

**HIDALGO COUNTY, TEXAS  
PERSONNEL POLICY MANUAL**

Procedure:	WOUP.1
Page:	1 of 3
Date Authorized:	04/30/2013
Supersedes:	N/A

**WAGE OVERPAYMENT / UNDERPAYMENT POLICY**

**I. PURPOSE**

- a. The County of Hidalgo takes all reasonable steps to ensure that employees receive the correct amount of compensation in each paycheck and that employees are paid promptly on the scheduled paydays. As part of this goal, the County has implemented policies and procedures for remedying and recouping compensation overpayments and underpayments to County employees.

**II. GENERAL GUIDELINES**

- a. The County Treasurer's Payroll Division is responsible for making timely and accurate payments to County Employees. On occasion, due to unforeseen errors by one or various departments, employees may be paid in excess of or less than what he/she has earned. If an Elected Official or Department Head of the County becomes aware of an overpayment/underpayment, the Elected Official or Department Head is responsible for reporting it to the Payroll Division and for submitting a Change of Status to the Human Resources Department for correcting the employee's records. If an employee becomes aware of an overpayment/underpayment, he or she is responsible for reporting it to his or her supervisor, Elected Official or Department Head immediately.
- b. No employee is entitled to retain any part in excess of the amount he or she has earned according to his or her approved budgeted salary and allowances. Employees must repay all amounts paid in excess, regardless of how the overpayment occurred. For employees who leave the County before full repayment has been made, the County is authorized to pursue repayment after separation and/or deduct from the employee's final paycheck any repayment amount not yet received. This includes accrued annual leave or compensatory time to which the employee may be entitled at separation.
- c. If the County Treasurer's Payroll Division determines that an employee has been underpaid, the County will compensate the employee the difference owed as soon as practicable, usually by the next pay period.

**III. NOTIFICATION**

- a. When the County Treasurer's Payroll Division discovers or is notified of an overpayment, Payroll will notify the affected employee and issue an Overpayment Notification Agreement to the Elected Official and/or Department Head, and the employee that includes the following:
  - i. The amount of overpayment;
  - ii. The date(s) on which the overpayment occurred;
  - iii. The reason for overpayment;
  - iv. The employee's options for repayment.
- b. The employee shall select an option for repayment, sign the Overpayment Notification Agreement, and return it to the Treasurer Payroll Division.

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Page: 2 of 3  
Date Authorized: 04/30/2013  
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**IV. REPAYMENT**

- a. If the employee receives an erroneous amount in excess of his or her regular pay, the employee shall select from the following options for repayment:
  - i. **Full repayment by deduction from the employee's regular pay.** This option should only be selected for erroneous amounts less than the employee's bi-weekly pay;
  - ii. **Repayment in installments by deduction from the employee's regular pay.** If this option is selected, the employee must schedule payments equal to the entire amount of the overpayment within a period of time specified by the County Treasurer and an agreed upon repayment schedule.

**V. ACKNOWLEDGEMENT**

- a. I UNDERSTAND AND HAVE RECEIVED A COPY OF THE HIDALGO COUNTY WAGE OVERPAYMENT / UNDERPAYMENT POLICY AND HEREBY ACKNOWLEDGE THAT I AM EXPECTED TO ABIDE BY THIS POLICY.
- b. FAILURE TO COMPLY WITH THIS POLICY MAY RESULT IN DISCIPLINARY ACTION UP TO AND INCLUDING TERMINATION.

\_\_\_\_\_  
**Employee Name (PRINT)**

\_\_\_\_\_  
**Employee Signature**

\_\_\_\_\_  
**Date**

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 Page: 3 of 3  
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**HIDALGO COUNTY TREASURER  
PAYROLL DIVISION**

**OVERPAYMENT NOTIFICATION AGREEMENT**

EMPLOYEE NAME: \_\_\_\_\_ DEPARTMENT NAME: \_\_\_\_\_

EMPLOYEE ID: \_\_\_\_\_ DEPARTMENT NO: \_\_\_\_\_

DATE: \_\_\_\_\_

PAY DATE(S) OVERPAYMENT OCCURRED	AMOUNT OF OVERPAYMENT
_____ / _____ / _____	\$ _____
_____ / _____ / _____	\$ _____

REASON FOR THE OVERPAYMENT:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

EMPLOYEE OPTIONS	CHECK CHOICE
FULL PAYMENT BY DEDUCTION OF REGULAR PAY	
REPAYMENT IN INSTALLMENTS BY DEDUCTION OF REGULAR PAY OVER AN AGREED UPON PERIOD OF TIME FOR AN AGREED UPON AMOUNT	

**INSTALLMENT REPAYMENT SCHEDULE & PAYMENT AMOUNT:**

Payments to begin on pay period \_\_\_\_/\_\_\_\_/\_\_\_\_ thru pay period ending on \_\_\_\_/\_\_\_\_/\_\_\_\_, a deduction in the amount of \$\_\_\_\_\_ from each pay regular pay period.

\_\_\_\_\_  
 EMPLOYEE NAME (PRINTED)

\_\_\_\_\_  
 EMPLOYEE SIGNATURE

\_\_\_\_\_  
 PAYROLL DIVISION (PRINTED)

\_\_\_\_\_  
 PAYROLL DIVISION SIGNATURE