



DEPARTMENT OF THE NAVY  
NAVAL TRAINING CENTER  
GREAT LAKES, ILLINOIS 60088-5000

NTCGLAKESINST 12735.1  
N23  
22 FEBRUARY 1991

NTC GREAT LAKES INSTRUCTION 12735.1

From: Commander, Naval Training Center, Great Lakes

Subj: INDEBTEDNESS AND GARNISHMENT OF PAY

Ref: (a) FPM Chapter 735, Subchapter 2-7  
(b) 5 CFR 581  
(c) NAVCOMPT CH 344

Encl: (1) Indebtedness Notice Form (NAVEXOS 3893)  
(2) Indebtedness/Employee Counseling Form  
(NTC-GL 12735/1 (Rev 12/90))

1. Purpose. This instruction sets forth a uniform policy concerning indebtedness and garnishment of pay of naval civilian personnel for collection of child support and alimony.

2. Applicability. This instruction is applicable to all activities serviced by the Naval Training Center Consolidated Civilian Personnel Office (NTC CCPO), Great Lakes.

3. Discussion. An employee's failure to pay his/her just financial obligations usually has two undesirable effects. First, since the creditor cannot normally garnish an employee's salary, his/her only recourse is to try to enlist the assistance of the employer. If this is not successful, the creditor is left with the feeling that the Federal Government is as much to blame as the employee. Thus, an unfavorable image is created. Secondly, correspondence with creditors, memos, and conferences with the employees involved, add considerably to the workload of an office.

4. Policy

a. In accordance with reference (a), "Agency Regulations Governing Ethical and Other Conduct and Responsibilities of Employees", employees must pay just financial obligations in a proper and timely manner, especially those imposed by law such as Federal, State or local taxes. A "just financial obligation" means one acknowledged by the employee, reduced to judgment by a court of competent jurisdiction, or imposed by law such as Federal, State or local taxes. "In a proper and timely manner" means in a manner which does not, under the circumstances, reflect adversely on the individual or the government as his/her employer.

b. In the event of dispute between an employee and a creditor, the employer is not obligated to arbitrate the validity or amount of the disputed debt.

5. Action

a. It is the policy of the Department of the Navy to respond to "legal process" addressed to naval officials promptly in accordance with the provisions contained in references (b) and (c). These directives prescribe responsibilities and procedures applicable to the Department of the Navy when processing and honoring "legal process" brought for the enforcement of legal obligations of civilian employees to provide child support or make alimony payments or to collect debts due and owing to the federal government. For the purpose of this instruction the term "legal process" is limited to legal processes intended to enforce an adjudicated or settled claim, which purportedly affects the pay of a civilian Navy employee.

b. Service of Legal Process. Service of "legal process" affecting the pay of Department of the Navy civilian personnel shall be made in the following manner:

(1) If currently employed at a Navy or Marine Corps activity (including nonappropriated fund instrumentalities) or installations situated within the territorial jurisdiction of the issuing court, such process may be served personally, or by registered or certified mail, return receipt requested, on the Commanding Officer or Head of such activity or installation. The Director of the Labor Relations Division, NTC CCPO, is also authorized to receive such processes.

(2) In other cases involving civilian employees, such process may be served personally or by registered or certified mail, return receipt requested, on the "Director of Civilian Personnel, Navy Department, Washington, D. C. 20390."

(3) The officials designated in subparagraph 5b(1) and (2) of this instruction are authorized to accept service of process within the purview of reference (b). Where service of process is offered to an official not authorized to accept it under subparagraph 5b(1) and (2), the person offering such service shall be referred to the appropriate official designated in subparagraph 5b(1) and (2). The designated official shall forward the legal process to the Staff Judge Advocate for a determination as to the validity of the legal process. If the legal process is determined to be valid, the legal process will be forwarded to the appropriate Payroll Office for processing. The employee will receive a copy of the correspondence concerning his/her pay.

22 FEBRUARY 1991

c. Letter of Indebtedness. All letters of indebtedness which have been mailed directly to an activity will be forwarded immediately to the Labor Relations Division of the NTC CCPO. Oral complaints will not be processed. The complainant will be asked to submit a written, signed complaint. Upon receipt of a written notice or complaint of indebtedness, the following action will be taken:

(1) The NTC CCPO will notify the creditor and the employee of the policy on indebtedness by use of Employee Indebtedness Notice Form (NAVEXOS 3893), see enclosure (1).

(2) The NTC CCPO will then prepare Notice of Indebtedness/Employee Counseling Form (NTC/GL-12735/1), see enclosure (2). This notice will be forwarded to the employee's immediate supervisor.

(3) The immediate supervisor will counsel the employee. If the employee acknowledges or denies the debt, it is important that the employee do so on enclosure (2) in the space provided. The supervisor may advise the employee to contact the Labor Relations Division of the NTC CCPO for information related to financial counseling.

(4) Within ten (10) work days after receipt of enclosure (2), the supervisor will return the Notice to the NTC CCPO for retention.

(5) A copy of enclosures (1) and (2), with the employee's reply, if any, will be retained by the NTC CCPO for two (2) years from the date of the indebtedness complaint.

## 6. Effects of Indebtedness

a. Disciplinary Action. Employees who fail to honor just debts or legal obligations should be referred to the Civilian Employee Assistance Program (CEAP) or Labor Relations Division, NTC CCPO, for counseling and/or referral for financial counseling. Should normal counseling efforts fail to eliminate the indebtedness complaints, the offending employee may be disciplined as follows:

(1) A letter of caution/requirement may be issued on the occasion of the first failure to take corrective action as promised by the employee during the counseling session.

(2) A Letter of Reprimand may be issued on the second occasion where the employee fails to take corrective action.

NTCGLAKESINST 12735.2  
22 FEBRUARY 1991

(3) A Letter of Reprimand may be issued (in lieu of suspension) on the third occasion where the employee fails to take corrective action.

(4) A Notice of Proposed Removal may be issued on the fourth occasion where the employee fails to take corrective action.

b. Progressive Discipline. Disciplinary action would normally be warranted in cases where a lawful obligation exists or an employee admits the validity of the claim of indebtedness, but does not make a constructive effort to satisfy the obligation. Normally, suspensions are used for disciplinary cases prior to removal. However, as a suspension resulting in a loss of pay will clearly aggravate this type of situation, such action will be taken only in exceptional circumstances.

c. Promotions and Other Personnel Actions. Employees must be cautioned that their entire record is considered in promotion, special assignments, training opportunities, etc. An indebtedness record may have an adverse influence on such decisions and can result in nonselection, especially for supervisory, cash handling, staff and positions involving contact with the public.

7. Forms. Enclosure (1) Indebtedness Notice Form (NAVEXOS 3893) and enclosure (2) Indebtedness/Employee Counseling Form (NTC-GL 12735/1 (Rev 12/90) are available through NTC CCPO.

  
W. F. LORENZ III  
Chief of Staff

Distribution:  
NTCGLAKESINST 5216.5H  
LIST V  
N23 (25)





**NOTICE OF INDEBTEDNESS/EMPLOYEE COUNSELING REQUEST**

FROM: Consolidated Civilian Personnel Office N23 TO: *(Department Director)*

REF: (A) NTCGLAKES INST 12735.1

ENCL: (1) COPY OF INDEBTEDNESS COMPLAINT

NAME: *(Employee)* DATE:

ENCLOSURE (1) WAS RECEIVED REGARDING THE ABOVE NAMED EMPLOYEE. PLEASE COUNSEL THE EMPLOYEE (or designate someone) AND REPORT THE RESULTS TO CCPO UTILIZING THE LOWER PORTION OF THIS FORM.

FROM: *(Department Director)* TO: **CONSOLIDATED CIVILIAN PERSONNEL OFFICE N23**

EMPLOYEE WAS COUNSELED WITH THE FOLLOWING RESULTS:

- CLAIMS THIS IS NOT A JUST DEBT *(Explain in remarks section)*
- ADMITS DEBT AND WILL MAKE PAYMENT EFFORTS \_\_\_\_\_  
*(Employee's Signature) (Acknowledging Debt)*
- OTHER *(Explain)*

EMPLOYEE WAS ADVISED THAT NON-PAYMENT OF DEBTS MAY RESULT IN DISCIPLINARY ACTION, POSSIBLY REMOVAL, AND MAY HAVE AN ADVERSE EFFECT ON PROMOTION AND OTHER OPPORTUNITIES.

DO YOU FEEL THAT DISCIPLINARY ACTION IS APPROPRIATE AT THIS TIME?  YES  NO

SIGNATURE *(Supervisor)* DATE

REMARKS:

encl(2)