Debt Management
Work Group Session

July 30, 2019
1:00 to 2:00, Central Standard Time
Facilitator:
Tammy Buras, Program Analyst

Presenters:
Jill Pettingill, Program Analyst
Robert Nobles, Program Analyst
Participants will be placed in “listen only mode”.
Submit questions into the Chat Box or submit via the ServiceNow Customer Service Portal (CSP). Indicate in the request in the description field; **Debt Management Work Group Inquiry**
The Debt Management Services Branch (DMSB) will respond to questions within two weeks. Responses will be posted on the NFC website under Debt Management Information.
DMSB is also soliciting for additional topics of interest for future Work Group sessions.
Please enter those requests in the Chat Box or submit via the ServiceNow CSP.
The next scheduled Work Group session has been slated for Tuesday, October 22, 2019.
NFC Agenda

• ServiceNow Customer Service Portal (CSP) Enhancements

• Overview of Debt Processing

• ABCO Claims Information Inquiry Screens
ServiceNow CSP Enhancements

Select Request Items/Services
Select the Debt Management – ABCO, Collections and Claims Service Catalog
Select the appropriate Related Categories, ABCO, Collections or Claims
Select the appropriate item from the Items listed. This is the task you require NFC to process.
Input the required information in the Request

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Doe</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organization</th>
<th>Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDA, Department of Agriculture</td>
<td>OCFO-Office of the Chief Financial Officer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Email Address</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="mailto:FederalEmployee@USA.com">FederalEmployee@USA.com</a></td>
<td>1234567890</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>First Name</th>
<th>Debt Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtor's First Name</td>
<td>DOE - Department of Education</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Middle Initial</th>
<th>Debtor Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtor's Middle Initial</td>
<td>H.R. Dept.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Last Name</th>
<th>Debtor POI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtor's Last Name</td>
<td>1234</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bill Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1234567890</td>
</tr>
</tbody>
</table>

**Additional Information:** Provide as much information/details as possible regarding the action you are requesting DMSB to process.

Submit
ServiceNow CSP Enhancements (continued)

Input the Additional comments in the Request
Overview of Debt Processing

• Salary Offset Process - On-the-Roll-Employees
• Salary Offset Process - Separated-Employees
• Past Due Federal Employee Health Benefit Process - On-the-Roll-Employees
• Federal Employee Health Benefit Process - Separated-Employees
# Salary Offset Process - On-the-Roll-Employees

<table>
<thead>
<tr>
<th>Current Billing Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOTE: Processing a late NOA will delay the receivable from being established.</td>
</tr>
<tr>
<td>After the PAYE system completes its processing, the Administrative Billings and Collections System (ABCO) retrieves the Payroll file on the second Monday of a pay period.</td>
</tr>
<tr>
<td>The receivable record is established in ABCO and can be viewed in ABCOINQ. Additionally, indicators are set to allow the system to identify delinquency.</td>
</tr>
<tr>
<td>Bills are generated on the 1&lt;sup&gt;st&lt;/sup&gt;, 8&lt;sup&gt;th&lt;/sup&gt;, 16&lt;sup&gt;th&lt;/sup&gt; or 24&lt;sup&gt;th&lt;/sup&gt; of the month.</td>
</tr>
</tbody>
</table>
Salary Offset Process - On-the-Roll-Employees (continued)

The employee will receive:
- FORM NFC-1100, Notice of Overpayment of Salary and Demand for Payment and
- FORM NFC-1101, Notice of Intent to Offset Salary and Repayment Agreement
  or
- FORM NFC-1100TR, Notice of Overpayment of Salary and Demand for Payment (Treasury Only)
  and
- FORM NFC-1101TR, Repayment Agreement (Treasury Only)

These forms contain inserts giving the employee additional rights.

These notices are available on the Reporting Center (RPCT) for Agencies to view and/or print. The Agency is responsible for providing the debtor these notices. The employee is given 30 days of due process to enter into a repayment agreement or pay the debt in full.

On the 31st day the debt will be deemed delinquent if the debt is not paid in full, or a repayment agreement is not entered into.

For all Departments other than Treasury, an automatic 15% deduction of their disposable pay will constitute an agreement.
If the employee enters into a repayment agreement, but the debt is partially paid and/or terms of the repayment agreement are not honored, one of the following notices will be sent to the employee, allowing 30 more days of due process.

- FORM NFC-MPAY, Notice of Missed Payment
  or
- FORM NFC-PPAY, Notice of Partial Payment

If a payment to satisfy the missed and current payment is not received within 30 days of this notice, the debt is scheduled for referral to Treasury Cross Servicing Next Generation (CSNG), Treasury Offset Program (TOP) and Credit Bureaus (CB).

Additionally, indicators are set to allow the system to identify delinquency.

CSNG: Once referred, CSNG issues their own Debt Notice. The Debt Notice indicates that a debt is due to the U.S. Government. This notice includes information on how to pay the debt and what will occur if the debt is not paid.
Salary Offset Process - Separated-Employees (continued)

<table>
<thead>
<tr>
<th>Current Billing Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Agency submits a request via Web-based Special Payroll Processing System (SPPSWeb) to generate a bill, and processes a Nature of Action (NOA) Code to terminate employee, or</td>
</tr>
<tr>
<td>- Agency requests a bill be produced by submitting Form AD-343, or</td>
</tr>
<tr>
<td>- Agency sends a request to the National Finance Center’s Call Center (NCC) via the internet using the ServiceNow Customer Service Portal (CSP). NOTE: Processing a late NOA will delay the receivable from being established.</td>
</tr>
</tbody>
</table>

After the PAYE system completes its processing, the Administrative Billings and Collections System (ABCO) retrieves the Payroll file on the second Monday of a pay period.

The receivable record is established in ABCO and can be viewed in ABCOINQ. Additionally, indicators are set to allow the system to identify delinquency.

Bills are generated on the 1st, 8th, 16th or 24th of the month.
If the employee has not received FORM NFC-1100, Notice of Overpayment of Salary and Demand for Payment or FORM NFC-1100TR, Notice of Overpayment of Salary and Demand for Payment (Treasury Only) prior to separation, the employee will receive:

- FORM NFC-631, Demand Notice for Payment
- FORM NFC-631 pg2, Repayment Agreement

These notices will be sent to the employee along with inserts giving the employee additional rights. The employee is given 30 days of due process and the opportunity to enter into a repayment agreement and make a payment or pay the debt in full.

For separated employees who fail to enter into a repayment agreement: If no repayment agreement is entered into, on the 31st day, the debt will be deemed delinquent and will be scheduled for referral to CSNG, TOP and CB.

The employee will not receive a grace period for these debts because the debtor did not respond to the notice.
If the separated employee enters into a repayment agreement, but the debt is partially paid and/or terms of the repayment agreement are not honored, one of the following notices will be sent to the employee, allowing 30 more days of due process.

• FORM NFC-MPAY, Notice of Missed Payment
  or
• FORM NFC-PPAY, Notice of Partial Payment

If prior to separation, the separated employee previously received one of the following notices

• FORM NFC-1100, Notice of Overpayment of Salary and Demand for Payment
  or
• FORM NFC-1100TR, Notice of Overpayment of Salary and Demand for Payment (Treasury Only)

and if a balance still remains on the debt after separation, the agreed upon payment still must be made to avoid delinquency.
If the debt is partially paid and/or terms of the repayment agreement are not honored, one of the following notices will be sent to the employee allowing 30 more days of due process, only if the employee has not received this notice previously.

- FORM NFC-MPAY, Notice of Missed Payment
- FORM NFC-PPAY, Notice of Partial Payment

Additionally, indicators are set to allow the system to identify delinquency.

CSNG: Once referred, CSNG issues their own Debt Notice. The Debt Notice indicates that a debt is due to the U.S. Government. This notice includes information on how to pay the debt and what will occur if the debt is not paid.
## Past Due Federal Employee Health Benefit Process - On-the-Roll-Employees

<table>
<thead>
<tr>
<th>Current Billing Process</th>
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<tbody>
<tr>
<td>Agency submits a</td>
</tr>
<tr>
<td>• Corrected T&amp;A,</td>
</tr>
<tr>
<td>• Supplemental T&amp;A, (71, Leave without Pay (LWOP); 72, Absence without Official Leave (AWOL); 73, Suspension)</td>
</tr>
<tr>
<td>or</td>
</tr>
<tr>
<td>• a Nature of Action (NOA) Code.</td>
</tr>
</tbody>
</table>

**NOTE:** Processing a late NOA will delay the receivable from being established. It is your agency’s responsibility to notify the National Finance Center (NFC) if the employee elects to pre-pay. The delinquency computation date begins when the employee returns to a pay status.

Under 5 CFR §890.502, employees in LWOP status are responsible for payment of the employee’s share of the premium. The 3 options that are available to employees when entering LWOP status, or employee pay is insufficient to cover the premium are as follows:
- Elect, in writing, to terminate the enrollment;
- Pre-pay or pay on a current basis the premium amounts (not pre-tax eligible); or
- Incur a debt to be paid upon return to pay status or when pay becomes sufficient to cover the premiums (with pre-tax benefit).
Past Due Federal Employee Health Benefit Process - On-the-Roll-Employees (continued)

<table>
<thead>
<tr>
<th>After the PAYE system completes its processing, the Administrative Billings and Collections System (ABCO) retrieves the Payroll file on the second Monday of a pay period.</th>
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<td>Bill is generated on the 1\textsuperscript{st}, 8\textsuperscript{th}, 16\textsuperscript{th} or 24\textsuperscript{th} of the month.</td>
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<tr>
<td>For On-the-Roll Employees: The employee will receive  \begin{itemize}  \item FORM NFC-937, Notice of Intent to recover past due Health from Salary  \item FORM NFC-937TR, Notice of Intent to recover past due Health from Salary (Treasury only) \end{itemize} These forms contain inserts giving the employee additional rights.</td>
</tr>
<tr>
<td>This will reduce the due process that is given and expedite collections. The employee is given 30 days of due process and the options to pay the premium amount owed or pay the debt in full.</td>
</tr>
</tbody>
</table>
If no payment or partial payment is received by the 31\textsuperscript{st} day, one of the following notices will be sent to the employee, allowing 30 more days of due process.

- **FORM NFC-MPAY**, Notice of Missed Payment
- **FORM NFC-PPAY**, Notice of Partial Payment

If a payment is not received within 30 days of this latest notice, the debt is scheduled for referral to Treasury Cross Servicing Next Generation (CSNG), Treasury Offset Program (TOP) and Credit Bureaus (CB). An automatic 15\% deduction of their disposable pay will be garnished.

Additionally, indicators are set to allow the system to identify delinquency.

**CSNG**: Once referred, CSNG issues their own Debt Notice. The Debt Notice indicates that a debt is due to the U.S. Government. This notice includes information on how to pay the debt and what will occur if the debt is not paid.
Federal Employee Health Benefit Process - Separated-Employees

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<tr>
<th>For separated employees who fail to enter into a repayment agreement: If no repayment agreement is entered into, on the 31st day the debt will be deemed delinquent and will be scheduled for referral to Treasury Cross Servicing Next Generation (CSNG), Treasury Offset Program (TOP) and Credit Bureaus (CB).</th>
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<tr>
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and if a balance still remains on the debt after separation, the agreed upon payment still must be made to avoid delinquency.
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The previously presented procedure process scenarios all conclude in the same manner, the debt is deemed delinquent and will have additional collection methods applied to them. The next portion of the presentation will provide details on how to research a delinquent debt using the Claims Information Inquiry Screens.
Choose an option for accessing the ABCO database:

1. Debtor Information (by Debtor ID)
2. Receivable Info (by Debtor ID and Bill Number)
3. Collections (by Check ID)
4. Employee Indebtedness (by Social Security Number)
5. Claims Information (by Claim Number) {NFC Use Only}
6. Top Information (by Tax-ID Number) {NFC Use Only}
### Screen AR00155, EMPLOYEE INDEBTEDNESS

<table>
<thead>
<tr>
<th>SOCIAL SECURITY NUMBER</th>
<th>XXXXXXXX</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEBTOR NUMBER</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>DEBTOR NAME</td>
<td>Last Name, First Name, Middle Initial</td>
</tr>
<tr>
<td>BILL NO</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>BATCH</td>
<td>XXXXXX</td>
</tr>
<tr>
<td>RECVBL-BALANCE</td>
<td>.00</td>
</tr>
</tbody>
</table>

Clear, Exit Inquiry PF1 Menu Screen PF7 Backward PF8 Forward Enter Tab Over and Place an "S" By a Record and Press Enter
Screen AR00665, ABCO CLAIMS INFORMATION

| DEBTOR: Last Name, First Name, Middle Initial | BILL NO: XXXXXXXXX
| CLAIM NO: XXXXXX | NO: XX XXXXXXXXX XX |
| 0> PRINCIPAL... | 1260.60 TOP ACTION. 03 24 15 PAY PLAN AMT. 0.00 |
| R> INTEREST... | 0.00 INIT ACTION. 00 00 00 DATE..... 00 00 00 |
| I> PENALTY.... | 0.00 FOLLOW UP... 00 00 00 TOP STATUS... 4 |
| G> ADMIN COST. | 0.00 ACTION DUE.. 02 04 16 DATE..... 02 04 16 |

CLAIM STATUS: OPEN

| CLAIMS... | COLLECTED | RESOLVED |
| 0.00 00 00 00 | 0.00 00 00 00 | 0.00 00 00 00 |
| COLL AG... | 0.00 00 00 00 | 0.00 00 00 00 | 0.00 00 00 00 |
| SAL OFF... | 0.00 00 00 00 | 0.00 00 00 00 | 0.00 00 00 00 |
| TOP OFF... | 986.10 02 25 16 | 0.00 00 00 00 | 0.00 00 00 00 |
| ADM OFF... | 0.00 00 00 00 | 0.00 00 00 00 | 0.00 00 00 00 |

CLEAR EXIT PF1 MENU PF7 PREV CLAIM PF9 RECEIVABLE INFO
ENTER INQ PF2 NEXT PG PF6 DEBTOR INFO PF8 NEXT CLAIM PF10 TOP INFO
Screen AR00667, ABCO CLAIMS INFORMATION

CLAIM NO: XXXXXX
DEBTOR: Last Name, First Name, Middle Initial
BILL NO: XXXXXXXXXXXX
NO: XX XXXXXXXXXXXX XX

NOTIFY CREDIT RPT. Y
CLAIM STATUS: OPEN
FED.REC.CENTER NO.
BOX: YEAR.
OFFSET TYPE....... 1
COLLECT INFO. TOP DESC....: ___

CLEAR EXIT
PF1 MAIN MENU
PF10 FIRST PAGE
Screen AR00645, ABCO TOP/CS OFFSET INFO

AR00645
USDA - NFC
ABCO TOP/CS OFFSET INFO
DATE: xx/xx/xx
TIME: 12:03:01

TIN: xxxxxxxx
CASE-NO: xxxxxxxxxx
CASE TYPE: I
DEBT-CLOSED: _
NAME: Last Name
First Name, Middle Initial
DELETIE: _
ALIAS: 
XSV INDICATOR: C
AMOUNTS> ORG DEBT: 225.72
DATES> DELINQ: 12 16 2014
AGENCY: xx

TOP COLLECTED: 0.00
SEND LETTER: 11 16 2014
NFC COLLECTED: 0.00
PAYMENT TYPE:
XSV COLLECTED: 0.00
JUDGEMENT:

TOP TRANSACTIONS

<table>
<thead>
<tr>
<th>TYPE</th>
<th>TRANS DATE</th>
<th>ACTION</th>
<th>REFERRED DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>02 18 2016</td>
<td>I</td>
<td>AMOUNT INCREASED</td>
</tr>
<tr>
<td>1</td>
<td>01 14 2016</td>
<td>I</td>
<td>AMOUNT INCREASED</td>
</tr>
<tr>
<td>1</td>
<td>12 17 2015</td>
<td>I</td>
<td>AMOUNT INCREASED</td>
</tr>
<tr>
<td>1</td>
<td>11 19 2015</td>
<td>I</td>
<td>AMOUNT INCREASED</td>
</tr>
<tr>
<td>1</td>
<td>10 20 2015</td>
<td>I</td>
<td>AMOUNT INCREASED</td>
</tr>
<tr>
<td>1</td>
<td>09 17 2015</td>
<td>I</td>
<td>AMOUNT INCREASED</td>
</tr>
</tbody>
</table>

CLEAR EXIT
PF1 MENU
PF3 RETURN TO CLAIM
PF10 PREV CASE REC
ENTER INQUIRY
PF2 SHOW LETTER
PF11 NEXT CASE REC
Screen AR00647, ABCO TOP LETTERS

AR00647

USDA - NFC
ABCO TOP LETTERS

DATE: XX/XX/XX
TIME: 11:57:33

TIN:XXXXXXXXX CASE NO:XXXXXXXXXX
NAME: Last Name, First Name, Middle Initial

Address Line 1
Address Line 2

City, State, ZIP+4 Code
DEBT AMOUNT: 1010.48

ADDRESS SOURCE: N

DATE CREATED: 02 04 2016 SEND LETTER: S DATE TO SEND: 03 24 2015

CLEAR EXIT PF1 MENU PF7 PREV LETTER
PF2 RETURN TO TOP PF8 NEXT LETTER
Useful Information

• Hyperlink to:
  – NFC webpage to locate Debt Management Information

• Hyperlink to:
  – 2019 Date to Print and Mail ABCO Notices

• Hyperlink to:
  – Instructions on how to retrieve large ABCO Form reports from the Reporting Center, if the report is too large to view

• Hyperlink to:
  – The ABCO Procedure Manual, web version

• Hyperlink to:
  – The ABCO Procedure Manual, PDF version