

FDA STAFF MANUAL GUIDES, VOLUME III - GENERAL ADMINISTRATION

OFFICE OF FINANCIAL MANAGEMENT - BUDGET

EMERGENCY SALARY ADVANCES

Effective Date: July 23, 2018

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**1. PURPOSE.**

This Guide provides policy and procedures concerning emergency salary advances when earned salary payments have been delayed.

**2. BACKGROUND.**

This policy supplements Health and Human Services (HHS) Financial Management Directives & Guidance Volume II, Chapter 7: Employee Emergency Payments. FDA has the authority to issue emergency salary advances under certain circumstances in accordance with United States Code and the Code of Federal Regulations. Departmental authority is derived from two memoranda issued by the Deputy Assistant Secretary for Finance covering "Employee Emergency Payment Procedures" and "Procedures for Collection of Delinquent Employee Emergency Payments," dated November 24, 1987 and April 5 1990, respectively.

**3. REFERENCE/AUTHORITY.**

FDA policy is consistent with guidance set forth by the following policies regarding emergency salary advances. These include:

- A. "Advance payments for new appointees," Title 5, U.S. Code, Sec. 5524a (<https://www.gpo.gov/fdsys/pkg/USCODE-2016-title5/pdf/USCODE-2016-title5-partIII-subpartD-chap55-subchapIII-sec5524a.pdf>)

- B. "Advances in Pay," 5 CFR Part 550, Subpart B  
(<https://www.gpo.gov/fdsys/pkg/CFR-2017-title5-vol1/pdf/CFR-2017-title5-vol1-sec550-203.pdf>)
- C. HHS Financial Management Directives & Guidance, Ch. 10.30  
(<https://intranet.hhs.gov/abouthhs/manuals/financialpolicy/vol-2-general-accounting.html>)
- D. HHS-OCIO-2016-0005, Cybersecurity Program Standard for Encryption of Computing Devices and Information  
(<https://intranet.hhs.gov/it/cybersecurity/docs/policies-guides-encryption.pdf>)
- E. FDA Staff Manual Guide 2310.13, Suspense Accounts – Manual Disbursements, Collections, and Payments, Effective Date: 11/4/2014  
(<https://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/StaffManualGuides/UCM421795.pdf>)
- F. FDA Staff Manual Guide 3251.12, Information Systems Security and Privacy Policy  
(<http://inside.fda.gov:9003/downloads/PolicyProcedures/StaffManualGuide/VolumellGeneralAdministration/UCM544321.pdf>)

#### 4. DEFINITIONS.

- A. **Salary** – a fixed regular payment made by an employer, for professional or office work as opposed to manual work.
- B. **Agency** – Special government organizations set up for a specific purpose such as the management of resources, financial oversight of industries or national security issues.
- C. **Timekeeper** – The employee who keeps records of the time worked by the employees.

#### 5. POLICY.

##### A. General Policy

An emergency salary advance may be issued for one of the following reasons:

1. Non-receipt of Electronic Fund Transfer, also referred to as direct deposit (the Leave and Earnings Statement was generated but the paycheck was not received at the bank). An employee who receives his/her paycheck via an Electronic Fund Transfer (also referred to as direct deposit) may request an emergency salary payment on the Tuesday after payday, if the employee's bank did not receive a direct deposit by close of business on Monday;

2. Non-receipt in the mail (the Leave and Earnings Statement was generated but the paycheck was not received at the residence). An employee who receives his/her paycheck via mail delivery may request an emergency salary advance on the Tuesday after payday, if the employee has not received their paycheck at their residence by close of business on Monday.

The emergency salary advance recipient must submit repayment of the emergency salary advance to the Office of Financial Management, within 30 calendar days from receipt of approved emergency salary advance in order to prevent delinquency.

HHS policy states that an employee may not receive an emergency salary advance for overtime, or other pay differentials such as a Physician's Comparability Allowance (PCA), if for some reason they are not received for the pay period.

## **6. RESPONSIBILITIES.**

### **A. Responsibilities of Employee:**

1. Initiate a call to ERIC Call Center, or Services Now Helpdesk Ticketing System to have their request assigned to their respective ITAS and Payroll Center Representatives.
2. Notify their timekeeper of no salary received.
3. Complete, sign and submit the [Emergency Payment Request](#) (EPR) FDA Form 4027 along with all necessary paperwork as required by the EPR. It is the employee duties to provide necessary and accurate banking information and that data security standards must be strictly followed.
4. Retain a copy of all forms.
5. Endorse all repayment checks to FDA.
6. Pay back any and all late payment charges associated with a delinquent emergency salary advance repayment.

### **B. Responsibilities of Timekeeper/Timekeeper Contact/Administrative Officer:**

1. Review the EPR and all necessary paperwork for completeness. It is important that accurate banking information is verified and data security standards are strictly followed.

2. Sign and submit all required documents to the FDA Center/Office Payroll Representative.
3. Receive notification of an approved EPR and review the EPR and all necessary paperwork for completeness.

**C. Responsibilities of Office of FDA Center/Office Payroll Representative:**

1. Review the EPR and all attachments for completeness. It is important that accurate banking information is verified and data security standards are strictly followed.
2. Verify that a valid reason exists for an emergency salary advance.
3. Submit EPR and all required documents to the OHR Payroll Liaison for processing.
4. Generate obligation documents and submit to OFM for processing.

**D. Responsibilities of OHR Payroll Liaison:**

1. Verify that Program Support Center/Defense Finance and Accounting service (PSC/DFAS) cannot process the emergency salary advance for the employee.
2. Assure that a valid reason exists for an emergency salary advance and that the employee is not delinquent in paying back prior emergency salary advances.
3. Determine the amount of the emergency salary required by reviewing the Emergency Payment Request (EPR) and/or consulting with PSC.
4. Review the Emergency Payment Request (EPR) for completeness.
5. Assign a claim number to each claim and record it on the space provided on the EPR.
6. Secure payment approval signature and provide notification of an approved EPR to the FDA Center/Office Payroll Representative.
7. Retain a photocopy of the completed EPR and a log of these issuances.
8. Ensure ESA payments are issued and repaid.
9. Ensure data security standards are strictly followed.

**E. Responsibilities of the Office of Financial Management, Division of Payment Services:**

1. Only process request as soon as all required emergency salary advance and obligation documents are received from OHR Payroll Liaison.
2. Forward EPR to respective Center/Office Payroll Office for establishment of obligation.
3. As soon as documents requesting the Emergency Salary Advance (ESA) are received, the Division of Payment Services (DPS) must verify the information is accurate then process and certify the ESA in Treasury's Secure Payment System (SPS).
4. DPS will keep copies of the SPS Certification sheet in folder for documentation.
5. Ensure clearing is completed in UFMS once Emergency Salary Advance is processed.
6. Ensure data security standards are strictly followed.

**7. PROCEDURES.**

**A. Entitlement**

Employees who fall under any of the categories listed below are not entitled to receive emergency salary advances.

1. Consultants
2. Employees that have had their salaries offset by Treasury due to an outstanding debt
3. Intermittent
4. Stay-in-School (Seasonal)

**B. Requests for Emergency Salary Advances**

Employees who have satisfied the above criteria and have not received a paycheck may use the following procedures if they find it necessary to request an emergency salary advance.

1. Electronic Fund Transfer

- a. Initiate a call to ERIC Call Center, or Services Now Helpdesk Ticketing System to have their request assigned to their respective ITAS and Payroll Center Representatives.
  - b. The employee, supervisor, and Timekeeper/Administrative Officer must complete and sign an [Emergency Payment Request](#) (EPR) along with a [HHS' Employee Emergency Payment Request, Promissory repayment Agreement, and Salary Offset Authorization](#) FDA Form 4031. The employee should carefully read the agreement to ensure full repayment, outlined in paragraph 4, before signing the form.
  - c. The employee must submit a copy of the most current Leave and Earnings Statement if available, and attach it to the original EPR. The employee should retain copies of all forms and the Timekeeper/Administrative Officer should include copies in the employee's timekeeping file.
2. Mail Delivery
- a. The employee, their supervisor, and their Timekeeper/Administrative Officer must complete and sign the Emergency Payment Request form along with a [HHS' Employee Emergency Payment Request, Promissory repayment Agreement, and Salary Offset Authorization](#). The employee should carefully read the agreement to ensure full repayment, outlined in paragraph 4, before signing the form.
  - b. The employee must also complete and sign the [Letter of non-receipt](#) FDA Form 4028 and [Non-Receipt of Direct Deposit](#) FDA Form 4029. These forms, as well as a copy of the most current Leave and Earnings Statement must be attached if available to the original EPR. The employee and timekeeper should retain a copy of all forms.
3. Non-issuance of check
- a. The employee, supervisor, and Timekeeper/Administrative Officer must complete and sign the EPR FDA Form 4027 Emergency Payment Request along with the [Health and Human Service's Employee Emergency Payment Request, Promissory Repayment Agreement, and Salary Offset Authorization](#) form FDA Form 4030. The employee should carefully read the agreement to ensure full repayment, outlined in paragraph 4, before signing the form.
  - b. A copy of the most current Leave and Earnings Statement if available must be attached to the original EPR. For non-issuance of a paycheck, attach a Leave and Earnings Statement from the prior pay period if available. The employee should retain a copy of all forms.

- c. The Timekeeper, Timekeeper Contact or Administrative Officer must submit via email, or fax, all the required completed and signed documents to the FDA Center/Office Payroll Representative. For email submission encryption is required in accordance with HHS and FDA policy (References D & F).
- d. If concurrence is established the FDA Center/Office Payroll Representative will submit the completed package to the OHR Payroll Liaison. For email submission encryption is required in accordance with HHS and FDA policy (References D & F).
- e. The OHR Payroll Liaison will
  - (1) Verify from PSC/DFAS a Special Pay cannot be processed for the employee.
  - (2) Assure that a valid reason exists for an emergency salary advance and that the employee is not delinquent in paying back prior emergency salary advances.
  - (3) Determine the amount of the emergency salary advance required by reviewing the Emergency Payment Request (EPR) and/or consulting with PSC.
  - (4) Review the Emergency Payment Request for completeness.
  - (5) Forward the emergency salary advance documents to DPS for approval and processing.
  - (6) For email submission encryption is required in accordance with HHS and FDA policy (References D, F).

### **C. Establishing Obligation and Process Clearing in UFMS**

1. DPS will forward the EPR to the respective Center/Office Payroll Office for the establishment of an obligation.
2. DPS will process request to process the Emergency Salary Advance (ESA) as soon as all required emergency salary advance and obligation documents and are received from OHR Payroll Liaison.
3. Forward EPR to respective Center/Office Payroll Office for establishment of obligation.

4. As soon as documents are received requesting the Emergency Salary Advance (ESA), DPS must verify the information is complete and process and certify the ESA in Treasury's Secure Payment System (SPS).
5. DPS will keep copies of the SPS Certification sheet in folder for documentation.
6. Ensure clearing is completed in UFMS once Emergency Salary Advance is processed.
7. Ensure data security standards are strictly followed.
8. Once the Emergency Salary Advance is processed DPS will ensure the clearing is completed in UFMS.

#### **D. Collection of Emergency Salary Advances**

Accounting personnel will use the following procedures to collect delinquent emergency employee payments:

1. If full repayment has not been received within thirty (30) calendar days from the date that the emergency salary advance was issued:
  - a. DPS will send Form 3620 - [OFM Receivable Request](#) to OFM's Accounts Receivable staff at the Division of Accounting for billing. OFM will then establish the receivable in UFMS, and subsequently mail an invoice along with any supporting documentation to the employee. The employee will have thirty (30) calendar days from the time the receivable is established in UFMS to make a payment. If payment is not received within that time period OFM will then enforce the Debt Collection Act to seek collection of the outstanding debt that is owed to FDA.
2. If payment is not received after the Employee Emergency Salary Advance, a [Dunning Letter and Notification of Pending Offset](#) is sent:
  - a. Account Receivable staff will complete and forward to the PSC a [Memorandum Requesting Salary Offset](#) FDA Form 4033
  - b. All supporting documentation outlining the efforts made to obtain repayment of the emergency employee payment must be attached to this memorandum. [NOTE: If the employee believes that the original paycheck has not been received, he/she must contact the Payroll Liaison.]

#### **E. Reporting Requirements**



1. Salaries advances and object class 617G or 61716 will be used with emergency salary advance.
2. DPS will prepare a monthly report on the status of all salary advances and send to the OFM Accounting Reports and Analysis Section contact.

**8. EFFECTIVE DATE.**

This guide was signed by Sahra I. Torres-Rivera, Director – Office of Financial Management, and is effective July 23, 2018.

**9. Document History - SMG 2310.3, “Emergency Salary Advances”**

<b>STATUS (I, R, C)</b>	<b>DATE APPROVED</b>	<b>LOCATION OF CHANGE HISTORY</b>	<b>CONTACT</b>	<b>APPROVING OFFICIAL</b>
Initial	08/03/2009	N/a	OC/OO/OM/OFM	William Collinson, Acting Director, OFM
Revision	07/16/2018	N/a	OO/OFBA/OFO/OFM	Sahra I. Torres-Rivera, Director, OFM

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