

Introduction

The purpose of this manual is to address the issue of overpayments to employees for time not worked; to outline the responsibilities of the division/institution human resources managers' offices, general accounting and financial management offices (henceforth identified as GA&FM), and the accounts receivable offices in the collection of overpayments; and to provide some measures by which to reduce overpayments in the future.

In recent meetings between the department's controller and human resources manager, overpayments have been discussed due to their continuing increase, the time it takes to collect monies owed from employees that are due to the department, and in some cases, the inability of the department to collect overpayments at either the division/institution level and/or the department level. As you can imagine, employees who depart state government and relocate become especially difficult cases.

Collectively, both the controller's office and division/institutions' human resources managers take responsibility for overpayments. It is not the employees' choosing to be overpaid. The key measures by which to remedy or reduce this ongoing issue are **communication, timeliness and action**. As a provider of services to the divisions/institutions, we have to **communicate** to supervisors the extreme importance of monitoring employees' leave and keeping the human resources managers informed of employees' work status. Upon notification of elapsed leave or resignation, the human resources manager must process the paperwork in a **timely** fashion. We owe it to the employee not to put them in a position of owing the department. The same attention to payroll deadlines for getting employees on the payroll must also apply to getting them off the payroll. In situations where we are unsure of an employee's status, act immediately to get that information enabling the department to be in a position of control of the situation rather than being in a reactionary mode.

To be effective, all parties must understand their responsibilities. In particular, the human resources manager, along with division/institution supervisors, can be proactive in managing the overpayment issue. As we are fully aware, the human resources manager is sometimes the last to know that an employee has resigned or is on leave without pay. Unless supervisors are informed of the importance of monitoring employee status, overpayments will continue for it is typically non-communication between the supervisor and the human resources manager that creates the overpayment issue. Supervisors are busy people and the last thing we want to do is to burden them with more paperwork, but

there may be some measures we can take to avoid or eliminate overpayments. Below are a few examples.

- * Assign an employee, such as an office assistant, who is in close daily contact with employees to serve as an arm of the human resources manager to monitor monthly time sheets, employees' leave and employment status. Employees in these roles can be looked upon to provide information to the human resources manager in a more expeditious manner, and as a responsible party, would be looked upon to do so. If your division/institution has timekeepers already, you may want to send a reminder or have refresher training on the importance of timely notification to the human resources manager when employees have little leave, go on leave without pay or resign without notice. This should be coordinated with the supervisor of the employee chosen or the current timekeeper of the section or unit. Remember, having management appoint employees to serve as timekeepers is not to alleviate the supervisor's responsibility for managing work hours and approving leave, but serves to improve, and to some degree, centralize and improve the communication between the sections/units and division/institution human resources managers in order to reduce overpayments.

- * When notified that an employee is on leave without pay, ***immediately*** inform your payroll office of the number of days the employee should be paid for (**See Section 1 Page 11**) or request the employee be taken off direct deposit (**See Section 1 Page 12**). If your office is informed of a leave-without-pay situation after payroll deadline, a stop order should be processed through the payroll office (**See Section 1 Page 13**). It is imperative that all individuals processing employees' time be aware of the deadlines stipulated on the payroll time schedule to reduce the number of overpayments.

By working cooperatively with management, providing the necessary information to the timekeepers, and following the ***mandatory procedures*** outlined in the Administrative Manual for Collection of Salary Overpayments, the department should experience significant reduction of overpayments.