntary resignation, retirement, change in occupation, change from a Title 38 or hybrid Title 38 position to a Title 5 position, or conversion to part-time status during the participant’s period of service obligation, constitutes a breach of the participant’s service obligation under the program and the participant’s EISP service agreement; therefore, the participant will incur a financial obligation in accordance with this paragraph.

d. **Limitation on Liability for Reductions-In-Force.** Liability does not arise under paragraphs 14.b.(5) or 14.c. in the case of a participant if the participant fails to maintain employment as a VA employee due to a staffing adjustment. See 38 U.S.C. 7675(d).

e. **Period of Payment for Damages.** Any amount of damages which the United States is entitled to recover under information provided in this paragraph must be paid to the United States within the 1-year period beginning on the date of the breach of the agreement. See 38 U.S.C. 7675(e).

f. **Collection of Debt.** Any amounts owed to VA as the result of participant liability described in this paragraph must be collected in accordance with the policy and procedures set forth in VA Financial Policies and Procedures, Volume XII, Debt Management. This guidance can be found on the VA Office of Finance Website located at [https://www.va.gov/finance/policy/pubs/volumeXII.asp](https://www.va.gov/finance/policy/pubs/volumeXII.asp).

g. **Termination from Scholarship Program without Liability.** Liability does not arise in the case of a participant who is terminated by S&CE or a VA facility from the scholarship program as a result of having received a less than satisfactory performance evaluation, a sustained disciplinary or adverse action of any kind prior to the beginning of the participant’s period of service obligation, and if the participant’s actions do not trigger any of the liability provisions set forth in paragraph 14.a. or 14.b. of this appendix. Termination under this this provision requires the preapproval of the Under Secretary for Health or designee.

h. **Requests for Waiver or Suspension of Financial Liability or Service.** In certain circumstances, a participant may seek a waiver or suspension of the obligated service or financial liability incurred under this program or agreement by written request to the Under Secretary for Health or designee. Appendix D provides directions for requesting a waiver and provides waiver processing procedures.
VA NATIONAL EDUCATION FOR EMPLOYEES PROGRAM

1. PROGRAM DESCRIPTION

a. The Employee Incentive Scholarship Program (EISP) helps the Department of Veteran Affairs (VA) meet its need for qualified health care staff by requiring scholarship recipients to complete a service obligation at a VA facility after graduation and completion of licensure or certification for which the EISP was awarded. The VA National Education for Employees Program (VANEEP) is a policy-derived initiative within EISP.

b. Under VANEEP, the VA facility allows the employee to accelerate their degree completion by attending school full-time and continuing to receive their base salary. The scholarship provides educational funds to cover the cost of tuition, books, and certain fees; and provides replacement salary funds to the VA facility which assists the VA facility in covering critical staffing needs in the participant’s absence.

c. VANEEP recognizes that it is extremely difficult for individuals to meet the rigorous demands of entry-level clinical education programs while maintaining full-time employment. When a participant is unavailable to perform critical duties while pursuing education or training under EISP, replacement salary may be used to help prevent disruption to health care operations. Therefore, the intent of this program is to promote successful completion of clinical education programs and fulfillment of the service obligation period in a VA clinical position for which recruitment and retention is difficult.

d. Employees must be accepted for or enrolled as a full-time student, in an eligible academic program which has a clinical or practicum requirement, and will result in first-time licensure, certification, or registration in the occupation.

e. VA facility participation and employee recommendations for participation in VANEEP are based on VA facility prioritization of occupations for which recruitment and retention are difficult and in conjunction with the priorities established by the VA facility Workforce Succession and Strategic Plan.

f. VA facilities recommending employees for participation in VANEEP must commit to hiring the employee in the scholarship-sponsored occupation upon completion of the academic program and licensure or certification.

g. The occupation for which VANEEP funding is requested must be included in the VA facility’s open and continuous announcement for EISP.

h. VA facilities using VANEEP are required to maintain local policies and procedures governing the administration and operation of VANEEP.
2. APPLICANT ELIGIBILITY

a. The applicant eligibility follows EISP procedures as outlined in Appendix A of this directive. Additionally:

   (1) Employees who received a previous scholarship award using VANEEP are not eligible for a second award under VANEEP. **NOTE:** Employees who receive EISP scholarships other than VANEEP scholarships are eligible for a second award, provided that they have completed the service obligation period required by the first award.

   (2) Employees currently licensed or registered in a Title 38 or hybrid Title 38 occupation who wish to obtain an advanced or additional degree in that same occupation are not eligible for VANEEP.

   (3) The employee must submit evidence of being accepted for or enrolled as a full-time student in a school and academic program, which meets the accreditation standards for the occupation, and be within 2 academic years of completing the degree requirements, or within 1 academic year of completing the vocational diploma.

   (4) Applicants for initial licensure or certification degree programs requesting participation in VANEEP must have a minimum of a 3.0 cumulative grade point average (GPA) on a 4.0 scale in the required college, program specific, or pre-requisite coursework. **NOTE:** Eligibility requirements for any employee who submitted an application to the facility for participation in VANEEP prior to September 16, 2019, will be subject to the previously published requirements and standards outlined in VHA Directive 1020 and VHA Handbook 1020, which includes having a minimum 2.5 GPA at the time of submission.

b. As part of the local selection process, the applicant must meet local selection criteria including management input and a VA facility performance-based interview.

3. VA FACILITY SUBMISSION OF VANEEP APPLICATIONS

a. The EISP Program Coordinator will submit the following supporting documentation as indicated on the EISP Application Checklist:

   (1) VA facility endorsement approved by the VA facility Director indicating endorsement of the employee’s application for participation in VANEEP with a commitment-to-hire upon successful program completion.

   (2) VANEEP Replacement Salary Forecast Worksheet: https://dvagov.sharepoint.com/sites/VHWARMCHRPD/SCE/NS/Shared%20Documents/Forms/AllItems.aspx. **NOTE:** This is an internal VA Web site that is not available to the public.

   (3) Salary scale for the replacement salary request.
(4) Transcript of past academic coursework indicating at least a cumulative GPA of 3.0 in required program specific prerequisite courses within the past 5 years. In cases where transcripts of past academic course work are not available, VA facilities must submit evidence of the criteria used to determine the VA facility recommendation.

**NOTE:** Eligibility requirements for any employee who submitted an application to the facility for participation in VANEEP prior to September 16, 2019, will be subject to the previously published requirements and standards outlined in VHA Directive 1020 and VHA Handbook 1020, which includes having a minimum 2.5 GPA at the time of submission. If accepted into VANEEP, these participants must maintain or exceed the minimum GPA set by the school to maintain an acceptable level of academic standing within the specific program for which VANEEP was approved.

b. VANEEP deadlines will conform to general EISP deadlines.

### 4. REQUESTS TO CONVERT EISP PARTICIPANTS TO VANEEP

a. VA facilities may submit requests to the Scholarships and Clinical Education office (S&CE) to convert existing EISP participants to VANEEP participation which includes salary and benefits funding.

b. The participants must meet all other requirements noted in paragraph 2 of this appendix.

c. VA facilities must include a new Justification-of-Support/Commitment-to-Hire indicating VA facility awareness of participant’s work schedule change.

d. The new Justification-of-Support/Commitment-to-Hire and Replacement Salary Forecast Worksheet will serve as the request for conversion, as described in paragraph 3.a.(1) of this appendix.

e. Amendment documentation is required for participants who have a change in the plan of study as a result of participating in VANEEP. The amendment must include any revisions of the estimated completion date or redistribution of educational funds. Amendment requests submitted by the VA facility to S&CE must follow the procedures outlined in Appendix C.

### 5. FUNDING

a. Funding for VANEEP is limited, centralized, and distributed by S&CE as specific purpose funds in a fair and impartial manner based on VHA workforce needs.

b. The employee receives full salary and payment for education costs up to authorized limits of EISP while attending school.

c. The VA facility where the VANEEP participant is employed receives a maximum of $40,000 salary dollars per year through EISP for replacing a student participating in a vocational diploma program and a maximum of $51,000 salary dollars per year for replacing a student participating in an academic degree program. Replacement salary
is limited to 12 months to support the completion of a vocational level program, and 24 months to support the completion of a degree programs (associate and above). See Replacement Assistance in Appendix A, paragraph 12.

d. Replacement salary for part-time employees approved for participation in VANEsep will be prorated based on employee’s part-time work schedule at the time of application.

e. Replacement salary may not be used to provide for employee attendance in non-scholarship approved courses or courses previously covered under replacement salary.

6. PROGRAM PARTICIPATION

a. It is the participant’s responsibility to ensure that all VANEsep sponsored degree or training requirements are met no later than 12 academic months after commencement of a vocational level program (such as a Licensed Practical Nurse (LPN)), or no later than 24 academic months after commencement of a degree program (includes associate, baccalaureate, masters, and doctorate degrees).

b. The participant must be enrolled in, and maintain, a full-time program of study while in the VANEsep program.

c. As a full-time student, the VANEsep participant works at the VA facility during significant breaks in the academic calendar.

d. Participants not enrolled in or maintaining a full-time program of study, as identified by the educational institution for the approved academic program, may be required to return to work.

e. The VA facility must include in local policies and procedures the participant’s responsibility for notifying the EISP Program Coordinator of their progress in their program, plan of study changes, expected work schedule (including during school holidays), payment procedures (e.g., tuition and books) and timekeeping procedures (e.g., sick leave, annual leave, etc.).

f. While a VANEsep participant, successful completion of the EISP-sponsored education program is the participant’s full-time VHA job. Therefore, VANEsep participants may not work overtime during the period of full-time class sessions.

g. At a minimum, the EISP Program Coordinator for VANEsep must confirm participant status in the educational program at the midpoint of each semester or quarter and at the conclusion of each semester or quarter. It is the responsibility of the VA facility to implement increased monitoring of participants if they appear in danger of failing the course(s).

h. The participant must provide grades to the EISP Program Coordinator for VANEsep no later than 2 weeks after completing each course.
i. The participant must maintain an acceptable level of academic standing in the approved academic program as determined by the school.

j. VANEERP participant program changes are processed in accordance with the amendment procedures covered in Appendix C. Additionally:

(1) VANEERP participants must notify the EISP Program Coordinator for VANEERP before making any changes to the participant’s plan of study.

(2) The VANEERP participant’s plan of study may be revised, including extension of completion date, provided it falls within the 1 or 2-year limit, as appropriate. Additional replacement salary dollars will not be approved.

k. VANEERP participants must remain at the VA facility for which their award was approved for the duration of their academic program.

7. SERVICE OBLIGATION PERIOD

The service obligation period for a VANEERP participant is 3 years. The participant’s service commencement date shall be in accordance with paragraph 13 of Appendix A.

8. LIABILITY OF VANEERP PARTICIPANT

The VANEERP participant will be liable for EISP funding as noted in paragraph 14 of Appendix A. The participant will not be liable for the salary and benefits funds provided to the VA facility for the participant’s position.

9. REQUESTS TO CONVERT VANEERP PARTICIPANTS TO EISP

a. VA facilities may submit requests to SC&E to convert VANEERP participants to a basic EISP scholarship in situations where:

   (1) The VA facility determines the participant is unable to meet the educational completion requirements within VANEERP replacement salary limitations; or

   (2) The participant fails to comply with established national or local policies and procedures required for participation in VANEERP.

b. VA facilities must include an amendment request and memorandum endorsed by the VA facility Director specifying the reason for the conversion and requesting the discontinuance of replacement salary.

c. VA facilities must include a new Justification-of-Support/Commitment-to-Hire indicating VA facility awareness of participant’s work schedule change, as described in paragraph 3.a.(1) of this appendix.

d. The participant must meet and maintain EISP eligibility requirements.
e. Requests to convert VANEEP participants to EISP may be considered provided the requested change does not exceed the maximum length of participation delineated in paragraph 4 of Appendix A.

f. Participants approved to convert from VANEEP to EISP will retain a 3-year service obligation.
AMENDMENTS

A change to the finalized application, agreement, or any subsequently approved program modifications is termed an amendment. Procedures for requesting an amendment to the finalized application or agreement are listed below.

1. AMENDING FINALIZED APPLICATIONS OR AGREEMENTS

   a. Amendments to the finalized application or agreement may be approved for:

      (1) Name changes;
      (2) VA facility location changes;
      (3) Educational institution changes;
      (4) Credit hour changes;
      (5) Funding revisions;
      (6) Changes in plan of study or program completion date;
      (7) Temporary suspension of scholarship during academic program;
      (8) Temporary suspension of scholarship during service obligation period; and
      (9) Breaches of agreement.

   b. Completion date and temporary suspension amendments may be considered provided the requested change does not exceed the maximum length of participation delineated in paragraph 4 of Appendix A.

   c. Requests to amend a finalized application or agreement are submitted to the Scholarships and Clinical Education office (S&CE) during the amendment submission cycles.

   d. S&CE will establish and publish amendment submission cycle dates and deadlines for submission.

   e. Requests for amendments must include supporting documentation as required by S&CE.

   f. Prior to any change, the participant is responsible for ensuring the change complies with the program criteria specified in this directive.

   g. Amendment requests may require approval or pre-approval by S&CE. Thus, the Employee Incentive Scholarship Program (EISP) Coordinator should be notified by the participant in advance of the change whenever possible, but in all cases, notification should occur no later than 10 days after the change.
h. Approval of amendment requests are contingent on compliance with the program criteria specified in this directive.

2. AMENDMENT REQUESTS

a. Amendment requests for participant name changes are validated and approved using an Amendment Form located at https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx. **NOTE:** This is an internal VA Web site that is not available to the public.

b. Amendment requests to transfer VA facilities must contain written confirmation from the appropriate gaining VA facility Director indicating they are aware of the participant’s participation in EISP or National Nursing Education Initiative (NNEI), the service obligation requirements, and the VA facility’s obligation to comply with the program criteria specified in this directive. VA National Education for Employees Program (VANEEP) participants must remain at the VA facility for which their award was approved for the duration of their academic program. Transfers to another VA facility will not be approved for VANEEP participants during their academic program.

c. Amendment requests to transfer VA facilities for EISP participants changing occupations and NNEI participants in Nurse Practitioner (NP), Clinical Nurse Leader (CNL), or Clinical Nurse Specialist (CNS) programs, must be accompanied by a justification-of-support and a commitment-to-hire from the appropriate gaining VA facility Director, as described in paragraph 3.a.(1) of Appendix B.

d. Once the applicant has been accepted into EISP, NNEI, or VANEEP, amendment requests to transfer schools are strongly discouraged. To ensure continued eligibility for funding, changes in schools or programs must be approved in advance and should be considered only for exceptional circumstances. Scholarship funding will be based on the lesser of, the cost of attendance at the initial school of record or the cost of attendance at the new school.

e. Amendment requests for changes in a participant’s plan of study must account for courses or credit hours previously approved and paid for by the scholarship program.

f. Amendment requests for changes in the amount of approved credit hours must account for courses or credit hours previously approved and paid for by the scholarship program.

g. Amendment requests for additional funding are contingent on available scholarship funding. Requests for retrospective funding (for education expenses of completed courses) will not be approved. Requests for changes in funding must account for courses or credit hours previously approved and paid for by the scholarship program.
h. Amendment requests for breaches of agreement must be validated locally by the EISP Program Coordinator and submitted to S&CE. Breaches of agreement are documented using a Breach Amendment Form located at (https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents /Forms/AllItems.aspx) and must be accompanied by a Bill of Collection and any supporting documentation indicated on the amendment form verifying the participant’s breach status. **NOTE:** This is an internal VA Web site that is not available to the public.

i. **Temporary Scholarship Suspension During Academic Programs.** Participants may request a temporary scholarship suspension during their academic program for up to 1 year provided the requested change does not exceed the maximum length of participation delineated in paragraph 4 of Appendix A. **NOTE:** Participants requesting a suspension of liability as a result of a breach of agreement must follow the procedures contained in Appendix D.

   (1) Participants requesting a temporary scholarship suspension during their academic program must meet EISP and educational program eligibility requirements at the time of suspension and at the conclusion of the suspension period.

   (2) VA facilities recommending Temporary Scholarship Suspension Requests must include an endorsement by the VA facility Director specifying the reason for the suspension.

   (3) In cases where the VA facility has endorsed a commitment-to-hire, the VA facility Director must indicate their intent to extend the commitment-to-hire on the Temporary Scholarship Suspension Request form located at https://dvagov.sharepoint.com/sites/VHAWMCHRDRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx. **NOTE:** This is an internal VA Web site that is not available to the public.

   (4) Approval of the temporary scholarship suspension is determined on an individual basis by S&CE.

j. **Temporary Scholarship Suspension During Service Obligation Period.** Participants may request a temporary scholarship suspension during their service obligation period for up to 1 year. **NOTE:** Participants requesting a suspension of liability as a result of a breach of agreement must follow the procedures contained in Appendix D.

   (1) Participants requesting a temporary scholarship suspension during their service obligation period must meet EISP eligibility requirements at the time of suspension and at the conclusion of the suspension period.

   (2) When VA facilities recommend a Temporary Scholarship Suspension Request, this request must be endorsed by the VA facility Director, specifying the reason for the suspension.
(3) Approval of the temporary scholarship suspension is determined on an individual basis by the Under Secretary for Health or designee.
WAIVERS AND SUSPENSIONS

The Employee Incentive Scholarship Program (EISP) helps the Department of Veteran Affairs (VA) meet its need for qualified health care staff by requiring scholarship recipients to complete a service obligation at a VHA facility after course completion. The National Nursing Education Initiative (NNEI) and VA National Education for Employees Program (VANEEP) are policy derived initiatives within EISP. EISP participants incur a financial and service obligation upon accepting an EISP agreement. If participants breach that agreement, they may be liable to the United States for financial damages in addition to any period of obligated services or other obligation or liability under the agreement (See 38 U.S.C. 7675). However, a participant may request a waiver or suspension of a participant’s financial liability or service obligation in limited circumstances.

1. WAIVER AND SUSPENSION PROVISIONS

   a. The following provisions pertain to a participant who has breached their agreement and incurred a liability as a result of the breach. A participant who has not breached their agreement must follow the amendment procedures in Appendix C in order to avoid potential breach of the existing agreement.

   b. Any obligation of a participant under EISP for performance of services or payment of damages is canceled upon death of the participant.

   c. A participant may seek a waiver or suspension of the service obligation or financial liability incurred under EISP or the agreement by written request to the Under Secretary for Health, or designee, setting forth the basis, circumstances, and causes which support the requested action. The Under Secretary for Health, or designee, may approve an initial request for a suspension of the financial liability and/or service obligation for a period of up to 1 year. **NOTE:** A renewal of this suspension may be granted.

   (1) Requests for waiver or suspension of service obligation or financial liability must be submitted to the Under Secretary for Health, or designee, no later than 1 year after the date the participant is determined to be in breach of their EISP obligations or agreement.

   (2) A participant must comply with any requests for additional information from the Under Secretary for Health, or designee, no later than 30 days after receiving a letter of request.

   d. The Under Secretary for Health, or designee, may waive or suspend any service obligation or financial liability incurred by a participant whenever compliance by the participant is impossible, due to circumstances beyond the control of the participant, or whenever the Under Secretary for Health, or designee, concludes that a waiver or suspension of compliance is in the VA’s best interest.
e. Compliance by a participant with a service obligation or financial liability will be considered impossible due to circumstances beyond the control of the participant, if the Under Secretary for Health or designee determines, on the basis of such information and documentation as may be required, that the participant suffers from a physical or mental disability resulting in permanent inability to perform the service or other activities which would be necessary to comply with the obligation. The following guidelines are applied to waivers requested for physical or mental disability:

(1) Requests for waiver due to disability retirements must include submission of a VA Standard Form (SF) 50, Notification of Personnel Action (https://www.gsa.gov/forms-library/notification-personnel-action) that documents the type and date of separation from the agency. A Bill of Collection will not be issued to participants approved for disability retirement by the Office of Personnel Management or the Social Security Administration.

(2) Should a participant submit medical evidence in support of a request for waiver or suspension that calls into question the participant’s ability to perform the regular duties of their current position, such evidence must be provided to the VA facility Director for consideration in determining the participant’s ability to safely perform the duties of the current position.

(3) Waiver requests related to time-limited medical treatment or temporary disability will not meet the requirement of permanence cited in paragraph 1.e. of this appendix.

(a) Examples of such treatment or conditions include but are not limited to:

1. Medical conditions requiring treatment from which the participant is expected to make full recovery;

2. Medical conditions that manifest and arise after the date on which the participant breached the EISP agreement; and

3. Ongoing medical conditions that do not render the participant incapable of performing the duties of the participant’s current position.

(b) A participant’s temporary inability to comply with program requirements for these and similar reasons should be addressed through amendment procedures noted in Appendix C.

(c) Medical evidence submitted in support of a waiver or suspension request must pertain to the participant’s ability to comply with the obligations of EISP or in the agreement at the point in time the participant breached their obligations under the program or agreement.

f. Requests for waiver or suspension of payment or service obligations for reasons other than noted in paragraph 1.e. of this appendix, are considered based on the totality of documented impact on the participant’s ability to comply with the services or other activities of the obligation and determined on an individual basis.
(1) Waivers of liability under EISP are granted by the Under Secretary for Health or designee, to include waivers or suspensions for participants incurring triple damages liability and waivers for participants incurring liability in the amount of liquidated damages or amount provided under the program to the participant.

(2) Decisions to approve or disapprove waiver requests are final and binding determinations. They are not subject to reconsideration or appeal.

(3) Approval of a participant’s waiver request may not be agreed to as part of a negotiated resolution of any personnel or other type of administrative or legal action (e.g., Equal Employment Opportunity (EEO) claim, disciplinary action, etc.), unless the requirements in paragraph 1.d. of this appendix are met.

g. An obligation of a participant under EISP (or an agreement thereunder) for payment of damages may not be released by a discharge in bankruptcy under Title 11 before the expiration of the five-year period beginning on the first date the payment of such damages is due. In the event a participant presents evidence of bankruptcy, the fiscal officer should consult with District Counsel to determine the appropriate course of action.

h. Participants who have breached the acceptance agreement during the period of obligated service by leaving VHA employment may request suspension of their financial liability, provided:

(1) The participant seeks appointment to a VHA position that meets the requirements of paragraphs 13 and 14 of Appendix A within 1 year of the date the participant breached the service obligation under the EISP agreement;

(2) The VA facility Director determines it would be in the best interest of the VA facility to so appoint the individual and makes such a recommendation to the Scholarships and Clinical Education office (S&CE); and

(3) The Under Secretary for Health or designee agrees to such an arrangement.

(4) In these cases, collection efforts will be suspended from the date the participant is appointed to the position within VHA. If the participant successfully fulfills the period of service obligation owed originally under the program, the participant is considered to have met all program obligations, thereby extinguishing the debt owed to the U.S. Government. Additionally, all payments made by the participant prior to re-employment will be refunded to the participant. **NOTE:** Paragraph 1.h. of this appendix applies in cases where a final decision was not rendered by the Under Secretary for Health or designee. Please refer to paragraph 1.f.(3) of this appendix for further guidance.

i. Waivers or suspensions of financial liability, when not related to paragraph 1.e. of this appendix and when considered in the best interest of VA, are determined, on an individual basis, by the Under Secretary for Health or designee.

2. REQUESTING A WAIVER
a. After a participant has breached the acceptance agreement; the participant submits a letter written to the Under Secretary of Health or designee requesting the waiver:

   Workforce Management and Consulting
   Attention: Waiver Section
   1250 Poydras Street, Suite 1000
   New Orleans, LA 70113

   NOTE: S&CE highly recommends using a service with a required signature for receipt.

b. In lieu of a letter, the participant may complete and submit the Waiver Request Worksheet located at https://dvagov.sharepoint.com/sites/VHAMCHRDPR/SCE/NS/Shared%20Documents/Forms/AllItems.aspx. NOTE: This is an internal VA Web site that is not available to the public.

c. The letter or Waiver Request Worksheet should identify the specific waiver being requested and the justification for the waiver. The employee should attach whatever supporting documentation they have to justify the request. For example, if the reason is health or illness the employee should provide medical documentation that states their physical or mental illness has permanently disabled them from attending school or performing the activities required to fulfill the service obligation. Please note that the approval authority for the waiver is the Under Secretary for Health of the Department of Veterans Affairs, or designee. Therefore, submission of waiver requests by email or handwritten, illegible notes are neither appropriate nor advisable. Transcripts are required.

d. In order to suspend collection on the EISP debt pending a decision on the waiver, the participant must send a copy of the waiver request to the VA facility fiscal office no later than 30 days after the date of the notice of indebtedness. This collection may be temporarily suspended pending a final decision. The authority for this suspension arises from VA Financial Policies and Procedures Volume XII, Debt Management (https://www.va.gov/finance/policy/pubs/volumeXII.asp). NOTE: This is an internal VA Web site that is not available to the public.

3. WAIVER REQUEST PROCESSING

a. When the request for waiver is received by S&CE, S&CE will send a letter to the participant and VA facility Director, with a copy forwarded to the EISP Program Coordinator and Chief Financial Officer acknowledging receipt of the waiver request. The letter advises the participant of their opportunity to submit additional information supporting their request. This will be the final opportunity for the participant to provide documentation and evidence supporting their waiver request.

b. S&CE will send a letter to the VA facility Director (with a copy forwarded to the EISP Program Coordinator) stating that S&CE has received the waiver request from
their employee and seeking a recommendation from the VA facility. The VA facility Director will be asked to respond to any specific claims the employee has made that impacted the breach of the scholarship agreement and to submit any relevant documentation.

c. S&CE has a goal of completing each request no later than 90 days after the deadline for receipt of employee information. The need for additional research in specific circumstances and delays in receiving supporting documentation occasionally impede this objective.

d. The participant and VA facility Director (with copies forwarded to the EISP Program Coordinator and Chief Financial Officer), will receive written notification from S&CE of the Under Secretary for Health’s or designee’s decision.
VA/DoD CERTIFIED REGISTERED NURSE ANESTHETIST (VA/DOD CRNA)

To help address the need for a continuing supply of well-trained Certified Registered Nurse Anesthetists (CRNAs), the Veterans Health Administration (VHA) has developed a partnership with the Department of Defense (DoD) to educate future Department of Veterans Affairs (VA) Nurse Anesthetists at the U.S. Army Graduate Program in Anesthesia Nursing (USAGPAN) at the U.S. Army Medical Department Center and School (AMEDDC&S), through a set-aside of positions for existing VA critical care nurses. Phase 1 of the education is at Joint Base San Antonio and lasts 12 months. Phase 2 of the education is primarily clinical and is completed at a VA medical facility.

1. PROGRAM PARTICIPATION

   a. To participate, participants must comply with the most recent revision of VHA Directive 1183, Nurse Anesthetist Education Program, dated May 9, 2017, and with the Employee Incentive Scholarship Program (EISP) requirements specified in this directive.

   b. VA accepts into the CRNA Education Program only those VA employees qualified and willing to accept EISP funding, sign an EISP agreement, and make a service commitment to VA as a Nurse Anesthetist.

   c. VA facility Directors are responsible for recommending employees to participate in this program, and timely appointing or assigning participants in the occupation for which the EISP scholarship prepared the participant. Participant placement shall be in accordance with Appendix A, paragraph 13.

2. PARTICIPANT FUNDING

   a. Previous EISP recipients must be within credit and funding limits as specified in Appendix A, paragraphs 4 and 5.

   b. Pending available funds, EISP funding will include tuition, books, authorized education expenses, and participant salary replacement during program participation.

   c. Salary replacement provided under EISP will conform to VA policy delineated in VA Handbook 5007, Pay Administration, dated August 3, 2017.

   d. Beyond the EISP funding, all other expenses associated with the VA employee participating in this educational advancement opportunity are the personal expenses of the participant.

3. MOBILITY AGREEMENT

   Employees recommended for participation must sign the EISP Mobility Agreement, VA Form 10-10154. The EISP Mobility Agreement is found on the VA Forms Web site located at http://www.va.gov/vaforms/.
PROGRAM DOCUMENTS & RESOURCES

1. SCHOLARSHIPS & CLINICAL EDUCATION SHAREPOINT SITES

**NOTE:** The following are internal VA Web sites that are not available to the public.

a. Scholarships and Clinical Education (S&CE) (Facility EISP Coordinators):

b. EISP (All VA employees):

c. NNEI (All VA employees):

d. VANEERP (All VA employees):

2. SCHOLARSHIPS & CLINICAL EDUCATION (S&CE) FORMS

**NOTE:** The following are internal VA Web sites that are not available to the public.

a. Facility EISP Coordinator Documents & Forms:
https://dvagov.sharepoint.com/sites/VHAMCHRDPRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx

b. EISP Applicant & Participant Documents & Forms:
https://dvagov.sharepoint.com/sites/VHAMCHRDPRP/SCE/NS/Shared%20Documents/Forms/AllItems.aspx