FLORIDA ATLANTIC UNIVERSITY
NOTICE OF PROPOSED REGULATION AMENDMENT

Date: October 7, 2010

REGULATION TITLE AND NUMBER: Employee Debt Collection (6.012).

SUMMARY: This regulation addresses employee debt collection procedures. The proposed amendments update the internal University processes for notice and disputes, including the provision of notice through an employee’s fau.edu email address, and simplifies the payroll deduction calculation for amounts owed in excess of $100.

FULL TEXT OF THE REGULATION: The full text of the proposed amended regulation is attached below to this Notice, both in clean and red-lined format. The full text of the existing regulation is posted on FAU’s website at www.fau.edu/regulations. In addition, the full text of the proposed amended regulation and current regulation are available upon request to the Office of the General Counsel, which can be contacted at (561) 297-3007 or GeneralCounsel@fau.edu.


UNIVERSITY OFFICIAL INITIATING THE REGULATION AMENDMENT:
Mr. Dennis Crudel, Senior Vice President of Financial Affairs

COMMENTS CONCERNING THE PROPOSED REGULATION AMENDMENT SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW. In response, the University may solicit additional written comments, schedule a public hearing, withdraw or modify the proposed regulation amendment in whole or in part after notice, or proceed with adopting the regulation amendment. The comments must identify the regulation(s) on which you are commenting:

THE PERSON TO BE CONTACTED REGARDING THE AMENDMENT/REPEAL OF REGULATIONS IS: Myrlande Dessalines, Paralegal, Office of the General Counsel, 777 Glades Road, Boca Raton, Florida, 33431, (561) 297-3007 (phone), (561) 297-2787 (fax), GeneralCounsel@fau.edu.
PROPOSED

Florida Atlantic University

Regulation 6.012 Employee Debt Collection

(1) Purpose. Pursuant to Section 1010.03, F.S., the University is directed to exert every effort to collect all delinquent accounts. The purpose of this regulation is to provide procedures for collection of funds owed to the University by its employees.

(2) Accounts Receivable. Employees will be placed on the Accounts Receivable system as charges are incurred. Once charges are incurred, the employee will be billed monthly. If the Controller’s Office does not receive full payment within three months of the date of the first billing, the employee will be notified that if arrangements are not made within ten days, debt collection procedures will be implemented on his/her debt. All billings, notices and other communications shall be sent electronically to the employee’s University email address.

(3) Debt Collection Procedures.

(A) The employee is advised that he/she has ten days to either 1) clear the account by making payment in full, 2) make payment arrangements as agreed to by the Controller or designee, or 3) file a written petition in the Controller’s Office disputing the debt with documentary evidence.

(B) If a petition is filed or no action is taken by the employee at the end of ten days, the employee’s debt shall be reviewed by the Controller or designee considering any petition and evidence, if submitted.

(C) If, upon review, a determination is made that the debt is in fact due and owing, the employee shall be sent a Notice of Debt Collection indicating the amount of the debt and method of collection to be utilized.

(D) Within ten days after the Notice of Debt Collection is sent, the employee may file a Request for Review in the Controller’s Office. The Senior Vice President for Financial Affairs or designee shall review the facts of the case as are known to the University and will include any mitigating factors as may be presented by the employee in his/her Request for Review. The Senior Vice President for Financial Affairs or designee shall decide whether the debt and amount to be collected is appropriate. The employee shall receive notification of the decision of the Senior Vice President for Financial Affairs or designee which shall stand as final University action.
(4) Payroll Deductions and Collections.

(A) Employee debt may be collected through payroll deduction and/or through use of a collection agency. The University may take disciplinary action and/or restrict access to University resources or services while debt is outstanding to the extent permitted by law.

(B) If payroll deduction will be utilized, the Notice of Debt Collection shall state the amounts and duration of each paycheck deduction.

(C) Any debt over $100 to be collected by payroll deduction shall be divided over two (2) or more pay periods in increments of at least $100 per pay period (until the final balance is less than $100), and shall comply with applicable federal and state wage payment requirements. In the event that an employee-debtor separates from the University’s employ for any reason, the entire amount of the debt will be deducted from the employee’s final paycheck.

PROPOSED

Florida Atlantic University

**Regulation 6.012 Employee Debt Collection**

(1) **Purpose.** Pursuant to Section 240.291, F.S., the University is directed to exert every effort to collect all delinquent accounts. The purpose of this regulation is to provide procedures for collection of funds owed to the University by its employees.

(2) **Accounts Receivable.** Employees will be placed on the Accounts Receivable system after conventional attempts by the University to obtain payment are unsuccessful. Once charges are incurred, the employee will be billed monthly. If Accounts Receivable the Controller’s Office does not receive full payment within three months of the date of the first billing, the employee will be notified that if arrangements are not made within ten days, set-off debt collection procedures will be implemented on his/her debt. All billings, notices and other communications shall be sent electronically to the employee’s University email address.

(3) **Set-Off Debt Collection Procedures.**

(A) The employee is advised by certified letter (return receipt) that he/she has ten calendar days to either 1) clear the account, make satisfactory payment, 2) make payment arrangements as agreed to by the Controller or submit designee, or 3) file a written petition in the Controller’s Office disputing the debt with documentary evidence disputing his/her debt.

(B) If no arrangements have been made a petition is filed or no action is taken by the employee at the end of ten (10) days, all evidence of the employee’s debt is shall be reviewed by the Controller or designee considering any petition and evidence, if submitted.

(C) If, upon review, a determination is made that the debt is in fact due and owing, set off procedures are implemented and the employee is advised in writing—shall be sent a Notice of Debt Collection indicating the amount and duration of the deductions from his/her salary warrant. The employee is also advised of his/her right to administrative review of the decision to set off his/her debt and deduct funds from the employee’s paycheck method of collection to be utilized.

(D) Within ten days of receipt of notice, after the Notice of Debt Collection is sent, the employee may petition the appropriate file a Request for Review in the Controller’s Office. The Senior Vice President or University Provost, who shall serve as the designee of the President, to review the decision to
set off the debt and deduct funds from the employee’s paycheck. The appropriate Vice President or University Provost or designee shall review the facts of the case as are known to the University and will hear include any explanations and mitigating factors as may be presented by the employee in his/her Request for Review. The appropriate Senior Vice President for Financial Affairs or University Provost or designee shall decide if a fair process has taken place as to debt claimed and whether the debt and amount to be set off collected is appropriate. The findings of the appropriate Vice President or University Provost will be reviewed by a member of the Florida Atlantic University Legal Staff for legal sufficiency. The employee shall receive written notification of the decision of the appropriate Senior Vice President for Financial Affairs and University Provost or designee which shall stand as final agency action, for purposes of any further actions which may be taken by the employee under the Florida Administrative Code, Section 120.57, F.S., unless a hearing has been requested under that section University action.

(4) **Amount of Payroll Deduction and Collections.**

(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 will be deducted in the first or second pay period after the decision to set off the debt is made.

(b) If the amount of the debt is greater than 10% of the employee’s biweekly gross salary, the amount deducted each pay period will be at least 10% of the employee’s gross salary and will not exceed 20% of the employee’s net salary after mandatory deductions.

(A) Employee debt may be collected through payroll deduction and/or through use of a collection agency. The University may take disciplinary action and/or restrict access to University resources or services while debt is outstanding to the extent permitted by law.

(B) If payroll deduction will be utilized, the Notice of Debt Collection shall state the amounts and duration of each paycheck deduction.

(C) Any debt over $100 to be collected by payroll deduction shall be divided over two (2) or more pay periods in increments of at least $100 per pay period (until the final balance is less than $100), and shall comply with applicable federal and state wage payment requirements. In the event that an employee-debtor is terminated or voluntarily leaves separates from the University’s employ for any reason, the entire amount of the debt will be deducted from the employee’s final paycheck.

**Specific Authority:** Article IX of the Florida Constitution, 1001.706, 1001.74, 1010.03 F.S., and Board of Governors Regulation 1.001. Formerly 6C5-6.013. History–New 11-11-87, Amended _____ -2010.