

SUBJECT: Salary Overpayment Penalty	Effective Date: 11-2-04	Policy Number: 3-002
	Supersedes:	Page Of 1 2
	Responsible Authority: Director of Human Resources	

APPLICABILITY/ACCOUNTABILITY:

This policy is applicable to all University of Central Florida departments.

POLICY STATEMENT:

It is the responsibility of departments to inform Human Resources in a timely manner when an employee is terminating his or her employment and should be removed from the payroll. Those in the department responsible for preparing personnel action forms (PAF) and certifying payroll information must verify the accuracy of all payroll data prior to submission and certification of such information.

In cases in which payroll information is missing and/or payroll certification is inaccurate and, consequently, erroneous payments are made to an employee or a former employee, Human Resources must make special efforts to recover the funds. In many cases these efforts are unsuccessful, and the matter must be turned over to recovery specialists outside the university. Significant costs are associated with all attempts to recover funds paid erroneously. Moreover, such errors put the university at risk for unfavorable audits and associated sanctions.

DEFINITIONS:

Department. Any unit that issues payroll.

PROCEDURES:

Whenever efforts to recover university funds from individuals are required because of incorrect payment of wages or untimely cancellations of wage payments, the department responsible for the error will be charged a 25% recovery fee by Human Resources, based upon the total amount to be recovered. The recovery fee will be assessed when the department is notified of the situation. This fee is meant to cover some of the associated costs and also provide a clear incentive for all parties to make timely and accurate submissions for payroll actions.

INITIATING AUTHORITY: Vice President for Administration & Finance

POLICY APPROVAL (For use by the Office of the President)	
Policy Number: 3-002	
Initiating Authority: <u>W. F. Mank II</u>	Date: <u>12/13/04</u>
Policies and Procedures Review Committee Chair: <u>Beth Barnes</u>	Date: <u>12/08/04</u>
President or Designee: <u>John C. Hill</u>	Date: <u>12/15/04</u>