



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

January 30, 2026

CBCA 8609-DBT

In the Matter of KELVIN T.

Kelvin T., Petitioner.

Aaron J. Pound, Office of General Counsel, General Services Administration,
Washington, DC, appearing for General Services Administration.

SULLIVAN, Board Judge.

On October 1, 2025, the Board docketed the petitioner's request for review of the General Service Administration's (GSA) notice of intent to initiate administrative wage garnishment proceedings to recoup locality pay overpayments made to petitioner, a former GSA employee. The Board conducted a written pre-offset hearing under 41 CFR 105-56.008 (2024).¹ Because GSA has not met its burden to establish the legal basis for and the amount of the debt, we grant the petition.

Background

By letter dated July 17, 2024, GSA Payroll Services (GSA Payroll) sent petitioner a demand for repayment, stating that petitioner had been overpaid \$28,887.28 between January 30, 2022, and June 13, 2024. The basis for the demand was "a change in pay rates

¹ The regulations governing these types of proceedings require the hearing official to issue a decision within sixty days of the filing of the petition. On the same day that the Board docketed the petition, a forty-three-day lapse in appropriations began. Because counsel for GSA was unavailable and unable to respond to the Board's request for information, the Board could not issue the decision in the required time.

from Human Resources.” As a result of this change, GSA Payroll made adjustments to petitioner’s salary for six different time periods. In response to petitioner’s request for reconsideration, dated September 4, 2024, GSA Payroll explained the basis for the debt as a change in locality pay:

GSA Payroll Services Branch received an HR action for a locality change on June 7, 2024. The retroactive HR action changed your locality pay from Washington DC to Suffolk, VA **effective 1/30/2022**. You were paid at the higher Washington DC rate from 1/30/2022 through pay period ending June 13, 2024 and this debt is valid.

Both letters from GSA Payroll were addressed to petitioner at an address in Stafford, Virginia. The record does not contain any document that appears to be the HR action described by GSA Payroll.²

Petitioner resigned from GSA on October 1, 2024. In a memo dated January 28, 2025, GSA Payroll reiterated the explanation stated above and noted that “[a]fter deductions were recovered and applied toward the debt, the balance due is \$23,179.99.” GSA provided two more notices to petitioner of the debt—one dated April 2, 2025, which stated that the outstanding amount due was \$23,276.57, and the other dated May 7, 2025, which stated that the outstanding amount due was \$22,500.78. Both of these notices were addressed to petitioner at a Stafford, Virginia, address.

In a notice dated July 21, 2025, GSA provided notice of wage garnishment and stated that the outstanding debt was \$30,011.02. On July 29, 2025, petitioner signed the notice and requested a hearing regarding both the existence and amount of the debt.

² Following a teleconference with the parties, the Board issued an order, dated January 14, 2026, directing GSA to provide support for GSA’s assertion of the debt:

An explanation, with supporting documentation, of the action taken by GSA Human Resources that led to the assertion of the debt. GSA shall also explain the legal basis for the retroactive action.

In response, GSA provided a November 7, 2021, Standard Form 50 that was already in the record. This order followed the Board’s initial scheduling order, dated October 10, 2025, in which the Board directed GSA to “present any evidence that it wants the Board to consider in this matter . . . [including] an explanation of the legal basis for the assertion of the debt and how the amount of the debt was calculated.”

GSA, in its first explanation of the basis for the debt in this proceeding, asserted that the original amount of the debt was \$33,899.01, but that the amount was reduced by (1) \$4033.86, which GSA deducted from petitioner's final paycheck, and (2) \$7567.53, which GSA collected through a salary offset. To its first response, GSA attached a table showing calculations that total to \$33,899.01. The table also shows a "deductions recovered" collection of \$5011.73. The amount labeled as "uncollected overpayment" on this sheet is \$28,887.28, which is the same amount as in GSA's July 2024 notice of the debt. In its second response, GSA stated the "debt setup/balance due (net amount)" was \$28,887.28. From this amount, GSA deducted \$1673.43 as a salary offset. GSA also collected \$4033.86 as the lump sum annual leave payment when petitioner left the agency and, in March 2025, applied \$882.37 to the debt from a rejected electronic transfer.³ According to GSA, the current amount owed is \$22,297.62.

There are four Standard Form 50s (SF-50s) in the record, each indicating petitioner's official worksite:

Effective Date of SF-50	Official Worksite Listed
11/07/2021	Suffolk, VA
01/30/2022	Washington, D.C.
01/06/2023	Washington, D.C.
02/12/2023	Stafford, VA ⁴

In March 2022, petitioner signed a telework agreement that listed petitioner's duty station as the GSA headquarters building in Washington, D.C. In February 2023, petitioner signed a remote work agreement that listed petitioner's duty station as Stafford, Virginia.

³ In the January 14, 2026, order, the Board also directed GSA to provide "[a]n explanation, with supporting documentation, of how the original debt amount was reduced through deductions and administrative offsets to arrive at the current amount owed."

⁴ Stafford, Virginia, is in the same locality pay area as Washington, D.C. *See* <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2025/locality-pay-area-definitions> (last visited Jan. 29, 2026).

Discussion

Because 41 CFR 105-56 does not state the burden of proof in the pre-offset hearing proceeding, the Board applies the burden of proof established for debt proceedings conducted pursuant to 41 CFR 105-57.005(f), which provides that GSA has the initial burden of establishing the existence and/or amount of the debt. *Karen H.*, CBCA 7710-DBT, slip op. at 6 & n.3 (Apr. 28, 2023).

GSA Has Failed to Establish the Legal Basis for the Debt

GSA asserted that petitioner was overpaid locality pay for a period between January 2022 and June 2024. According to GSA, petitioner was receiving locality pay for the Washington, D.C., area when he was working in Suffolk, Virginia. In response to the Board's request for an explanation of and support for the legal basis of the debt, GSA provided a SF-50 for petitioner, dated November 7, 2021, which designated his official worksite as Suffolk, Virginia.

Pursuant to GSA policy, "the official worksite is the location where the employee regularly performs their official work duties. Changes in an employee's official worksite may affect employee pay and travel funding responsibilities and must be processed by the servicing Human Resources Office." GSA Order HRM 6040.1B, Telework and Remote Work Policy (Dec. 22, 2021), ¶ 3(g). The agency worksite is the "regular worksite associated with the employee's position of record; the physical address or place where the employee would work if not teleworking." *Id.* ¶ 3(a). "The official worksite/duty station of a remote worker is the appropriate alternative worksite (typically the employee's home), pursuant to paragraph 3g." *Id.* ¶ 10a(1).⁵ "An agency must document an employee's official worksite on an employee's [SF-50]." 5 CFR 531.605(a)(3).

During the period that GSA asserts petitioner was overpaid, petitioner's SF-50s designated his official work site as either Washington, D.C., or Stafford, Virginia. These SF-50s superseded the SF-50 upon which GSA relies. Petitioner also had agreements that allowed him to telework and then work remotely from Stafford, Virginia. GSA sent all correspondence regarding the debt to petitioner's address in Stafford, Virginia. GSA has failed to establish that petitioner's official work site was Suffolk, Virginia, which is its asserted basis for the debt. Therefore, GSA has failed to establish the legal basis for the debt.

⁵ GSA issued an updated policy during the period at issue, but the quoted definitions did not change. See GSA Order HRM 6040.1C, Telework and Remote Work Policy (Feb. 22, 2024).

GSA Has Failed to Establish the Amount of the Debt

On the record before it, the Board has no way to determine the amount originally owed or already collected from petitioner to be able to determine the amount owed. In the original demand issued in July 2024, GSA asserted that claimant owed \$28,887.28. In its first explanation submitted to the Board, GSA asserted that the original amount of the debt was \$33,899.01. In the wage garnishment notice issued in July 2025, the outstanding amount was \$30,011.02. GSA has also provided different amounts for the total amount that has been collected from petitioner, each time without any supporting documentation. GSA has failed to meet its burden to establish the amount of the debt.

Decision

Based upon the record in this matter, the hearing official determines that GSA has failed to prove the existence or the amount of the alleged debt and, therefore, finds that no legally enforceable debt exists. The petition is granted. The amounts previously collected from petitioner shall be returned.

Marian E. Sullivan

MARIAN E. SULLIVAN
Board Judge