



UNIVERSITY OF CENTRAL FLORIDA

Office of the President

SUBJECT: Salary Overpayment Penalty	Effective Date: 5/9/2019	Policy Number: 3-002.3
	Supersedes: 3-002.2	Page Of 1 3
	Responsible Authority: Associate Vice President and Chief Human Resources Officer	

DATE OF INITIAL ADOPTION AND EFFECTIVE DATE 11/2/2004

APPLICABILITY/ACCOUNTABILITY

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

BACKGROUND

To ensure that all employees are paid on time, Human Resources establishes, publishes, and adheres to strict deadlines for processing payroll. Therefore, it is crucial that department personnel submit paperwork that affects any payroll change on time. When actions affecting salary or benefits are not submitted according to the established schedule, overpayments to individuals may occur. When an overpayment is made, Human Resources must attempt to collect it from the recipient. Collection is often difficult and involves the expenditure of university resources. Moreover, errors of this kind put the university at risk for unfavorable audits and associated sanctions.

POLICY STATEMENT

To prevent salary overpayments, university department personnel who are responsible for payroll must verify the accuracy of all payroll data prior to submitting and certifying the payroll to Human Resources. Failure to comply with data submission deadlines or transmitting inaccurate data may result in Human Resources charging the department 25 percent of the amount that needs to be recovered.

DEFINITIONS

Department. Any unit that issues payroll.

PROCEDURES

The most common types of actions that affect payroll are leaves of absence, changes in leaves of absence, and terminations. There are several tools available from Human Resources that assist department personnel in reviewing payroll data, including departmental group rate reports and cost center reports. Contact Human Resources for other tools that may be available.

Supervisors have the responsibility of informing, in a timely manner, their departmental payroll processors and authorizers of any employment status changes that affect their employees' pay and benefits, including leaves of absence, leaves without pay, termination, full-time equivalency decreases, salary reductions, and unpaid suspensions. The appropriate paperwork should be submitted by Human Resources' established deadlines. Examples of the appropriate paperwork include, but are not limited to, ePAF submissions and Leave & Pay Exception Reporting.

A recovery fee will be charged in all cases of overpayments in which termination or leave-action forms are not submitted by the deadline for the affected pay period. Other department payroll submission errors resulting in overpayments will be assessed a recovery fee if they go uncorrected for more than four pay periods. The recovery fee will be assessed when Human Resources notifies the department of the situation. This fee covers some of the associated costs and also provides an incentive for all parties to make timely and accurate submissions for payroll actions. Human Resources will not charge a recovery fee if 25 percent of the overpayment is less than \$50.

RELATED DOCUMENTS

Human Resources Forms and Documents:

<https://hr.ucf.edu/forms-documents/>

Payroll Schedules: https://hr.ucf.edu/files/Pay_Schedule_Deadlines1-1.pdf

Payroll Training Resources: <https://hr.ucf.edu/liaisons-and-managers/payroll-resource/training-required-processor-authorizer-training/>

Running Processes and Reports in Peoplesoft Manual – includes cost center reports, group rate reports, and department leave reports:

https://hr.ucf.edu/files/Running_Processes.pdf

INITIATING AUTHORITY

Vice President for Administration and Chief Operating Officer

POLICY APPROVAL (For use by the Office of the President)	
Policy Number: 3-002.3	
Initiating Authority: <u>Misty Shepherd</u>	Date: <u>5/9/19</u>
University Policies and Procedures Committee Chair: <u>[Signature]</u>	Date: <u>4/25/19</u>
President or Designee: <u>[Signature]</u>	Date: <u>5/9/19</u>

History: 3-002 11/2/2004; 3-002.1 5/9/2008; 3-002.2 1/29/2013