

## NOTICE OF PROPOSED REGULATION AMENDMENT

Date: February 13, 2009

**REGULATION TITLE:**  
Employee Debt Collection

**REGULATION NO.:**  
6C1-3.0421

**SUMMARY:** This regulation revision clarifies that it applies to current and former employees. This revision clarifies that the definition of employee debt includes overpayments by the University of scholarships and fellowships; amounts owed for clinical services provided by the University, such as medical and dental services, and travel advances for which no reimbursement voucher is received by the University. This revision describes the various methods of collection available to the University including collection letters, notices to employees via electronic mail, attempts to contact employees by telephone, engagement of collection agencies, settlement, negotiation of a payment plan, and set-offs for current employees. This revision deletes the University's obligation to wait three (3) months to initiate collection efforts and set-offs. Each department dealing with an employee debt will determine the appropriate period of time to wait before initiating collection efforts or set-offs. This revision clarifies the University's right to set-off to include termination (vacation and sick) pay. This revision increases the notice period for set-offs from ten (10) days to twenty (20) days.

**AUTHORITY:** BOG Resolution dated January 7, 2003

**COMMENTS CONCERNING THE PROPOSED REGULATION SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW.** The comments must identify the regulation you are commenting on.

**THE PERSON TO BE CONTACTED REGARDING THE PROPOSED REGULATION IS:** Rebecca J. Holt, Administrative Assistant, 123 Tigert Hall, Post Office Box 113125, University of Florida, Gainesville, Florida 32611, 352-392-1358 office, 352-392-4387 facsimile, regulations@ufl.edu.

**NAME OF PERSON WHO APPROVED THE PROPOSED REGULATION:** Ed Poppell, Vice President for Business Affairs

**THE FULL TEXT OF THE PROPOSED REGULATION IS ATTACHED TO THIS NOTICE.**

REGULATIONS~~RULES~~ OF  
UNIVERSITY OF FLORIDA

6C1-3.0421 ~~Finance and Administration~~; Employee Debt Collection.

(1) Purpose. The University is authorized to collect all delinquent accounts owed to it and overpayments made by it. The purpose of this regulation is to provide procedures for collection of delinquent accounts and overpayments owed to the University by its current or former employees. These collection procedures do not apply to the collection of delinquent accounts of a student while the student is enrolled at the University but will apply if the student thereafter becomes an employee of the University.

(2) For purposes of this regulation, employee debts are all amounts owed to the University by an employee which were not paid when due, including, but not limited to, the following:

(a) tuition and fees, student loans, and other accounts accrued as a student of the University; and

(b) returned checks, traffic and parking fines, library fines, educational resources fines/sales, health services, rental fees, housing charges, and physical education equipment charges; and

(c) overpayments by the University of wages, workers' compensation benefits, scholarships, fellowships, and other types of payments; and

(d) amounts owed for clinical services provided by the University, such as medical, veterinary and dental services; and

(e) all or a portion of a travel advance paid by the University and for which no reimbursement voucher complying with the University's travel policy is received within the time

prescribed by the University's travel policy (located in the University Controller's Office Directives and Procedures Manual).

For purposes of this regulation, employee debts do not include educational loans collectible pursuant to Section 112.175, Florida Statutes

An overpayment by the University becomes an employee debt payable immediately upon the occurrence of the overpayment. A travel advance for which no reimbursement voucher is received by the University becomes an employee debt at the time prescribed by the University's travel policy. All other employee debts become delinquent accounts when they remain unpaid after the date due.

(3) Means of Collection. The University may employ any legal means for collecting employee debts owed to the University, including, but not limited to, any one or more of the following means: issue collection letters, send notices via electronic mail, attempt to contact the employee by telephone, engage a collection agency, settle the amount due, negotiate a payment plan, and if a current employee, set-off the employee debt as provided herein.

(4) University Right of Set-Off / Employee Right to Receive Notice Prior to Set-Off.

(a) The University may set-off an employee debt against future wages and against termination pay.

(b) Unless expressly authorized by a Travel Advance form or other agreement with the University, an employee with employee debt will receive notice of the University's set-off rights against the employee's future wages and termination pay. Prior to exercising the right to set-off, the University will notify the employee in writing by certified mail at the employee's University mailing address of its intent to do so. The notice will advise the employee that the University intends to set-off the specific employee debt against future wages, and that, within twenty (20) days of the date of the notice, the employee may dispute the existence of the employee debt with the University

department to which the employee debt accrued, pay the employee debt, or work out a mutually agreeable payment plan.

(5) Set-off Limitations. If, after the twenty (20) day period described above has expired, the employee has not responded to the notice, the overdue employee debt remains unpaid, a mutually agreeable payment plan has not been reached or the explanation as to why no delinquent account or overpayment exists has not been accepted by the University, the University may set-off the employee debt against payments by the University of future wages and termination pay as follows:

(a) If the amount of the employee debt is ten percent (10%) or less of the employee's biweekly gross salary, a lump sum deduction of the amount owed shall be made from a future paycheck.

(b) If the amount of the employee debt is greater than ten percent (10%) of the employee's biweekly gross salary, the amount deducted each pay period shall not exceed ten percent (10%) of the employee's gross salary in each pay period. Deductions will commence following the expiration of the twenty (20) day notice period.

(c) If an employee with an employee debt is terminated, abandons employment, voluntarily leaves the University's employ or dies while in University employment, the entire amount of the employee debt shall be deducted from the employee's final paycheck and, if the final paycheck is not sufficient to cover the employee debt, from the termination (vacation and sick) pay.

~~—— (1) Purpose. Pursuant to Sections 240.291 and 17.04, F.S., the University is directed to exert every effort to collect all delinquent accounts and overpayment of monies. The purpose of this rule is to provide procedures for collection of funds and monies, other than educational loans collectable pursuant to Section 112.175, F.S., owed to the University by its employees.~~

~~—— (2) Employee debts for which the University has responsibility for collection and which are subject to collection under this rule include the following: Registration fees, delinquent~~

~~student loans, returned checks, traffic and parking fines, library fines, educational resources fines/sales, graduation fees, health services, veterinary medical services, rental fees, housing, physical education equipment, travel advance reimbursements, disallowed revolving fund reimbursements, overpayments to employees, overpayment of workers' compensation monetary benefits and other miscellaneous charges.~~

~~—— (3) — Accounts Receivable Other than Returned Checks and Overpayment of Workers' Compensation Monetary Benefits.~~

~~—— (a) — Collection Procedures. Amounts due from an employee shall be placed in the University's Accounts Receivable billing system after routine attempts by the department to obtain payment of any accounts receivable are unsuccessful. Once charges are placed in the Accounts Receivable billing system, billing and collection efforts shall be conducted for a period of three (3) months. If the University does not receive payment within three (3) months of the date of the first billing or suitable payment arrangements have not been made, the employee shall be notified pursuant to paragraph 6Cl-3.0421(3)(b), F.A.C. that set-off procedures shall be implemented with respect to his or her debt.~~

~~—— (b) — Set Off Procedures. The employee shall be notified by certified letter, return receipt requested, that he or she has ten (10) calendar days from receipt of the letter to either pay all sums due, make satisfactory payment arrangements, submit documentary evidence disputing his or her debt, or request administrative review of the decision to set off his or her debt through a deduction of funds from the employee's paycheck. The notice shall further advise the employee that the set off of wages shall commence without further notice following the expiration of the ten (10) day notice period unless the employee has taken appropriate action and shall include the amount and duration of the deductions which shall be made from his or her salary warrant.~~

~~——(c)—— Calculation of Payroll Deduction.~~

~~——1.—— In the event that the total amount of the debt is less than ten percent (10%) of the employee's biweekly gross salary, the full amount of the employee's debt shall be deducted in the first or second pay period following the expiration of the ten (10) day notice period given to the employee.~~

~~——2.—— If the amount of the debt is greater than ten percent (10%) of the employee's biweekly gross salary, the amount deducted each pay period shall not exceed ten percent (10%) of the employee's gross salary.~~

~~——3.—— In the event that an employee debtor is terminated or voluntarily leaves the University's employ, the entire amount of the debt shall be deducted from the employee's final paycheck.~~

~~——(4)—— Accounts Receivable—Returned Checks and Overpayment of Workers' Compensation Monetary Benefits.~~

~~——(a)—— Collection Procedures, Set-Off Procedures. When a check written by an employee to the University is returned uncollected or an employee receives an overpayment of a workers' compensation monetary benefit, the employee shall be notified by certified letter, return receipt requested, of the returned check or the workers' compensation overpayment and the employee shall be required to make full payment of the check and return check charge or the workers' compensation overpayment within ten (10) calendar days from receipt of the letter. The notice shall further advise the employee that if the check is not redeemed within the ten (10) day period, the check and return check charge shall be forwarded to the Office of University Financial Services for payroll deduction without further notice. If the workers' compensation overpayment is not repaid to the University's Workers' Compensation Office within the ten (10)~~

day period, that office shall, without further notice, initiate one or more payroll deductions to recoup the overpayment.

~~—(b)— Calculation of Payroll Deduction. The full amount of the returned check and return check charge shall be deducted in the first or second pay period following referral of the account to the Office of University Financial Services. The entire workers' compensation monetary benefit overpayment shall be deducted from the employee's pay during the first pay period following the notification deadline. Deductions shall continue, as required, until the entire overpayment has been recouped.~~

Specific Authority: BOG Resolution dated January 7, 2003-1001.74(4) FS.

~~— Law Implemented 17.04, 1001.74(19), 1010.03 FS.~~

History--New 12-27-90, Amended 5-18-92, 6-28-98, 9-1-99, 6-3-03, \_\_\_\_\_.