

5 Policy Title Salary Overpayment Policy/Correction Procedures Code No. 802.71
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7 The Payroll Department (Payroll) is responsible for making timely and accurate salary payments
8 to District Employees. On occasion, due to errors in processing, employees may be paid more
9 than is owed to them. If a Supervisor or Principal becomes aware of an overpayment, he or she
10 is responsible for reporting it to Payroll immediately. If an employee becomes aware of an
11 overpayment, he or she is responsible for reporting it to his or her Supervisor or Principal.
12 Employees must repay all amounts paid in excess, regardless of how the overpayment
13 occurred. For employees who leave the District before full repayment has been made, the
14 District is authorized to deduct from the employee's final salary payment any repayment amount
15 not yet received. Corrections made to the previous year's salary must be on or before
16 December 1 of each year.
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18 Discovery of Overpayment

19 Upon discovering that a payment has been made in error, or that the amount paid was
20 erroneous, Payroll will take steps to determine the source of the error, will calculate the amount
21 paid in error, accounting for taxes and other amounts withheld.
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23 Notification

24 Payroll will notify the Supervisor or Principal and send information to the employee that
25 includes:

- 26 a. The amount of the overpayment;
- 27 b. The date(s) on which the overpayment occurred;
- 28 c. The reason for the overpayment; and
- 29 d. The employee's options for repayment

30 The employee must select an option for repayment and notify Payroll of the option selected.
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32 Correction and Repayment

33 Payroll will complete a Payroll Corrections form to include the amount of overpayment, the date
34 occurred, the reason and the repayment plan. This will be scanned to the employee's file.
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36 The employee has the following options for repayment:

- 37 a. Full repayment by deduction from the employee's regular pay. This option will be
38 used for amounts less than the employee's monthly pay and repayment will be made
39 on the employee's next regular payroll.
- 40 b. Full repayment by check or money order
- 41 c. Repayment in installments withheld from the employee's regular payroll until
42 repayment is satisfied. Payroll will work with the employee to determine a repayment
43 timeframe not to exceed six (6) months or the end of the calendar year, whichever is
44 sooner. The full repayment amount must be received within the same calendar year
45 as the overpayment, when possible.
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47 If the employee leaves the District before full repayment is collected, the District is authorized to
48 withhold from any final salary payment(s) the amount still owed as repayment. If such an
49 amount cannot be withheld, Payroll may send a certified letter to the former employee's last
50 known address including the amount still due and requesting repayment within thirty (30)

51 calendar days. If necessary, payroll and the former employee may agree upon a payment
52 schedule not to exceed six (6) months or the end of the calendar year, whichever is sooner.

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56 Date of Adoption:

Legal Reference: Code of Idaho

57 07/19/11