
A8.800 Disbursing/Accounts Payable and Payroll

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A8.878 Payroll Overpayment

1. Purpose

To establish policies and procedures for collecting salary overpayments to employees of the University of Hawai'i.

2. Objective

To assure that overpayments are collected as expeditiously as possible. In general, employees of the State of Hawai'i who are erroneously overpaid through the payroll system should voluntarily and immediately repay the full amount of the overpayment.

3. Applicability

These policies and procedures apply to all University employees who have incurred a salary overpayment.

4. Guidelines and Procedures

- a. Upon receipt of the overpayment worksheet (Attachment 1) from the UH Disbursing Office, Payroll Section the Dean/Director/Provost (or other appropriate designee) shall immediately contact that employee and discuss the overpayment with the employee. The employee should be informed of the amount of the overpayment and asked if the employee will voluntarily repay the amount owed.
- b. If the employee agrees to repay the amount owed, the employee should pay the entire overpayment in one lump sum. The check is to be made payable to the Director of Finance, State of Hawai'i and transmitted to the UH Disbursing Office, Payroll Section with a copy of the overpayment worksheet.

If the employee agrees to repay the amount owed but is unable to do so in one lump sum, a contract is executed (see Attachment 2). Submit the executed contract to the UH Disbursing Office, Payroll Section. The UH Disbursing Office, Payroll Section will transmit the documents to the

Department of Accounting and General Services, Central Payroll Office for processing and implementation.

- c. If the employee refuses to meet or does not agree to a voluntary repayment of the amount owed, then a demand letter (Attachment 3) and the overpayment worksheet prepared by the UH Disbursing Office, Payroll Section (Attachment 1) should be sent to the employee's home address by regular mail. It is not necessary to send the letter by certified mail.
- d. If there is no response to the demand letter, a copy of the demand letter along with the overpayment worksheet should be submitted to the UH Disbursing Office, Payroll Section. The UH Disbursing Office, Payroll Section will transmit the documents to the Department of Accounting and General Services Hearings Officer to set the matter for an administrative hearing pursuant to Chapter 91, Hawaii Revised Statutes and Chapter 78-12, H.R.S.
- e. If the employee has terminated employment, refer to University of Hawai'i, Administrative Procedure Manual A8.651, page 4, "Collection Follow-Up" and proceed with the collection process with the General Accounting and Loan Collection Office.

5. Responsibilities

Fiscal Officers and Program Managers are responsible to expeditiously collect overpayments in compliance with applicable Federal and State laws, rules, regulations, and University policies and procedures.

1996 PAYROLL OVERPAYMENT WORKSHEET

NAME RET
 SS NO. FICA
 PAYROLL NO. MAR ST
 WD CODE FED EX
 FUND STATE EX

	SHOULD BE				PAID				TOTAL	DIFFERENC	RECOVER	OVERPYMT
	00-00-00	00-00-00	00-00-00	00-00-00	00-00-00	00-00-00	00-00-00	00-00-00				
SALARY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WORKERS' COMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL GROSS PAY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SOCIAL SECURITY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MEDICARE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FEDERAL TAX	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STATE TAX	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RETIREMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
W/C RETIREMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ANNUITY												
DEFERRED COMP												
MEDICAL												
PRESCRIPTION												
VISION												
ADULT DENTAL												
SERVICE FEE												
CREDIT UNION												
EMPLOYEE ORG												
PARKING												
MV												
SAVINGS BOND												
OTHER												
TOTAL DEDUCTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET PAY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Remarks:

EMPL BUS EXP												
WAGES-IN-KIND												

PLEASE MAKE CHECK PAYABLE TO: DIRECTOR OF FINANCE, STATE OF HAWAII

CONTRACT

I, _____, hereby waive my right to a
(Print Name)

hearing, as provided under Section 78-12, Hawaii Revised Statutes, to determine my indebtedness to the State of Hawaii, and instead, by virtue of this Contract, duly signed and accepted, assign to

the _____
(Name of Employing Department or Agency)

(1) the priority right to payment of the total amount of the indebtedness, which is \$ _____
and (2) the right of such department or agency to deduct from each and every periodic payroll payment normally due me, an amount equal to the maximum legally permissible amount deductible under garnishment law until such time that the total amount owing is paid in full.

In the presence of:

ASSIGNOR:

Subscribed and sworn to before me
this ___ day of _____, 19__

(Signature)

(Social Security Number)

Notary Public, State of Hawaii
My commission expires: _____

In the presence of:

ACCEPTED BY:

Subscribed and sworn to before me
this ___ day of _____, 19__

Authorized Signature*

(Title)

Notary Public, State of Hawaii
My Commission expires: _____

(Date)

*Senior Vice President/Executive Vice Chancellor, Senior Vice Presidents/Chancellors, Senior Vice Presidents, Vice Presidents, Deans/Directors, or their designees

Dear [Employee]

I am writing to inform you that we have overpaid you in the amount of _____ For your information, we are enclosing with this letter a worksheet which shows the dates, the amount of payments we actually made, the amount we should have made, and the resulting overpayment. We would like to make arrangements for you to pay this debt to the State.

If you wish to have a hearing to determine the amount you owe the State, please let us know immediately. If we do not hear from you, we will request that a hearing be scheduled before a hearings officer of the Department of Accounting and General Services. If the amount of your debt to the State is determined at a hearing, the law allows us to withhold one-quarter of your salary or wage until the full amount of your debt is paid.

You can choose not to have a hearing and decide instead to agree to a voluntary repayment plan. If this is your choice, please let us know and we can work out a repayment contract.

It is very important that you contact us to let us know how you wish to resolve this matter. Please call _____ at _____ if you have any questions.

Very truly yours,

Enclosure: Overpayment Worksheet

EXHIBIT 2