



Work-Product

UNITED STATES AIR FORCE BOARD FOR CORRECTION OF MILITARY RECORDS

RECORD OF PROCEEDINGS

IN THE MATTER OF:

DOCKET NUMBER: BC-2024-00420

Work-Product

COUNSEL: NONE

HEARING REQUESTED: NO

APPLICANT'S REQUEST

She be reimbursed for an erroneous debt she had to pay from 1 Jun 16 through 21 Dec 16 in the amount of \$2,347.

APPLICANT'S CONTENTIONS

She was a Traditional Reservist but was assigned on active duty orders at the Pentagon from 1 Oct 15 through 27 May 16. Her order was then extended to 21 Jun 16. It was confirmed a technician at her previous servicing finance office erroneously removed her orders thread for FY 2016 from the pay system and when he discovered the error he resubmitted the orders along with the extension. On 1 Apr 16, she began to receive incorrect Leave and Earning Statements (LES) which included a reduced leave balance from 32 days to 2 days and showed that she was not paid over \$33,000 and accrued a debt. A series of her LES' there after continued to be affected until it was partially corrected around May 2016. Unfortunately, the expected pay of \$2,571.87 via LES 1 Jun 16 was not received. The LES stated she would receive \$0 and the debt from the error. Her finance office told her that there was nothing they could do but submit a case through the Case Management System (CMS). She was also told that she would hopefully receive it within her tax return, and they would use her situation as a "training tool" so that it wouldn't happen to anyone else.

The applicant goes onto provide a timeline of the events and lists all pay effected from Jun through Dec and which totaled a debt repayment of \$2,347.00. She further contends that she submitted several tickets to the Defense Finance and Accounting Service (DFAS) and on 12 Apr 21 they confirmed the debt was found to be erroneous. However, when she asked if she would be reimbursed for the indebted pay she was told to contact her local finance office. On 9 Feb 22, she submitted documentation to the finance office and after going back and forth with various finance technicians CMS Case # **Work-Product** was eventually created. After five additional follow ups from her finance office, she contacted DFAS on the status of her CMS case and was told her ticket was transferred from the Debts and Claims office to the Army Military Pay Customer Care Center. She's not sure why her ticket was transferred but was advised to contact DFAS Debts and Claims Management office directly or to contact the Total Force Service Center (TFSC). She intended to proceed with the instructing until she noticed the DFAS technician provided the contact information for MyPers which is no longer operable. At the present time the status of her CMS case review is unknown and her issue has not been resolved.

The applicant's complete submission is at Exhibit A.

STATEMENT OF FACTS

AFBCMR Docket Number BC-2024-00420

Work-Product

Controlled by: SAF/MRB

Work-Product

Limited Dissemination Control: N/A

POC: SAF.MRBC.Workflow@us.af.mil

The applicant is an Air Force Reserve Technical Sergeant (E-6).

According to the documents provided by the applicant and CMS case number [REDACTED]:

On 3 Oct 15, Orders Number [REDACTED] was published and placed the applicant on Military Appropriation (MPA) orders from 1 Oct 15 through 27 May 16.

On 27 Jan 16, Orders # [REDACTED] was amended and changed the end date of the order to 21 Jun 16.

On 15 Apr 16, according to a Leave and Earnings Statement (LES) for pay period 1 Apr 16 – 15 Apr 16, the applicant was issued an erroneous debt in the amounts of \$8,969.40 and \$8,854.20 for pay periods 1 Oct 15 – 31 Dec 15, and \$8,969.40 and \$7,908.84 for pay periods of 1 Jan 16 – 31 Mar 16. Her total debt issued amounted to 33,694.20, but nothing was deducted from her mid-month pay of \$2,813.04 for the debt.

According to LES statement dated 29 Apr 16 for pay period 15 Apr 16 – 30 Apr 16 and LES statement dated 13 May 16 for pay period 1 May 16 - 15 May 16 the applicant received her standard pay in the amount of \$2,813.04 for the two pay periods. In addition, she continued to have a debt of \$33,694.20.

On 25 May 16, LES for pay period 1 Oct 15 – 31 Mar 16 shows the applicant received a payment in the amount of \$33,694.20 to reimburse the applicant for the erroneous debt; however, only \$30,833.44 went to payment of the debt, because \$1,363.52 went to FICA tax, 854.64 went to Federal Income Tax and 642.60 went to State Income Tax. This in turn left the applicant with an unpaid debt balance of \$2860.76.

On 27 May 16, according to a LES the applicant received \$1,363.51 refund for FICA tax paid for 2015 to 2016.

On 1 Jun 16, LES for pay period 16 May 16 – 31 May 16, the applicant received her normal Basic Pay in the amount of \$1494.90, but only received \$459.75 for BAH Type II (unlike her other LES statements where the applicant received \$1134.00 for regular BAH and \$184.15 in BAS). In addition, it shows that there was a deduction of \$1713.48 for Debt Payment, which reduced the applicant's debt from \$2860.76 to \$1,147.28.

On 15 Jun 16, according to an LES statement for pay period 1 Jun 16 – 15 Jun 16, the applicant received \$1505.42 in Basic Pay, \$184.14 in BAS and \$2,268.00, which was double her typical BAH. In addition, it shows that an additional debt of \$459.75 was issued in order to recoup the erroneous BAH Type II she received for pay period 16 May 16 through 30 May 16 and \$509.85 for debt payment was deducted from her net pay. Based on the remaining debt of \$1,147.28 and additional debt of \$459.75, the applicant had a total debt remaining of \$1,607.03; however, the debt payment of \$509.85 brought her overall debt down to \$1,097.18.

On 17 Jun 16, according to an LES statement, the applicant was issued \$184.14 in BAS and an additional \$25.05 was deducted in debt repayment and brought her remaining debt down to \$1072.13.

On 1 Jul 16, according to a DJMS-RC print out, the applicant was issued her remaining Basic Pay, BAS, and BAH for pay period 16 Jun 16 to 21 Jun 16 (the remaining days left on her MPA orders). In addition, she was charged \$10.02 in debt repayment leaving \$1,062.11 in her debt balance.

According to several more DJMS-RC print outs from 20 Jul 16 – 21 Dec 16, the applicant completed several Active Duty for Training (AT) and Inactive Duty Training (IDT) tours. She was paid for those tours, but her wages were garnished to pay down various portions of her debt. As of her last paycheck on 21 Dec 16 the applicant had \$973.60 remaining in debt.

On 5 Feb 21, ticket number [Work-Product] was opened with the DFAS Debt and Claims Management – Online Customer Service office by the applicant who indicated that she received a letter from DFAS stating a debt had accrued in the amount of \$973.00 for overpayment. On 12 Apr 21, a representative responded stating that they performed an audit of her debt in the amount of \$973.60 and found the debt to be erroneous. The representative further indicated that they required a copy of her orders to cancel the debt.

On 16 Apr 21, ticket number [Work-Product] was opened with DFAS and the applicant indicated that her previous ticket [Work-Product] was resolved but asked how to fix her credit report and how to get reimbursed for the pay that was garnished. The representative responded and informed the applicant to work with her local finance office.

On 30 Sep 22, CMS case number [Work-Product] was opened by the applicant's local finance office and a request was routed by the applicant to dispute the debt from 27 May 16. On 20 Sep 23, a DFAS representative responded and stated that the applicant would need to complete a DD Form 827, *Application for Arrears in Pay*, in order to dispute the debt.

On 19 Oct 23, the applicant signed a DD Form 827 and contended that she did not receive her full pay of \$2,347.00 from her pay periods that occurred between 1 Jun 16 – 21 Dec 16.

On 16 Jan 24, according to a memorandum from DFAS the applicant's claim for amounts she believed was due from the United States was returned without action in accordance with the Barring Act of 1940, as amended by 31 U.S.C 3702. The letter further states that the date of receipt is the controlling factor and since her claim for payment effective 1 Jun 16 to 21 Dec 16 accrued on 21 Dec 16 was received more than six years after the date it accrued, it is barred from consideration by the provisions of the Barring Act.

For more information, see the excerpt of the applicant's record at Exhibit B and the advisory at Exhibit C.

AIR FORCE EVALUATION

AFPC Military Pay Division provided an informational e-mail dated 22 May 24 and attached a pay computation. Military Pay states it appears when the applicant's tour was extended it was adjusted incorrectly which caused a collection of pay for 1 Oct 15 through 31 Mar 16 totaling \$33,694.20. This was later corrected in May 2016 and \$30,833.44 was applied towards the debt leaving a balance due of \$2,860.76. The applicant then had multiple debt payments deducted from their pay from May – December totaling \$2,346.91 leaving a remaining debt balance of \$513.85. The applicant was paid everything they were due and it appears the debt was valid.

The complete advisory opinion is at Exhibit C.

APPLICANT'S REVIEW OF AIR FORCE EVALUATION

The Board sent a copy of the advisory opinion to the applicant on 18 Oct 24 for comment (Exhibit D), and the applicant replied on 18 Oct 24. In her response, the applicant reiterates that the error

caused a tax debt beyond her control and portions of the debt were recollected during her Reserve duty performed from 1 Jun 16 through 19 Dec 16. Within the documentation provided by DFAS (the informational e-mail from AFPC Military Pay Division) it was stated that “member would have received a tax certificate for \$8854.20 in Jan 2017 to use when she filed 2016 tax year.” However, to date, she has not received a tax certificate for any amount. Instead in Jan 2017 she received notices from DFAS stating that if she did not provide copies of her certified orders then she would owe \$973.60 because the payment system was showing that she was overpaid and did not perform duty from Jan-Mar 2016. She disregarded the first and second notices because she was under the impression the pay system was still being corrected from the previous error. The third notice followed a collections action causing her credit score to drop over 50 points. She then proceeded to provide copies of her certified orders multiple times to DFAS. The first ticket was closed stating DFAS could not retrieve the certified order. The second ticket was closed without action and without any justification. The order was finally accepted in the third ticket where it was confirmed the debt was erroneous. She responded on the ticket asking if she would be reimbursed for recollection of the debt accrual and it was then recommended to request a CMS Case.

Also, per DFAS (the informational e-mail from AFPC Military Pay Division) it states that “the member was paid everything they were due and it appears the debt was valid.” In this regard, how was the debt valid and she was paid everything owed when it was an error input by her servicing finance office that affected her pay?

The applicant’s complete response is at Exhibit E.

FINDINGS AND CONCLUSION

1. The application was timely filed.
2. The applicant exhausted all available non-judicial relief before applying to the Board.
3. After reviewing all Exhibits, the Board concludes the applicant is the victim of an error or injustice. While the Board notes the informational e-mail provided by AFPC Military Pay, as well as the copies of the applicant’s LES statements the Board finds a preponderance of the evidence substantiates the applicant’s contentions in part. In this regard, it appears that the applicant was erroneously issued a debt in the amount of \$33,694.20 on 15 Apr 16; however, to correct the error, DFAS issued a payment of \$33,694.20 to the applicant on 25 May 16. When the applicant was issued the \$33,694.20 repayment, \$1,363.52 was deducted for FICA tax and \$1,497.24 was deducted for federal and state taxes. Thus only \$30,833.44 was remaining and was applied to the applicant’s debt, which left the applicant with an unpaid debt balance of \$2,860.76. While not ideal and the Board sympathizes with the applicant’s situation, the \$1,497.24 that was paid to federal and state taxes should be eligible for a refund. Furthermore, on 27 May 16, the applicant received refund for the \$1,363.51 in FICA tax that was originally deducted, but instead of being applied to the debt it was issued directly to the applicant, which meant that the applicant still had a valid debt of \$2,860.76 that she needed to repay. The Board also notes, that the erroneous BAH Type II and missing BAS that was issued on 1 Jun 16 for pay period 16 May 16 – 31 May 16 makes the situation even more confusing, but it does appear that DFAS corrected the error when they recouped the BAH Type II payment on 15 Jun 16, but issued the applicant an additional regular BAH payment for the 16 May 16 – 31 May 16 pay period. In addition, on 17 Jun 16 DFAS issued the applicant the missing BAS from the 16 May 16 – 31 May 16 pay period. Moreover, the applicant’s paychecks beginning on 25 May 16 through 21 Dec 16 had various deductions taken to pay down the debt that was owed and as of her paycheck dated 21 Dec 16, she still had \$973.60 remaining in debt. However, the Board opines that the original creation of the debt was

no fault of the applicant's but was the result of an error made by her finance technician when processing an extension to her orders. Furthermore, when the applicant finally did receive assistance from the DFAS Debt and Claims Management – Online Customer Service office five years after the debt was issued, the representative informed her that they performed an audit of her debt in the amount of \$973.60 and found that portion of the debt to be erroneous. As such, the Board notes several errors occurred, which unfairly caused a financial burden to the applicant and finds sufficient evidence to remit the portion of the debt in the amount of \$973.60, that DFAS had said was erroneous. If that amount has since been paid, then the applicant should be issued a refund, based on the Board's decision for remission. However, for the remainder of the applicant's request, the Board does not find the overall debt that was issued to be erroneous and therefore does not believe an error or injustice exists that would warrant full reimbursement of the payments the applicant made to pay down the original debt. Therefore, the Board recommends correcting the applicant's records as indicated below.

RECOMMENDATION

The pertinent military records of the Department of the Air Force relating to APPLICANT be corrected to show the debt in the amount of \$973.60 be remitted or if since paid by the applicant be reimbursed.

However, regarding the remainder of the applicant's request, the Board recommends informing the applicant the evidence did not demonstrate material error or injustice, and the application will only be reconsidered upon receipt of relevant evidence not already considered by the Board.

CERTIFICATION

The following quorum of the Board, as defined in Department of the Air Force Instruction (DAFI) 36-2603, *Air Force Board for Correction of Military Records (AFBCMR)*, paragraph 2.1, considered Docket Number BC-2024-00420 in Executive Session on 26 Nov 24:

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All members voted to correct the record. The panel considered the following:

- Exhibit A: Application, DD Form 149, w/atchs, dated 26 Jan 24.
- Exhibit B: Documentary evidence, including relevant excerpts from official records.
- Exhibit C: Informational e-mail, AFPC Military Pay, w/atchs, dated 22 May 24.
- Exhibit D: Notification of Advisory, SAF/MRBC to Applicant, dated 18 Oct 24.
- Exhibit E: Response to Advisory, dated 18 Oct 24

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Taken together with all Exhibits, this document constitutes the true and complete Record of Proceedings, as required by DAFI 36-2603, paragraph 4.12.9.

3/25/2025

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Board Operations Manager, AFBCMR

Signed by: USAF

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