B-259477

April 4, 1995

Lexington Park, MD 20653

Dear

This responds to your letter of November 15, 1994, appealing the settlement of our Claims Group, Z-2925916, September 26, 1994, sustaining your former agency's denial of your request for waiver of your debt of \$354. Your debt arose from a duplicate payment of 40 hours of basic pay you received for the period of August 5, through August 11, 1990, after you had transferred to another organization which also paid you for this period. We affirm the settlement.

In your letter, you state that when you inquired about the extra amount, an employee from the Navy Regional Finance Center told you that it may have been for overtime compensation you had earned. You also state that repayment of the debt would cause you a hardship because you are now unemployed. Finally, you note that you acted in good conscience and in the interests of the United States by promptly calling the erroneous payment to the attention of the appropriate agency personnel.

In this case, clearly you suspected an error when you received the overpayment. Although apparently you were told initially that the erroneous amount may have been for overtime pay, the agency sent you an Earnings and Leave Statement for pay period ending August 11, 1990, that shows you were paid your regular pay for 80 hours and it did not show overtime. Generally, waiver will not be granted when an employee receives documents that, if reviewed, would alert the employee to the possibility of an erroneous payment.

B-253460, Nov. 4, 1993. Moreover, even though you worked 15 hours of overtime during the pay period preceding the one involving the duplicate payment (which could have been included in your pay for that pay period), the amount of the erroneous payment (\$354) was substantially more than the amount owed to you for

¹We understand that you were paid for the overtime at a later date.

that overtime (\$199.20). Therefore, while you are to be commended for acting in a responsible manner in bringing the erroneous payment to the attention of agency officials, you were on notice of a possible error in your pay. Although you took the proper action by notifying your agency as soon as you discovered the error, this is not grounds for waiving collection of the resulting debt. Employees who know or suspect that they are receiving erroneous pay are expected to set aside the questionable amount for eventual refund.

B-259124, Feb. 23, 1995.

Finally, as the Claims Group noted, financial hardship to the employee is not a basis upon which waiver may be granted when other circumstances exist that preclude such action.

;, B-226465, Mar. 23, 1988.

Accordingly, there is no basis on which to waive your debt.

Sincerely yours,

/s/ Seymour Efros for Robert P. Murphy General Counsel