Payroll Services

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INTRODUCTION

Employees may not legally receive more money than they earned for each pay period, however, inadvertent overpayments do occur.

Overpayments occur for various reasons, such as: certification of erroneous salary rates, effective dates, or time worked; disapproval by agency's appointments or promotions; coding or keying errors; late submission of health enrollments, changes and other benefit related enrollments; retirement code changes; and release of various disability payments, etc.

WAYS TO MINIMIIZE ACCOUNTS RECEIVABLES

Docks:

- All known docks are to be submitted to Payroll each month by the Payroll Monthly Document Cutoff date indicated on the payroll calendar
- Departments will be able to submit additional docks to payroll within 7 days after the Payroll Monthly Document Cutoff date. The person responsible for submitting the docks to payroll must inform the department's payroll technician of the additional docks.

Salary Overpayments:

- Best practice is to ensure salary and time base are correct prior to submission of documents to Human Resources
- Conduct monthly audit of each employees' salaries

Separations or Terminations:

- If an employee is being separated and will either be reappointed or obtain another position within 15 days, they are not to have their vacation paid out upon separation.
- Departments must inform the payroll technician and indicate on the document the separated employee will be rehired within 15 days and not to pay out the vacation.
- Upon notification from employee on last day to work, department should notify the payroll technician of upcoming separation. This will allow the payroll technician to follow-up with the receipt of the separation paperwork in a timely manner.
- Timekeepers must provide a copy of the employee's final timesheet to the payroll technician to ensure all used leave credits are recorded accurately prior to employee's last day.

Retirement Code Changes:

- Best practice is not to hire any employee who has retired within 180 calendar days.
- Inquire if the eligible new hire is a retiree and date of retirement
- Inquire if the eligible new hire is currently working at another CSU campus, time base and appointment end date

Work Injuries:

- Inform Worker Compensation Manger once an employee is injured while at work.

Leaves:

- Upon notification from employee going out on a leave, contact Benefits Manager to inquire if leave paperwork needs to be completed by employee and department.
- Provide Benefits Manager with all used leave credits prior to employee's last day at work to ensure a dock situation will not occur.

Benefits Enrollments:

- Departments should submit completed eFAST as soon as possible for Human Resources and Payroll to enter the appointment in both systems so Benefits can enter the employee's enrollment in a timely manner.
- Lecturers who are appointed to teach 6 units or more need to be informed of benefits eligibility and to contact Benefits Services

ACCOUNT RECEIVABLE NOTIFICAITON PROCEDURE

Docks:

- Departments must inform employee the submitted late docks will be automatically deducted from the next pay warrant.

Salary Overpayments:

- Departments must inform employee of the overpayment and begin collection dialog.
- After the State Controller's Office established the amount of the overpayment, the appointed payroll technician for the department will mail an account receivable letter to the employee to collect the overpayment.

Separations or Terminations:

- If vacation was paid out for an employee who was reappointed or obtained another position within 15 days of separation, payroll will submit the necessary documentation to the State Controller's Office to establish an account receivable for the vacation payout.
- If the employee is reappointed within the same department and within 15 days of separation, the department must inform the employee of the overpayment and begin collection dialog.
- If the employee is reappointed in a different department and within 15 days of separation, the appointed payroll technician for the department will inform the employee of the overpayment and begin collection dialog.
- After the State Controller's Office established the amount of the overpayment, the appointed payroll technician for the department will mail an account receivable letter to the employee to collect the overpayment.

Retirement Code Changes:

- After the correction of a retirement code and establishment of the account receivable, the appointed payroll technician for the department will mail an account receivable letter to the employee to collect on the account receivable.

Work Injuries:

- If retroactive corrections are to be made for IDL or TD payments affecting the employee's initial payments, the Worker Compensation Manager should inform the employee of a possible account receivable.
- Once the State Controller's Office has processed retroactive IDL or TD payments, the appointed payroll technician for the department will mail an account receivable letter to the employee to collect the overpayment.

<u>Leaves</u>:

- If retroactive corrections are to be made for NDI payments affecting the employee's initial payments, the appointed payroll technician for the department will mail an account receivable letter to the employee to collect the overpayment.
- If the account receivable is due to late notification by the department of the employee's leave, the Benefits Manager will inform the employee on their initial leave letter of overpayment.
- After the State Controller's Office established the amount of the overpayment, the appointed payroll technician for the department will mail an account receivable letter to the employee to collect the overpayment.

<u>Benefits Enrollments</u>:

- Upon benefits enrollment, an employee is required to read and sign the Accounts Receivable Authorization Form indicating acknowledgement of possible account receivable and agreement to repay once notified.
- After the State Controller's Office established the amount of health premium(s) due, the Benefits Manager will mail an account receivable letter to the employee to collect the premium(s).

OVERVIEW

Account receivables are unavoidable at times. It's always best to use best practices to reduce the amount of account receivables.

Communicate forthcoming changes by email to the department's payroll technician to assist in the reduction of account receivables.

Conduct monthly audits to make catch the errors faster.

Docks can be submitted to the appropriate payroll technician within 7 days after the Payroll Monthly Document Cutoff date. Email payroll technician of forthcoming docks.

Inform the payroll technician by email if the separated employee will be reappointed or obtain another position within 15 days of separation to avoid vacation pay out.

Inquire if the eligible new hire is a retiree and date of retirement or if working at another CSU campus.

Inform the Worker Compensation Manager once an employee is injured while at work.

Inform the Benefits Manager by email upon notification of employee going out on leave.

Inform lecturers who are assigned to teach 6 units or more to contact Benefits Services for benefits enrollment information.

Departments should submit completed eFASTs as soon as possible for HR and Payroll to enter appointment in both systems. This will allow Benefits the opportunity to process benefit enrollments more effectively to assist in the reduction of account receivables.