



United States Department of the Interior
Office of the Secretary



D-2640

September 25, 2017

Memorandum

To: FPPS User Group Representatives and Accounting Clients

From: Linda Rihel-Todd, Chief *//signed//*
Payroll Operations Division

Subject: Salary Offset Policy Approval

The Title 5 United State Code (USC) 5514 and 5 Code of Federal Regulations (CFR) 550.1105 requires all agencies that collect debts from employees via salary offset to have Office of Personnel Management (OPM) approved salary offset regulations in place. Any Memorandum of Understanding between the payroll provider and agency does not supersede the requirements for salary offset in 5 USC 5514 and 5 CFR part 550, subpart K. OPM has identified 20 agencies with approved Salary Office Regulations; 13 of these were approved prior to the Debt Collection Improvement Act of 1996 (DCIA). This agency list is attached. Some agencies may have published or implemented their regulations prior to obtaining the required approval from OPM.

As part of base level services, the Interior Business Center (IBC) is responsible for assuring that regulations governing collection of debts are in compliance with the regulations below and are uniformly and consistently applied to all employees.

- 5 USC 5514
 - While most debt collection provisions in Title 31 and Title 5 are consistent, 5 USC 5514 is the primary authority for notice, hearing, deduction, and other provisions for salary offset and has specific requirements not contained in Title 31.
- The Debt collection Act of 1986
- The DCIA
- 5 CFR 550 Subpart K (1101-1104)
- Federal Claims Collection Standards (31 CFR parts 901-904) issued pursuant to the DCIA, to collect debts other than by salary offset or when debt collection procedures are not specified in 5 USC 5514 (e.g., for centralized administrative offset)

If your agency does not have an OPM approved salary offset regulation in place, see the attached Debt Collection Policy Template and Frequently Asked Questions; these may assist you in creating or updating your agency policy. For additional debt information, visit the IBC Payroll Operations link: <https://www3.ibc.doi.gov/services/hr/payroll/payrolltopics/docs/SalaryDebt.pdf>.

Agencies that have published debt regulations should review and update their debt policies to include DCIA regulations. The 5 CFR 550.1105(b), requires that any significant changes to OPM approved agency salary offset regulations must be submitted to OPM for approval before implementation.

Send agency debt policy approval requests to OPM's email address, pay-leave-policy@opm.gov and mailing address (below), with a cc to John_A_Castillo@ibc.doi.gov.

Office of Personnel Management
Attn: Brenda L. Roberts
Deputy Associate Director, Pay and Leave
1900 E Street NW, Suite 7H31
Washington DC 20415

Additionally, once OPM approves an agency policy, please email a copy to John Castillo, Debt Management Chief. If you have any questions, contact John_A_Castillo@ibc.doi.gov.

Attachments (3)