

FSU-2.022 Employee Debt Collection.

(1) Purpose. The purpose of this regulation rule is to provide procedures for the recovery of non-salary sums due and owing to the University by its employees. Indebtedness to the University assessed pursuant to Board of Governors Regents and University regulations rules is considered indebtedness to the State of Florida. It is subject to enforcement by University regulation rule. The purpose of this regulation rule is to provide procedures for the recovery of non-salary sums due and owing to the University by its employees. Indebtedness to the University includes but is not limited to, delinquent accounts receivable, including student loans and registration fees; traffic or library fines; payment for the reasonable value of University property entrusted to an employee and not returned or otherwise accounted for; travel advances made to but not repaid by the employee; bad checks; and other similar obligations.

(2) Definitions.

(a) Debt – a specific sum of money owed by an employee to the University; a fixed and certain obligation to pay money; the debt may be a single obligation or an aggregate of separate debts.

(b) Employee – any part time or full time employee of the University paid by state warrant from salary appropriations or from agency funds.

(c) Settlement – an agreement to accept a sum of money or other consideration from a person as full discharge of the debt due to the University. The sum may be less than the total amount owed.

(3) All amounts of indebtedness shall be due and unpaid to the University before any action is taken against an employee.

(4) Initial attempts at collection. The department or its equivalent to which an employee has incurred a debt is responsible for the initial efforts to collect the amount of indebtedness. If the department is successful in collecting the debt no further action is required. If the department is unsuccessful in collecting the debt, it shall contact the Office of the University Controller for further action. The department shall forward to that office copies of all records and documentation of the indebtedness and of the efforts toward recovery. The information to be forwarded shall include:

- (a) Name, home and campus addresses, and social security number of the person owing the debt.
- (b) The original amount owed, plus any penalties or interest owed, and a record of any payments made.
- (c) A brief description of the transaction which resulted in the debt, including relevant dates and time periods.
- (d) A brief description of the efforts made to collect the debt.
- (e) Any other pertinent information.

(5) Form of payment. Payment of indebtedness may be made by the individual or the individual's representative by money order, certified or cashier's check, cash, or payroll deduction from wages. Collection by personal check is discouraged but will be accepted.

(6) Means of Collection. The University Controller shall verify the amount of the indebtedness with the department head originating the charges and debt and establish the manner of its recovery. The University Controller may employ one or more of the following means of collecting monies due the University:

- (a) Issue University collection letters.
- (b) Hold transcripts or current grades.

(c) Withhold registration privileges at Florida State University.

(d) Turn delinquent accounts over to a collection agency.

(e) After consultation with the University Attorney refer the debt to the Department of Banking and Finance of the State of Florida for prosecution by the appropriate state attorney under provisions of Section 17.20, Florida Statutes, or for assignment to a debt collection agent if that Department determines that approach to be cost effective.

(f) Seek a voluntary wage deduction from the employee. Each debt will be handled on an individual case basis. In the interest of fairness and equity, it is acknowledged that an individual who has incurred an indebtedness may be unable to pay the total amount in a lump sum. If such is the circumstance and the individual agrees to equitable partial payments over a limited period of time, the Controller may prepare a promissory note and proposed schedule of payments for the employee's signature. Any deduction authorization shall be kept in the permanent personnel file of the employee.

(g) If the employee refuses to voluntarily pay the indebtedness to the University, the Controller may initiate involuntary deductions from future salary payments due the employee, using the set-off procedures specified below until the total amount of indebtedness has been collected.

(7) Set-off Procedures. Involuntary wage deductions based on the common-law right of set-off shall be considered and used only where other reasonable efforts have failed.

(a) The employee who owes a debt to the University will be advised by certified letter (restricted delivery), or by email to the employee's official University email address, from the University Controller's Office that the employee ~~he/she~~ has ten calendar days from the receipt of the letter or email to either clear the account, make satisfactory payment arrangements, or submit documentary evidence disputing the employee's ~~his/her~~ debt. The employee shall be given an opportunity during normal business hours of the University to review the documentation and evidence of the employee's ~~his/her~~ indebtedness to the University and has the right to submit documentary evidence to refute the indebtedness within a reasonable time therefrom.

(b) If no arrangements for payment have been made by the end of the ten calendar day time period, all evidence of the employee's debt will be reviewed by the University Controller.

(c) If, upon that review, a verification of the debt is made and it is determined that an agreement as to voluntary payments or voluntary wage deductions cannot be reached with the employee, the employee will be notified by U. S. mail, or by email to the employee's official University email address, of the fact set-off procedures will be implemented on a date certain, not sooner than 10 work days from receipt of the notice, and of the amount and duration of the deductions from the employee's ~~his/her~~ salary warrant. The employee will also be advised of the employee's ~~his/her~~ right to any administrative review of the decision to set-off the employee's ~~his/her~~ debt and deduct funds from the employee's paycheck, including rights under the provisions of Section 120.57, Florida Statutes including judicial review of any final University decision, pursuant to Florida Rule of Appellate Procedure 9.190, applicable to review of quasi-judicial decisions of an administrative body not subject to the Administrative Procedure Act, by filing a petition for certiorari review within thirty (30) days of the date of the final University decision.

(8) Amount of Payroll Deduction under Set-off Procedures.

(a) In the event that the total amount of the debt is less than 10% of the employee's biweekly gross salary, the full

amount of the employee's debt may be deducted in the first or second pay period following the date of notification in subsection (6) above.

(b) If the amount of the debt is greater than 10% of the employee's gross biweekly salary, the amount deducted each period may be up to 10% of the employee's gross salary but will not exceed 20% of the employee's net salary after mandatory deductions.

(9) In the event an employee-debtor is terminated, abandons employment, voluntarily leaves the University, or dies while in University employment, the amount of the debt, up to the total of the net salary less \$1.00, will be deducted from the employee's final salary payment or from the employee's terminal leave payments.

(10) Settlement of Delinquent Accounts. The University President or ~~his~~ designee may settle delinquent accounts after all reasonable and lawful collection attempts have failed.

(11) Write-off of Uncollectible Debts. The President may write-off a debt as uncollectible after all reasonable and lawful collection attempts have failed.

Specific Authority BOG Regulation 1.001(3)(j), ~~(5), (6)~~ Law Implemented 1010.03 240.227(1), 240.291 FS. History–New 4-14-86, Amended _____

~~Cf. Rules FSU 2.009, FSU 2.0091, FSU 2.005, FSU 2.006, FSU 2.007, FSU 2.010, FSU 3.037, FSU 4.007, FSU 4.061, FSU 4.063, FSU 6.008, FSU 6.009, FSU 6.014, F.A.C., Sections 215.34, 240.459, 240.415, 240.499, 240.451 F.S.~~