



City of Albany
Administrative Policy
Benefits & Compensation
Policy #: HR-BC-17-002
Title: Recovery of Overpayment to Employees

Human Resources

Purpose As stewards of the public's funds, the City has a legal obligation to collect all monies overpaid to employees of the City irrespective of the cause of overpayment.

Policy The City is entitled to recoup all overpayments of wages or reimbursements made to employees regardless of the cause of overpayment. In the case of overpayment, the City must clearly show that the employee received more than he or she was due under the agreed-upon wage rate, more than the hours actually worked, or more than what should have been appropriately reimbursed.

Upon verification, the City will notify the employee of the overpayment and attempt to work with the employee to develop a mutually agreeable repayment plan. This plan will be reduced to writing and signed by both parties. If an employee should separate from their employment with the City before the overpayment has been fully recovered, the final balance will be deducted from the employee's final paycheck as authorized in the written repayment plan.

An employee who refuses to repay an overpayment may be subject to a collection activity which may include turning the debt over to a collection agency. The employee may also be subject to disciplinary action.

Definitions Overpaid: An employee receives wages or reimbursements in an amount that exceeds what should have appropriately been paid.

References None



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Review and Authorization

Supersedes HR-BC-17-001, 03/03/2006	Created/Amended by/date DS; 08/17/2017	Effective Date 08/17/2017
HR Director	City Manager	

1. Form or worksheet revision related to this document? No Yes

If yes, attach a copy of the revised form or worksheet.

2. Training required? No Yes