

Salary Overpayments

It is the responsibility of all employees to immediately notify Human Resources and their department heads of any salary payment errors (including overpayments).

Department Heads are expected to fully cooperate with and assist Human Resources and the Treasurer's Office in efforts to recover salary overpayments. Human Resources is responsible for communicating this policy to all employees and will ensure all new employees are informed of this requirement as a part of New Employee Orientation. In addition, this policy shall be included in all faculty and staff handbooks.

It is the policy of the State of Arkansas and the University of Arkansas that an individual may not profit from an error in paying an employee or vendor. The University of Arkansas will vigorously pursue collection of all salary overpayments from former employees in the same manner other debts to the University are collected. Salary overpayments that are not immediately repaid will be referred to the Treasurer's Office for collection.

To assist departments in identifying possible salary payment errors (including overpayments), Human Resources distributes pay advices five (5) working days prior to payday. It is the responsibility of the department and employees to immediately notify Human Resources of any payroll errors, including overpayments, prior to payday.

To reduce the likelihood of salary overpayments to terminating employees, accumulated annual leave will not be paid until the fifteenth of the month following the employee's last workday. During this time, the employee and department are responsible for ensuring the accuracy of the terminating employee's leave record.

Human Resources is responsible for deducting salary overpayments to continuing employees for their next payroll. See Board of Trustee Policy 405.2.

The cost center from which an employee is overpaid may not receive credit when a former employee repays a salary overpayment. Employee overpayments on grants and contracts may not be charged to the grant or contract cost center but will be charged to host department's cost center. Credit may be given to the cost center only after full restitution has been made and at the discretion of the Vice Chancellor for Finance and Administration.

Human Resources is responsible for preparing monthly reports showing current and cumulative salary overpayments by department. These reports will assist Human Resources identify problem departments and other training opportunities. These reports will be provided to the Vice Chancellor for Finance and Administration, Deans, and Directors for their review.

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