



## Policy 2.14 Incorrect or Rejected Pay

**Responsible Official:** VP for Finance  
**Administering Division/Department:** Payroll  
**Effective Date:** January 01, 2008  
**Last Revision:** March 13, 2009

### Policy Sections:

1. Overview
2. Applicability
3. Policy Details
4. Definitions
5. Related Links
6. Contact Information
7. Revision History

### Overview

This policy provides guidelines to adjust errors in employee pay such as over and underpayment.

### Applicability

All employees.

### Policy Details

#### 2.14.1 Stop Payments for Paper Payroll Checks

New hires or employees switching financial institutions may need to receive a paper check during their transition. These checks are viewed as an exception, as all employees are required to participate in either the Direct Deposit or CashPay programs.

Employees who wish to stop payment on a paper check and reissue a new check, must complete a [Stop Payment Request Form](#) and fax it to the [Payroll Department](#) at 404.727.5280 .

On-Demand Checks (ODCs) can be processed for this type of request but are not required. There is a \$100.00 fee for all ODCs. To avoid this fee, employees can request that a payment be made in the [next available pay cycle](#) . ODCs are processed on Mondays, Wednesdays, and Fridays, and can be picked up at 1599 Clifton Road in the Payroll department at 1:00 pm on the day of processing.

The Payroll Department can only reissue checks once they receive confirmation from the bank. This process typically takes up to 48 hours to complete.

The request for stop payment/reissue of the check will only be processed after the third business date following the check day. For example, on a check dated Friday 06/22/07, the request for stop payment/reissue will not be processed until the following Wednesday, 06/27/07.

The Payroll Department does not mail any employee checks. Employees must pick up their checks at 1599 Clifton Road.

#### 2.14 .2 Direct Deposit Rejects

On occasion the automatic deposit of an employee's pay into their checking and/or savings account is not accepted by a designated financial institution.

In this event the bank will notify the Payroll Department that the employee's pay was not deposited properly. This may occur because the bank does not accept direct deposit funds, the account was closed or could not be located, or the information provided or entered into the system was incorrect.

To avoid rejects, employees should complete and return (not fax) a new [Direct Deposit Form](#) to the Payroll Department immediately. Alternately, if the employee no longer wants to be on direct deposit, he or she must visit the Payroll Department to complete the CashPay application process.

Direct deposit funds will be reissued via a paper paycheck only after the Payroll Department receives the reject of funds notice from the bank.

On-Demand Checks incur a \$100.00 fee. To avoid this fee, an alternative method would be to include the payment in the [next available pay cycle](#) . ODCs are processed Mondays, Wednesdays, and Fridays, and can be picked up at 1599 Clifton Road after 1:00 p.m. that day.

If the Payroll Department makes the error, the ODC will not result in a check fee. If the employee inputs incorrect information via the self-serve website, then the ODC fee will apply. It can be paid by the department or by the employee.

### 2.14.3 Employee Overpayments

If the University accidentally overpays an employee, the overpayment must be repaid in full.

An overpayment is any money paid to an employee due to a University-related error. This most frequently occurs because changes in employee status were not entered into the system prior to a payroll date (i.e., termination dates, Leaves of Absence, or decreases in salary). The Payroll Department will initially act as the collection agent for the University working with the departmental Human Resources Representative and Account Representative.

### 2.14 .4 Payments Received/Adjustments

All payments received as an adjustment from employees will be facilitated by the Payroll Department.

#### 2.14. 4.1 Current Calendar Year

If repayment is made in the same calendar year as the overpayment, the amount repaid is deducted from the employee's gross income.

#### 2.14 .4.2 Subsequent Calendar Year

If repayment is made for an overpayment that took place in a prior year, the Payroll Department will reissue a corrected W-2 reflecting adjustments involving Social Security and Medicare taxes attributable to the overpayment year. It is the responsibility of the employee to consult the [Internal Revenue Service](#) for information on reporting of "federal taxable wages" on individual income tax returns .

#### 2.14. 4.3 Departmental Adjustments for Overpayments

The departments that were charged at the time the overpayments occurred will not receive credit until the overpayment funds are collected in full.

## Definitions

*Stop Payment* : The replacement of a paper paycheck that was lost or stolen.

*On-Demand Check*: Check requested to be processed by the Payroll Department outside of the scheduled processing calendar. There is a \$100.00 fee for these checks which are processed on Mondays, Wednesdays, and Fridays. All ODCs must be picked up at 1599 Clifton Road.

*Direct Deposit Reject*: The automatic deposit of pay into an employee's checking and/or savings account that is not accepted by their designated financial institution.

## Related Links

- Current Version of This Policy: <http://policies.emory.edu/2.14>
- [Stop Payment Request Form:](http://www.finance.emory.edu/external/forms/stoppay.swf) (http://www.finance.emory.edu/external/forms/stoppay.swf)
- [Payroll Department:](http://www.finance.emory.edu/external/deptpages/pay/index.cfm) (http://www.finance.emory.edu/external/deptpages/pay/index.cfm)
- [Payroll Calendar:](http://www.finance.emory.edu/index.cfm) (http://www.finance.emory.edu/index.cfm)
- [Direct Deposit Form:](http://www.finance.emory.edu/external/forms/ddeposit.pdf) (http://www.finance.emory.edu/external/forms/ddeposit.pdf)
- [Human Resource Action Form \(HRAF\):](http://emoryhr.eu.emory.edu/Forms%20and%20Brochures/Manager%20and%20HR%20Rep%20Forms/HRAF%20Manual/) (http://emoryhr.eu.emory.edu/Forms%20and%20Brochures/Manager%20and%20HR%20Rep%20Forms/HRAF%20Manual/)
- [Internal Revenue Service:](http://www.irs.gov) (http://www.irs.gov)

## Contact Information

Subject	Contact	Phone	Email
Incorrect or Rejected Pay	Payroll Department	404.727.6100	payroll@emory.edu
Payroll Fax	N/A	404.727.5280	N/A

## Revision History

- Version Published on: Mar 20, 2007
- Version Published on: Mar 20, 2007 (Original Publication)