

# University of Michigan - Repayment Agreement

I, (*enter name* \_\_\_\_\_), acknowledge a debt of \$ \_\_\_\_\_ owed to the University of Michigan.

This debt is the result of salary overpayments from \_\_\_\_\_ to \_\_\_\_\_.

## ***Options for Voluntary Repayment\****

1. Set up deductions for \$ \_\_\_\_\_ per pay date until overpayment is paid in full.
2. Supplement PTO, if available, for time that could have been used under the PTO guidelines.
  - UMPNC Nurses – this is a voluntary option.
  - The employee is entitled to select other options and maintain full PTO bank.
  - If this option is selected, 40 hours of PTO, prorated for appointment fraction, must remain in bank.
3. Pay entire amount owed by personal check.
  - NOTE: Repayment for UMPNC nurses is limited to overpayment during past 12 months.
  - UMPNC representation is required for nurses who owe greater than \$500.
  - Under normal circumstances the time period of repayment should be same time period overpayment was made.
  - In case of hardship, repayment schedule may be determined between employee and supervisor.

If the employee does not agree to a repayment plan, payroll deductions without written consent will be set up

as allowable by law, 15% of gross for overpayment during the past six months.

Any remaining overpaid balance will be sent to collections/accounts receivable and billed to the employee.

## ***Repayment Schedule***

Repayment of the above overpayment will be made in accordance with the following schedule.

Payroll deductions will be made on a monthly basis from the last payroll in each of the following months.

Calendar Year \_\_\_\_\_

\$ \_\_\_\_\_

PTO Hours \_\_\_\_\_(if applicable)

## ***Authorization***

I authorize each and every payroll deduction and/or PTO hours to be supplemented as delineated in the above schedule.

Furthermore, should my employment at the University of Michigan end prior to the completion of the Repayment Schedule,

I authorize a maximum payroll deduction allowed by law to be withheld from my final paycheck.

I also agree to repay the University of Michigan within six months of the end of my employment, the remaining balance of the debt that has not been repaid via payroll deduction.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Employee Id

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approval-Departmental Representative

\_\_\_\_\_  
Date

(Editorial Note: A combination of these options may be selected to set up the repayment schedule. The Payroll Office will secure review by the Office of the General Counsel when necessary.)

## Overpayment Guidelines for UMPNC Nurses

Step	Lead
Determine how far back the overpayment goes and what the amount of the overpayment is. Overpayment is limited to the past 12 months for UMPNC nurses.	Payroll
Notify unit manager	Payroll
Notify employee. Notify UMPNC if the amount is greater than \$500.	Manager
Meet with employee, provide documentation of overpayment, determine repayment plan. Include UMPNC representation in the meeting if the amount is greater than \$500.	Manager/Timekeeper
<p><b>Voluntary Repayment Options*:</b></p> <ul style="list-style-type: none"> <li>• <u>Payroll Deduction (Repayment Agreement must be signed)</u> <ul style="list-style-type: none"> <li>○ Employee and manager agree to amount and length of time. Note general principal is to repay over the same time period that overpayment was made with flexibility in case of hardship.</li> </ul> </li> <li>• <u>Voluntary PTO Supplement (Repayment Agreement must be signed)</u> <ul style="list-style-type: none"> <li>○ Supplement PTO, if available, for time that could have been used under the PTO guidelines.</li> <li>○ The employee is entitled to select other options and maintain full PTO bank. If this option is selected, 40 hours of PTO, prorated for appointment fraction, must remain in bank.</li> </ul> </li> <li>• <u>Repay entire amount by personal check.</u> Unit timekeeper will determine the net amount to be paid back. Note that overpayment is limited to the past 12 months for UMPNC nurses</li> </ul> <p>*A combination of these options may be utilized. Timekeeper will work with Payroll to set up repayment plan.</p>	Manager/Employee/Timekeeper
<p>If the employee does not agree to pay, payroll deductions without written consent are allowable under the Department of Labor standard:</p> <ul style="list-style-type: none"> <li>• No more than six months retro overpayment;</li> <li>• No more than 15% of paycheck gross to be deducted each payroll.</li> <li>• Any balance remaining is sent to collections-accounts receivable and employee will be billed.</li> </ul>	Manager/Timekeeper/Payroll

