

## INVESTIGATION REPORT

### For Request to Compromise a Claim for a Debt Owed to DOJ by an Employee

(References: 31 CFR Parts 900 et al; 5 USC 5584; 31 USC 3711 )

(\*Maintain Report for 6 years & 3 months)

Date Waiver Request Signed:\_\_\_\_\_ Date Request Received:\_\_\_\_\_

Investigation Report Date\*:\_\_\_\_\_

Current Agency:\_\_\_\_\_ Agency at time of error:\_\_\_\_\_

Employee Name:\_\_\_\_\_ SSN:\_\_\_\_\_

Overpayment Period:\_\_\_\_\_

Bill Number:\_\_\_\_\_ Bill Date:\_\_\_\_\_

Biweekly Error Amount: \$\_\_\_\_\_ Total Debt Amount: \$\_\_\_\_\_

Date Personnel Office Notified NFC to Suspend Collection:\_\_\_\_\_

Is Overpayment Amount \$100 to 100,000?\_\_\_\_\_

Check Appropriate Overpayment Type: ☐ Pay &/or Allowances  
☐ Cash Award or Quality Step Increase  
☐ Understated Deductions (withholdings/benefits)  
☐ Negative Leave Balance generating bill

Nature of Overpayment:\_\_\_\_\_

Is this error the first occurrence of this type for this employee? \_\_\_\_\_. If no, when was previous overpayment & why did it happen again? \_\_\_\_\_

Date Error Discovered:\_\_\_\_\_ Date Error Corrected:\_\_\_\_\_

Office or Person who Discovered Error:\_\_\_\_\_

Was the compromise of claim form (DOJ-127 Revised) signed by the employee ☐ , the beneficiary of a deceased debtor's estate ☐ , the employing office official ☐ ?

Employee Name: \_\_\_\_\_

Was employee told of overpayment? \_\_\_\_\_

If Yes, provide date(s) of verbal and/or written notification(s): \_\_\_\_\_

Did employee know of overpayment without being told? \_\_\_\_\_

Did employee report it (if so, indicate to whom)? \_\_\_\_\_

If Yes, was it promptly reported to the Servicing Personnel Office by employee or employee's supervisor? \_\_\_\_\_

Indicate response to employee (e.g., Did supv or SPO agree that there was an error?):  
\_\_\_\_\_

Personnel Office's statement regarding whether there was any indication of deceit, misrepresentation, fault, or lack of good faith on the employee's or requester's part:  
\_\_\_\_\_

Personnel Office's statement as to whether corrective action is being taken to prevent the occurrence of similar erroneous payments:  
\_\_\_\_\_

Is the employee separated or deceased? \_\_\_\_\_

If No, does the employee have a "Not to Exceed" (NTE) appointment date? \_\_\_\_\_

If Yes, provide the NTE date: \_\_\_\_\_

Enter the Following Employee Facts ->

Federal Service Computation Date: \_\_\_\_\_

Last Promotion Effective: \_\_\_\_\_

Within Grade or Quality Step Increase Effective, if pertinent: \_\_\_\_\_

Required waiting period for WGI: \_\_\_\_\_

Pay Plan, Grade, Step at time of error: \_\_\_\_\_

Occupation/Job Title at time of error: \_\_\_\_\_

FEGLI or Health Benefits info, if pertinent: \_\_\_\_\_

Did pay fluctuate considerably for several pay periods before the error? \_\_\_\_\_

Was there a substantial increase in pay when the error occurred? \_\_\_\_\_

Check the items that were submitted with the waiver request form:

- |  |   |
|--|---|
| <input type="checkbox"/> Notifications of Personnel Action (SF-50) | <input type="checkbox"/> Certified Income & Expense Statement |
| <input type="checkbox"/> Earnings & Leave Statement                | <input type="checkbox"/> Copy of bill (Employee Notice)       |
| <input type="checkbox"/> Time & Attendance Report                  | <input type="checkbox"/> Schedule of Erroneous Payment        |
| <input type="checkbox"/> Employee benefit election form            | <input type="checkbox"/> Notice of pay entitlement or pay cap |
| <input type="checkbox"/> Job Vacancy Announcement                  | <input type="checkbox"/> Other, as specified:                 |
| <input type="checkbox"/> Allowance Agreement                       |   |

Employee Name: \_\_\_\_\_

**Criteria for Compromise when Overpayment is \$100,000 or less:** In addition to ensuring that there is **no** indication of fraud, misrepresentation, fault or lack of good faith, at least one of the three criteria set forth in DOJ Order 2120.4E, Guideline #2 (shown below), must be satisfied to approve a request for compromise. Can “yes” be answered to both “no fraud/fault, etc.,” **and** to any one of these questions? If yes, indicate item number(s): \_\_\_\_\_

1. Is debtor unable or unwilling to pay debt in full **and** would DOJ be unable to collect within a reasonable time by enforced collection proceedings?
2. Is there substantial doubt of DOJ’s ability to prove its case in a court of law? Would it be difficult to prove that employee was overpaid or that the amount of the overpayment was accurate?
3. Does the anticipated cost of collection (aside from salary offset) equal or exceed the amount owed **and** employee’s agency does not take the position of demonstrating to other debtors that resistance to payment is not likely to succeed?

Do any of the following approving standards apply? If yes, indicate item number(s): \_\_\_\_\_

1. Collection would cause serious financial hardship to the employee from whom collection is sought (employee submitted a certified income and expense statement).
2. Due to the overpayment, the employee has relinquished a valuable right or changed positions for the worse, regardless of the employee’s financial circumstances.
3. Given the **substantial** amount of the debt (up to \$2,999.99), repayment may result in tax consequences for the employee (i.e., debt of less than \$3,000 occurred in one tax year, and full repayment made [to be made] in a subsequent tax year). A partial compromise may be considered.
4. The cost of collecting (aside from salary offset) equals or exceeds the amount of the claim.
5. The type of pay error was not apparent to most employees whose job does not require knowledge of pay entitlements; employee received SF-50(s) untimely (i.e., received several pay periods after the error occurred **and** error not apparent on Earnings Statement or employee did not receive a notice of entitlement [what to expect] before or at the onset of the error)]; **or** there was a fluctuation of pay for several pay periods before the error occurred **and** error not apparent on Earnings Statement.

Employee Name: \_\_\_\_\_

Do any of the following denial standards apply? If yes, indicate item number(s): \_\_\_\_\_

1. There was indication of fraud, misrepresentation, fault, or lack of good faith (derived from an act or a failure to act).
2. Employee received or had access via the Internet comprehensible Earnings & Leave Statements and/or T&A Reports, yet was paid for more hours in a pay status than his/her entitlement.
3. Employee's job occupation was in the area of personnel or payroll, which precluded him/her from claiming no knowledge of the pay error.
4. Employee was not new to the Federal government (as reflected in his/her Federal Service Comp Date), **and** the error was not of a complex nature.
5. Employee received a letter, memo, or notice outlining his/her pay setting, pay cap, or pay entitlements.
6. Employee signed an agreement for an allowance, but did not fulfill the terms of such agreement.
7. Employee signed an election form for a benefit that was not sufficiently deducted from his/her pay.
8. Employee's leave adjustment(s) did not result in a negative leave balance at any time. Therefore, there is no claim to waive.

**Personnel Officer's Recommendation & Reason(s)** (include amount(s) recommended to be approved and/or denied):  
Amount Recommended to be Approved: \$ \_\_\_\_\_  
Amount Recommended to be Denied: \$ \_\_\_\_\_

\_\_\_\_\_  
(Signature of Personnel Officer)

\_\_\_\_\_  
(Date)

DECISION: Amount Approved: \$ \_\_\_\_\_  
Amount Denied: \$ \_\_\_\_\_

**Decision Official's Reason for Disagreement or Concurrence if Different Reason than Agency's:**

\_\_\_\_\_  
Decision Official's Signature

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Decision Official's Title: