

Louisiana State University Finance and Administration Operating Procedure

FASOP: AS-37

Salary and Wage Overpayment Prevention and Recoupment Policy

Scope: All campuses served by Louisiana State University (LSU) Office of Accounting Services

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> It is incumbent upon LSU to establish policies and procedures designed to prevent overpayments to employees to exercise every reasonable means to recover overpayments that occur.

> LSU is required to recoup overpayments for both active and terminated employees. The processes or methods of collection may vary depending on a number of variables. These may include, but are not limited to, system generated adjustments, fiscal years, calendar years, or the tax state in which the employee works.

The policy outlined below describes the internal controls designed to prevent overpayments and methods for recoupment of the applicable overpayment. Each college, department, unit, or LSU entity is responsible for complying with these policies and procedures as applicable.

NOTIFICATION OF POLICY

Human Resource Management (HRM) is responsible for notifying all current employees of this policy.

supervisor and then to HRM for review. After the HRM review is completed, a notification is sent to Payroll.

five business days and will adjust the transaction for the total overpayment.

- 2. One-time deduction from a subsequent paycheck.
- 3. Payment plan as agreed upon by LSU:
 - a. The number of recurring deductions will be determined by Payroll based on the amount of overpayment and the length of time in which the overpayment occurred.
 - b. Personal payment from the employee:

The employee shall reimburse LSU for

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to the Associate Vice President for Accounting Services.

- 1. Failure to follow these policies and procedures may result in disciplinary action up to and including termination as determined by HRM.
- 2. Inaccurate reporting of time information is a serious infraction that can cause overpayments or underpayments and is indicative of payroll fraud. Situations in which employees willfully and intentionally report information inaccurately will be handled in accordance with PM-76.
- 3. Security may be revoked for employees who commit errors frequently, riwpl frwp-1.6 (r)-4y l (pl f)10.7 0.5 (pl 7