	DEPARTMENT OF PUBLIC SAFETY	EFFECTIVE DATE: JUN 24 2008	POLICY NO.: ADM.02.06
	DEPARTMENT ADMINISTRATION POLICY AND PROCEDURES	SUPERSEDES (Policy No. & Date): New	
	SUBJECT: OVERPAYMENT PAYROLL TRANSACTIONS		Page 1 of 3

1.0 PURPOSE

To establish procedures for the collection of employee salary overpayments due to payroll transactions.

2.0 REFERENCES

- .1 Hawaii Revised Statutes (HRS), §78-12, Salary Withheld for Indebtedness.
- .2 HRS, §91-9, Hearings.
- .3 State of Hawaii Account Manual - Payroll Overpayment, Section 331.

3.0 POLICY

Any employee payroll transaction that results in salary overpayment shall be promptly reported to the Department Fiscal Office and immediate steps taken for recovery of the overpayment.

4.0 PROCEDURES

.1 Leave Clerk Responsibilities

A leave clerk upon discovery of a salary overpayment due to a payroll transaction shall immediately notify the Department Fiscal Office by telephone or in writing.

.2 Department Fiscal Office Responsibilities

Upon notification of a salary overpayment, the Fiscal Office shall:

- a. Prepare a collection package for transmittal to the employee's administrator which shall include the following documents:
 - 1. A cover memo to the Administrator providing instructions (reference Attachment A).
 - 2. A memo to the employee providing repayment options (Attachment B).
 - 3. Salary overpayment calculations.

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4. A volunteer garnishment contract (Attachment C.)
 - b. Establish a collection monitoring and tracking system for the account.
- .3 Administrator Responsibilities
- a. Upon receipt of a collection package from the Fiscal Office, the Administrator shall set a time and date for the employee to report to their office for a repayment option to be decided upon (reference Attachment B).
 - b. Upon mutual agreement, the administrator and employee shall complete and sign all documents and forward them to the fiscal office (Attachments B and C).
 - c. If an employee requests a hearing, the rules for conducting a hearing shall be followed as outlined in HRS, §91-9. A copy of the hearing notice sent to the employee shall be forwarded to the Fiscal Office.
 1. Hearings shall be conducted by the Administrator or their designee as the hearing officer. A hearing may be conducted by a minimum of one person.
 2. Hearings shall be scheduled within five (5) working days from the date the administrator meets with the employee to resolve the issue.
 3. The hearing shall be tape recorded and a transcript of the hearing maintained by the administrator.
 4. At the hearing, the employee may have a union representative present and/or witnesses. At the close of the hearing, the hearing officer shall render a judgment based upon the evidence presented and take one of the following actions based upon their decision:
 - a) Valid Overpayment

Generate a memo as outlined in attachment D and forward it to the State Comptroller through the Director.

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b) Invalid Overpayment

Notify the leave clerk in writing that as a result of the hearing, the overpayment was determined to be invalid and to readjust the employee's Application for Leave of Absence (form G-1) accordingly. A copy of this memo shall be sent to the Fiscal Office.

5.0 FORMS

All forms used in this policy are designed to be computer generated and function as guidelines for flexibility.

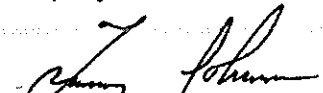
6.0 SCOPE

This policy applies to all employees within the Department.


APPROVAL RECOMMENDED:


 Deputy Director for Administration

6/6/08
 Date

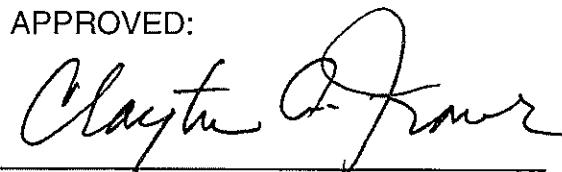

 Deputy Director for Corrections

6/18/08
 Date


 Deputy Director for Law Enforcement

6-19-08
 Date

APPROVED:


 Director

6/25/08
 Date

Attachment A

TO: Administrator
FROM: Fiscal Office
SUBJECT: SALARY OVERPAYMENT

A salary overpayment made to *(name of employee)* due to *(explain situation)* has been discovered by your leave clerk. The attached documents are to be hand delivered to the employee after you have filled in the date the employee is to report to your office to resolve the issue.

After you and the employee have decided on one of the options presented, return all signed documents to this office.

CONTRACT

Attachment B

TO: *Employee*
FROM: *Respective Administrator*
SUBJECT: SALARY OVERPAYMENT

Due to (*explanation of situation to be filled in by the Fiscal Office*) you were overpaid in the amount of (*filled in by Fiscal Office*), reference attached statement. You are to report to my office on (*date and time to be filled in by Administrator*) to discuss a method of repayment as outlined below. Bring this notice with you for signature in my presence.

- Employee will pay full amount, personal check enclosed.
- Employee agrees to payroll adjustment for the full amount.
- Employee and Administrator agree to a rollover of accrued vacation time for the full time overpaid.
- Employee and Administrator agree to a rollover of accrued compensatory time for the full time overpaid.
- Employee agrees to voluntary garnishment contract (attached contract to be completed).
- Employee refuses any of the above options and requests a hearing to present their case.

Employee Signature and Date

Administrator Signature and Date

Attachments: Salary Overpayment Calculations
Volunteer Garnishment Contract

CONTRACT

Attachment C

I, _____, hereby waive my right to
 (Print Name)
 a hearing, as provided under Section 78-12, Hawaii Revised Statutes, to determine my indebtedness to the State of Hawaii, and instead by virtue of this Contract, duly signed and accepted, assign to the _____ (1) the priority
 (Name of Employing Department or Agency)
 right to payment of the total amount of the indebtedness, which is right to payment of the total amount of the indebtedness, which is _____, and (2) the right of such department or agency to deduct from each and every periodic payroll payment normally due me, an amount equal to the maximum legally permissible amount deductible under garnishment law until such time that the total amount owing is paid in full.

In the presence of:

ASSIGNOR:

 Subscribed and sworn to before me
 this _____ day of _____
 19 _____.

 (Signature)

 (Social Security Number)

 Notary Public, State of Hawaii
 My Commission expires: _____

In the presence of:

ACCEPTED BY:

 Subscribed and sworn to before me
 this _____ day of _____
 19 _____.

 (Department or Agency
 Authorized Signature)

 (Title)

 Notary Public, State of Hawaii
 My Commission expires: _____

 (Date)

CONTRACT

Attachment D

MEMORANDUM

TO: The Honorable Eugene Imai, Comptroller
Department of Accounting and General Services

THROUGH: George Iranon, Director

FROM: *(Administrator)*

SUBJECT: SALARY OVERPAYMENT RECOVERY

You are requested, in accordance with the provisions of Section 78-12, Hawaii Revised Statutes, to withhold one-quarter of any salary due to employee named below, until the total indebtedness to the State of Hawaii, \$ _____, has been withheld, and to forward such withholdings to Department of Public Safety, Fiscal Office, Payroll Unit.

Name of Employee:

Payroll Number:

Social Security Number:

The amount of the indebtedness indicated above was determined by hearing pursuant to Chapter 91, as provided under Section 78-12, Hawaii Revised Statutes.

c: Fiscal Office