

840 Financial Liability**841 Overpayment of Pay Claims****841.1 Definition**

Pay means salary or wages for personal services and includes compensation for overtime, night-shift differential, Sundays and holidays, annual and sick leave, and severance payments. It does not include payments for travel and transportation costs, or transportation of household goods or other relocation expenses.

841.2 Special Conditions

.21 USPS Option. Collection of a claim by the USPS against an employee or former employee because of salary overpayments may be waived in whole or in part when it is in the best interest of USPS.

.22 Claim Irrelevant. Claims for overpayments resulting from the USPS policy of advancing annual leave at the beginning of the calendar year are not considered for waiver since these are not administrative errors.

841.3 Waiver Requirements

Before a claim is considered for waiver, it must meet these requirements:

- a. The claim resulted from an overpayment caused by administrative error to a current or former employee, generally in connection with a personnel action.
- b. The request for waiver is received by the USPS within 3 years immediately following the date when the overpayment was disclosed.
- c. There is no indication of fraud, misrepresentation, fault, or lack of good faith on the part of the employee or anyone else with an interest in obtaining a waiver.

841.4 Waiver Denied

Fault on the part of the employee is determined by analyzing the facts in each case. Any significant unexplained increase in an employee's pay should cause a reasonable individual to question the accuracy of the paycheck. When the current or former employee fails to bring the matter to the attention of appropriate officials, the employee is considered at fault and the waiver is denied.

842 Accountable Loss Claims**842.1 Waiver Requirements**

.11 Postmasters/Installation Heads. Each postmaster must conscientiously enforce USPS policies, programs, regulations, and procedures in managing the post office to prevent the loss of accountable items and funds.

.12 All Personnel

All employees assigned accountable items or funds are strictly responsible for them.

842.2 Waiver Granted

When investigation of accountable financial loss shows that the postmaster or other responsible employee exercised reasonable care in performing duties, they are relieved of the full amount of loss.

842.3 Waiver Denied

When investigation fails to establish that the postmaster or other responsible employee exercised reasonable care, they are charged with the full amount of loss. When two or more employees are jointly liable, no attempt is made to allocate the burden of repayments between them. However, the amount collected from one or more must not exceed the total loss.

842.4 Other Solutions**.41 Settlement**

When the postmaster or other employee is charged with a loss, the USPS may choose to compromise, release, or wholly or partially discharge the claim for reimbursement (as USPS considers just and expedient.)

.42 Action

Regardless of financial claims against a postmaster or other personnel, the regional official may reassign the employee or take disciplinary action. Reassignment or disciplinary action may be taken whether or not money is collected from the debtor employee.