



**Subject:     EMPLOYEE EMERGENCY PAYMENTS**

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Emergency Payments

**10-30-00     PURPOSE**

This chapter provides Departmental policy and procedures for issuing emergency payments, using imprest funds, to an employee who has not received his or her salary payment on the scheduled payday due to certain procedural reasons.

**10-30-10     AUTHORITY**

Treasury Financial Manual Chapter I TFM 4-3000, Imprest Fund Cash Held at Personal Risk by Disbursing officers and Cashiers. Section 3040.45, Partial and Emergency Imprest Fund Salary Payments states that all payments must be in accordance with Comptroller General Decision B-193867 dated July 11, 1979.

Departmental authority is prescribed in two Deputy Assistant Secretary, Finance memoranda issued 11/24/87 and 04/05/90 covering "Employee Emergency Payment Procedures" and "Procedures for collection of Delinquent Employee Emergency Payments," respectively.

**10-30-20     SCOPE**

The policy and procedures prescribed in this chapter apply to each of the Department's Operating Divisions, Office of the Secretary (OS) and Regional Offices. HHS Finance officers have the authority to issue emergency payments to employees using imprest funds when the length of time for the Personnel and Pay Systems Division (PPSD) to replace a salary payment would impose an undue hardship on an employee. The

Finance office must follow PPSD guidance and procedures relative to the salary payment rectification/reissuance process.

**10-30-30 CRITERIA FOR MAKING PAYMENTS**

- A. When Payment Can Be Made. When the length of time for PPSD to replace a salary payment would impose an undue hardship on an employee, a Finance office can authorize an emergency payment to the employee from imprest funds. Employee emergency payments cannot be an advance of salary; rather, these payments may only be made for the amount earned for a pay period which was not paid to the employee on a regular payday. Finance Offices may issue an emergency payment to any employee who has not received a salary payment on the scheduled payday for any of the following reasons:
1. Employee was not paid on the scheduled payday due to administrative error or delay in processing. Some examples are missing salary payments or time cards contained incorrect or incomplete information.
  2. Employee was paid, but salary payment issued was less than 90% of the net due.
  3. New employee worked the first pay period or portion thereof but waiting for normal payday would impose a serious hardship.
- B. When Payment Should Not Be Made. An employee emergency payment should not be made if any of the following conditions exist:
1. It is known that the employee will be paid on the mini or supplemental payroll.
  2. Employee is delinquent in repaying a prior debt to the Department, such as an outstanding travel advance, salary overpayment, etc.
  3. Sufficient retirement and/or leave balances are not available to offset emergency payment amount.  
Note: This exception will not apply to new employees.
  4. it is clearly in the best interest of the Government not to make the payment.

**10-30-40 PAYMENT AMOUNT**

The amount of the employee emergency payment may not exceed the lesser of the employee's normal net salary, as shown on the most recent pay slips, or the amount of the missing salary payment as computed by PPSD. The emergency payment will not include any overtime or other pay differential. If the employee is a new employee, the payment must not exceed the net check as computed by PPSD. The dollar limitation for imprest fund payments will not apply to emergency payments to employees.

**10-30-50 PROMISSORY REPAYMENT AGREEMENT**

To obtain an emergency payment, the employee's Finance Office must process the Health and Human Services' Employee Emergency Payment Request, Promissory Repayment Agreement, and Salary Offset Authorization (Exhibit 10-30-A). This multipurpose document (Exhibit 10-30-A) serves the following purposes and includes the following information:

- " Serves as an employee's formal request for an emergency payment to temporarily replace a salary payment that was inadvertently not processed, lost, stolen, etc.
- " Provides for concurrence by immediate supervisor.
- " Provides for approval by appropriate Finance officer.
- " Provides necessary employee payroll information.
- " Serves as an employee's promissory repayment agreement.
- " Provides employee's signed authorization to recover full amount of the emergency payment through salary or other offset, in the event full payment is not voluntarily made within thirty (30) days of the date that the Employee Emergency Payment is issued, in a lump sum and without further notice.

This agreement will be signed by the employee and will include the following:

- " Certification by employee that payment was not received.
- " A provision that employee is liable to repay the government within thirty (30) days of the date that the emergency payment is issued.

" A provision that failure to repay the emergency payment timely, and in full, will subject the employee to late payment interest charges, administrative costs and penalties. Interest will be charged at the Private Consumer Rate in effect on the date the emergency payment is issued.

The promissory repayment agreement will become part of the normal debt management activities related to the payment.

In the event the conditions for repayment are not adhered to, the Finance Office will follow the guidance set forth in the Federal Claims Collection Act, the HHS claims collection regulations (45 CFR 30), and the procedures for collection of employee emergency payments in sections 10-30-70 and 10-30-80.

**10-30-60 ACCOUNTING ENTRIES FOR PAYMENT AND COLLECTION OF EMPLOYEE EMERGENCY PAYMENTS**

At the time of payment an entry into the accounting system will be made using:

Transaction  
Code: 061 (Travel Advances and Employee Emergency Payments)  
Object  
Class: 61.7G (Employee Emergency Payment)  
CAN: Enter the CAN **for the** appropriation currently being charged for the employee's salary.

At the time of collection the following entry will be made:

Transaction  
Code: 242 (Collection or Repayment of Unused Travel Advance or Employee Emergency Payment)  
Object  
Class: 61.7G (Employee Emergency Payment)  
CAN: Same CAN as used with TC 061.

**10-30-70 PROCEDURES FOR MAKING AND COLLECTING AN EMPLOYEE  
EMERGENCY PAYMENT**

The following steps will be adhered to by Finance Offices when an employee, whose pay was not processed, lost, stolen, etc., requests an Employee Emergency Payment and signs a Promissory Repayment Agreement (HHS Exhibit 10-30-A).

- " Determine whether or not a payment can be made (see Section 10-30-30A and B). Call the appropriate office of Personnel Services Payroll Liaison Representative.
- " Initiate procedures for replacement of missing salary payment.
- " Calculate payment amount if payment is authorized by approving authorizing official (see Section 1-30-40).
- " Make payment, furnish a copy of the Promissory Repayment Agreement to the employee, and set up a thirty (30) day "tickler" file.
- " Issue payment from imprest fund.
- " Record payment in accounting system.
- " Collect the emergency payment within thirty (30) days of the date of issuance. If repayment is not made by the employee in accordance with the signed agreement, action is to be taken in accordance with the Federal Claims Collection Act, the HHS Claims Collection Regulations (45 CFR Part 30), and the procedures set forth in Section 10-30-80.
- " Record the repayment or non-payment actions in the accounting system.

**10-30-80 PROCEDURES FOR COLLECTION OF DELINQUENT EMPLOYEE EMERGENCY  
PAYMENTS**

The following procedures will be followed in the collection of delinquent employee emergency payments:

- " If full repayment has not been received in accordance with the Promissory Repayment Agreement (Exhibit 1030-A), i.e. thirty (30) days from the date that the Employee Emergency Payment was issued, then an Employee Emergency Payment

Dunning Letter and Notification of Pending Offset (HHS Exhibit 10-30-C) must be sent to the employee identifying the dollar amount of the debt including late payment charges due (interest and administrative costs). Late payment interest charges start accruing from the date the Employee Emergency Payment was issued; administrative cost charges start accruing thirty-one (31) days from the date of the Employee Emergency Payment; and the six percent (6%) penalty starts accruing 121 days from the issuance date of the Employee Emergency Payment.

- " In the event the reason for issuance of the emergency payment is still valid at the end of the thirty (30) day period, the Finance Office and the employee may enter into an amendment to the repayment agreement (Exhibit 10-30-B).
- " If the employee's records reflect nonpayment, a reminder telephone call is made to the employee with a note documenting the call placed in the employee's "case" file. The Employee Emergency Payment Dunning Letter and Notification of Pending Offset (Exhibit 1030-C) is mailed the same day.
- " The Employee Emergency Payment Dunning Letter and Notification of Pending Offset (Exhibit 10-30-C) is sent to the employee for the following reasons:
  1. It provides for "double checking" the records in the event repayment has been made by the employee, but was not recorded. This avoids erroneous initiation of offset action.
  2. It gives the employee a "second chance" to repay the emergency payment prior to the initiation of offset.
  3. The signed Promissory Repayment Agreement (Exhibit 10-30-A) authorizes recovery in a lump sum. It is preferable to have the employee pay the amount owed voluntarily rather than having to initiate the offset action.
  4. Finance Officers may authorize recovery using installment payments.

- " If payment is not received after the Employee Emergency Payment Dunning Letter and Notification of Pending Offset (Exhibit 10-30-C) is sent, then the memorandum requesting initiation of salary offset (Exhibit 10-30D) is sent to the payroll office. The Central Personnel/Payroll Office will initiate salary offset upon receipt of a written request accompanied by 2copies of the Promissory Repayment Agreement (Exhibit 10-30-A), any amendments to the repayment agreement (Exhibit 10-30-B), and the Employee Dunning Letter and Notification of Pending Offset (Exhibit 10-30-C).

In utilizing the Promissory Repayment Agreement, Repayment Agreement Amendment and Dunning Letter (Exhibits 10-30-A, B and C), no text changes or revisions are allowed to be made, with one exception. These documents have been developed to accommodate the recovery of delinquent employee emergency payments only and the one exception is the insertion of specific organization and Payroll Liaison Representative identification information.

**HEALTH AND HUMAN SERVICES' EMPLOYEE EMERGENCY PAYMENT REQUEST,  
PROMISSORY REPAYMENT AGREEMENT, AND SALARY OFFSET AUTHORIZATION**

1, I, \_\_\_\_\_ certify that I have not received my salary for the pay period ending \_\_\_\_\_ because \_\_\_\_\_ I request an emergency payment of \$ \_\_\_\_\_ .

2. I understand that I am personally liable for repaying the Government. **I agree to make full repayment within thirty (30) days of the date that the Employee Emergency Payment is issued.** Repayment can be made by cash; credit card (if available); check; or money order made payable to the "Department of Health and Human Services" and delivered to: DHHS, (insert organizational identifiers, room number, street address, city, state, and zip code).

3. I understand my failure to repay this emergency payment timely and in full subjects me to late payment interest charges, administrative costs, and penalties (in addition to the actual emergency payment amount); and other collection actions as authorized by the Debt Collection Act of 1982 implemented by 45 CFR Part 30, and 5 CFR Part 550. Payment is considered timely only if full repayment is received in (insert organizational identifiers) within thirty (30) days of the date that the Employee Emergency Payment is issued. I also understand that: (a) interest is assessed at the Private Consumer Rate, which is in effect on the date the Employee Emergency Payment is issued. Interest is assessed on thirty (30) day periods. A partial period is considered a full period; (b) administrative costs of \$\_\_\_\_\_ are charged for each full or partial thirty (30) day period that repayment is late; (c) an additional late charge penalty of six percent (6%) is charged on repayments which are more than ninety (90) days late; (d) delinquent accounts can be reported to consumer credit bureaus which will affect my credit rating; private collection agencies whose fee is an additional administrative cost charge; the Department of Justice for suit in Federal court; and (e) delinquent accounts are subject to recovery by withholding the amounts owed from my salary, retirement fund, and/or any other funds due me.

**4. I have read and understand the above and request an Employee Emergency Payment.**

**I further understand that I must make full repayment within thirty (30) days and I hereby authorize the (insert organizational identifiers) to initiate payroll offset with the payroll office or offset any other funds due me for all or any part of the Employee Emergency Payment contained in the Promissory Repayment Agreement that has not been repaid within thirty (30) days of the date issued, to include all applicable interest, administrative costs, and penalty charges as described above without further notice to me.**

\_\_\_\_\_  
Employee's Signature      Date      Agency/Office      Room No.      Phone No.

Current Address: \_\_\_\_\_

Prior Address: \_\_\_\_\_  
(Fill Out Only if Address Has Recently Changed)

Emergency Payment Issue Date: \_\_\_\_\_

**(OTHER SIDE IS TO BE COMPLETED)**

**THIS INFORMATION SHOULD BE COMPLETED BY YOUR SUPERVISOR, THE PAYROLL LIAISON REPRESENTATIVE AND ADMINISTRATIVE OFFICER.**

Supervisor: I certify that the above employee has indicated to me that he/she did not receive their regular salary payment and I agree to assist in collecting the emergency payment under employee Standards of Conduct.

\_\_\_\_\_  
Supervisor's Signature      Date      Phone No.      Room No.

\* \* \* \* \*

Payroll Liaison Representative and Administrative Officer:

Employee's SSN: \_\_\_\_\_ Net Amount of Salary Check: \_\_\_\_\_

Timekeeper No: \_\_\_\_\_ Retirement Balance: \_\_\_\_\_

Appropriation/CAN No: \_\_\_\_\_ Annual Leave Balance: \_\_\_\_\_

\_\_\_\_\_  
Payroll Representative      Date      Administrative Officer      Date

\* \* \* \* \*

Finance Office Approval:

I hereby authorize the amount of \$ \_\_\_\_\_ as an emergency payment.

\_\_\_\_\_  
(Insert Title of Finance Officer      Date  
that Issued Emergency Payment)

**AMENDMENT TO  
HEALTH AND HUMAN SERVICES' EMPLOYEE EMERGENCY PAYMENT REQUEST,  
PROMISSORY REPAYMENT AGREEMENT, AND SALARY OFFSET AUTHORIZATION**

I, \_\_\_\_\_ certify that I have not received my salary for the pay period ending because \_\_\_\_\_. I request an extension of my emergency payment of \$ \_\_\_\_\_ dated \_\_\_\_\_.

\_\_\_\_\_  
Employee's Signature      Date      Agency/Office      Room No.      Phone No.

Finance Office Approval:

I hereby authorize an extension to this emergency payment.

\_\_\_\_\_  
(Insert Title of Finance Officer that Issued Emergency Payment)      Date

(Sample Employee Emergency Payment Dunning Letter and Notification of Pending Offset)

October 1, 19XX

John Doe  
9876 Main Street  
Anywhere, USA 12345

**CERTIFIED MAIL - RETURN RECEIPT**

Dear Mr. Doe:

A check for an Employee Emergency Payment was issued to you on \_\_\_\_\_, 19\_\_ in the amount of \$\_\_\_\_\_. Our records show that you have not repaid the Employee Emergency Payment in accordance with the terms of the Promissory Repayment Agreement dated \_\_\_\_\_, 19 \_\_\_\_\_. If you have submitted payment, in full, please let us know as soon as possible by calling FTS xxx-xxxx to allow us to check our records and clear your account. If you do not respond within fifteen (15) days of the date of this letter, we will initiate offset action.

In the event you have not already repaid us, you must submit payment for \$ \_\_\_\_\_, representing the full amount of the emergency payment of \$ \_\_\_\_\_, interest of \$ \_\_\_\_\_, and \$ \_\_\_\_\_ in administrative costs. Checks or money orders are to be made payable to the "Department of Health and Human Services" and mailed to the address noted below. Payment may also be made by credit card (VISA or MASTERCARD ) at the finance office or by calling the number noted above. (NOTE: Strike the preceding sentence if credit cards are not in use in your organization.)

HHS  
(Title of Finance Office that issued Emergency Employee Payment)  
Building, Room Number and Address  
City, State, Zip Code

If full payment is not received within thirty (30) days of the date of this notice, we will initiate recovery of this debt owed to the Government without further notice to you, by salary or other offset, as you agreed to in your request for an Employee Emergency Payment. Additional late payment charges will be assessed as stated in the Promissory Repayment Agreement.

Your prompt attention to this matter is greatly appreciated. If you have any questions, please call me at FTS xxx-xxxx.

Sincerely,

\_\_\_\_\_  
Name and Title of Finance Officer

cc: RO/OPDIV Executive Officer

(Sample Memorandum Requesting Salary Offset)

**MEMORANDUM**

Date :

To : Division of Personnel and Pay Systems  
Payroll Accounting Group

Through: Payroll Liaison Representative

From : (Name and Title of Finance Office that issued Emergency Employee Payment)

Subject: Salary Offset Request - Delinquent Employee Emergency Payment, Employee has Agreed to Salary Offset

We are requesting your assistance in collecting the following employee debt via salary offset.

1. Employee Name: \_\_\_\_\_ SSN: \_\_\_\_\_  
Timekeeper Number: \_\_\_\_\_
2. I certify that this is a valid debt and that the exact amount of the debt owed is \$ \_\_\_\_\_ as of \_\_\_\_\_. It consists of \$ \_\_\_\_\_ principal, \$ \_\_\_\_\_ interest, \$ \_\_\_\_\_ administrative cost, and a 6% late payment penalty of \$ \_\_\_\_\_.
3. Attached is a copy of the Promissory Repayment Agreement wherein the employee has agreed, in writing, to offset.
4. The amount to be withheld each pay period is \$ \_\_\_\_\_. Deduct this amount for \_\_\_\_\_ pay periods, and deduct \$ \_\_\_\_\_ the last pay period. (Payroll's charges are not included in these amounts.) The 15% of disposable limitations under 5 U.S.C. 5514 does not apply as the employee agreed to a larger amount.
5. The legislative and regulatory source of authority for salary offset is the Debt Collection Act of 1982 (P.L. 97-365) at 31 U.S.C. 3716; 5 U.S.C. 5514, 45 CFR 30.15 (d) (2).
6. I certify that the employee has been notified in writing of the debt and his due process rights. See attached Employee Emergency Payment Dunning Letter and Notification of Pending Offset implementing the terms of the Promissory Repayment Agreement (item 3 above).

(Sample Memorandum Requesting Salary Offset - continued)

- 7. Please credit CAN: \_\_\_\_\_ Appropriation: \_\_\_\_\_
- 8. Agency Location Code: \_\_\_\_\_
- 9. Mail SF 1081 to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 10. Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

For further information, please contact \_\_\_\_\_ on FTS xxx-xxxx.

\_\_\_\_\_  
(Signature of Finance Officer that  
issued Employee Emergency Payment)

Attachment(s)

Promissory Repayment Agreement and Amendments,  
Dunning Letter and Notification of Pending Offset

cc: Servicing Personnel Office - Employee Record