

## Sample HR Due Process Notice for Salary Offset

Date

Name

Address

City, State, ZIP

Subject: Delinquent (*insert contractor's name*) Travel Charge Card Account Balance – Administrative Salary Offset

Dear (*insert addressee name*):

This is to advise you that (*insert contractor's name*) has requested the Department of Commerce to offset your pay for a delinquent government travel card balance in the amount of \$(*amount*). The delinquent balance excludes any disputed transactions which are still pending.

The Travel and Transportation Reform Act of 1998 (PL 105-264, Section 2(d)(1)) authorizes the agency to offset up to 15% of your disposable pay at the request of the travel card contractor to collect undisputed delinquent balances. Therefore, payroll deductions will begin the first pay period ending 30 days after the date of this letter unless you resolve the matter prior to such date. The deduction will continue until the total amount is paid-in-full, or we are notified by (*insert contractor's name*) to stop collection action.

The amount deducted in any single pay period, including the administrative fee, will be limited to 15% of your disposable pay. Disposable pay, for this purpose, is defined as your biweekly gross pay less deductions required by law (i.e., retirement), Thrift Savings Plan, federal and state taxes, Medicare, Old-Age, Survivors, and Disability Insurance (OASDI), Federal Employees Group Life Insurance (FEGLI), Federal Employees Health Benefits (FEHB), and any debt owed to the United States Government.

If you wish to authorize a larger offset in order to accelerate the payment of this debt, please submit a written request to (*designated official contact information*). Your request must specify a percentage of disposable pay or a specific dollar amount.

If you believe that your account is delinquent because you have not been reimbursed for a related travel voucher, please contact your servicing finance office to determine the status of the voucher. You must inform this office in writing of the name and phone number of your travel reimbursement voucher(s) approving official to verify a travel reimbursement delay.

You have the right to inspect and copy records related to the delinquency, to request (*insert contractor's name*) to review its decision to pursue collection of the debt from your federal salary, and to make a written repayment agreement with (*insert contractor's name*) directly at (*insert contractor's toll-free number*). You must also contact (*insert contractor's name*) if you have questions about the requested offset, or wish to dispute the offset as erroneous. We suggest that you keep copies of any correspondence and/or evidence of payment to the charge card

contractor. *(Insert contractor's name)* must report any charges or amount adjustments regarding the delinquent charge card balance offset to us.

The Department's Employee Assistance Program is available to employees who wish to voluntarily and confidentially seek counseling due to stress caused by personal financial problems. For further information on the Employee Assistance Program, please call *(insert phone number)*.

If you have questions regarding our process in this matter, please contact *(insert HR/WFMO contact information)*.

*(Insert applicable closing)*

*(Insert applicable signature block)*

Enclosure-  
Grounds for Appeal

## **Administrative Salary Offset: Grounds for Appeal**

Employees are expected to timely reimburse (*insert contractor's name*) for all undisputed charges on the card. Employees are also expected to use the travel card only for expenses related to official travel, timely file travel vouchers, and timely dispute any improper charges. Therefore, the grounds for an appeal are limited. The following may, if properly substantiated, be grounds for appeal:

- 1) the charges sought by (*insert contractor's name*) are the subject of a properly completed and timely filed travel voucher that has not been paid by the Government;
- 2) the charges sought by (*insert contractor's name*) are the subject of a timely dispute that JPMC has not resolved;
- 3) the charges sought by (*insert contractor's name*) have been released in bankruptcy;
- 4) the employee and (*insert contractor's name*) have signed a written payment agreement, and the employee is making timely payments as required by the agreement; or
- 5) the employee has paid the delinquent balance in full.

The employee is responsible for providing proof to support any grounds for appeal. The nature of the proof will vary in each case. For example, proof to support an appeal based on the statement that the charges sought by (*insert contractor's name*) are the subject of a properly, completely, and timely filed travel voucher that has not been paid by the Government would include:

- 1) a copy of the travel voucher;
- 2) copies of any communications with the servicing finance office concerning payment;
- 3) a copy of the travel card billing statement; and/or
- 4) other relevant evidence supporting the employee's statement.

As a general rule, financial hardship is not grounds for appeal. Since the travel card must only be used for official travel expenses which are reimbursed by the Government, the employee should be able to reimburse (*insert contractor's name*) without hardship. Any request for the salary offset not to be processed, either at all or at a reduced rate (less than 15% of disposable pay), because of financial hardship must include a detailed explanation of the hardship with a complete financial statement reflecting all income available to the household and all required monthly payments and debts.