

SOUTHWEST TENNESSEE COMMUNITY COLLEGE**SUBJECT:** Employee Debts to the College**EFFECTIVE DATE:** July 1, 2000**I) General**

In accordance with Tennessee Code Annotated (TCA) Section 9-4-604, the College may not pay any funds due an employee if the employee has an outstanding indebtedness. Tennessee Board of Regents Guideline B-010 provides that an employee be given an opportunity to appeal or otherwise have a hearing concerning the obligation before the amount due is deducted from any payment to the employee, i.e. wages, travel claims, or refunds. This policy is to outline how an employee will be given notice of the indebtedness, and how the employee may appeal or request a hearing concerning the indebtedness.

II) Notice

If an employee is indebted to the College, he/she shall be sent a notice of the debt. The notice shall be provided prior to deducting any debt from amounts due the employee. The notice will be provided by the Vice President for Business, Finance and Information Systems through the Payroll Office in the case of salary related debts, and the notice will be provided by the Bursar's Office in the case of parking fines and other instances (Attachment A). If there has been no response, a second letter (Attachment B) is mailed to the employee. This notice will state that if the employee does not pay the indebtedness or request a hearing by a specified date, the indebtedness shall be deducted from the employee's next paycheck and/or other payment due the employee. The employee will be allowed ten (10) working days from the date of the notice to pay the debt, request a hearing, or otherwise attempt to resolve the debt. In cases of salary overpayment or termination of employment a shorter time may be allowed if necessary to permit deduction of the debt from the next salary or wage payment.

III) Hearing

Upon request by the employee, the Vice President for Business, Finance and Information Systems shall conduct a hearing whereby the employee will be provided an opportunity to review the documentation of the indebtedness and allowed to provide evidence to dispute the debt. A representative from the department from which the indebtedness was generated may be present at the hearing to answer questions by either the Vice President for Business, Finance and Information Systems representative and/or the employee.

Source of Policy: Transition Team 5.b.
Business & Finance

Related Policy: N/A

Approved: _____
President

**Responsible Vice President for Business,
Administrator:** Finance & Info Systems
TBR Policy Reference: N/A
TBR Guideline Reference: B-010

Date: July 1, 2000

IV) Appeal

An appeal by the employee of the decision by the Vice President for Business, Finance and Information Systems concerning indebtedness may be made to the appropriate Vice President with the exception of appeals of parking fines heard by the Faculty/Staff Parking Ticket Appeals Committee. Under College Procedure IV:01:01:05, there is no appeal of the Appeals Committee's decision of denying to uphold the appeal of a parking ticket received.

V) Garnishment Limit

Normally the amount deducted from any single paycheck will not exceed the maximum amount that would be deductible under state garnishment laws. An exception may be made at termination of employment.

VI) Payment Arrangement

Normally the College may not allow an employee to pay an indebtedness by periodic payments. However, depending upon the circumstances, the Director, Fiscal Operations may approve a periodic payment arrangement. A request for periodic payment must be made in writing to the Bursar's Office. Any payment arrangements are not subject to a hearing or an appeal.

VII) Fraud and Embezzlement

Special procedures will apply to cases involving fraud and/or embezzlement before funds will be withheld.

SOUTHWEST TENNESSEE COMMUNITY COLLEGE

P. O. Box 780 • Memphis, TN 38101-0780

Date

Ms. Ima Employee
439 Circle Drive
Memphis, Tennessee 38127

Dear Ms. Employee:

Our records indicate that your account with Southwest Tennessee Community College in the amount of (Amount Due) is overdue. This represents an employee account receivable balance from (Date) for (Description).

In the past employee accounts receivable have been deducted from employees' paychecks after failure to pay the amount due. We have been advised by legal counsel that we may not deduct employer charges from paychecks without authorization or due process under the Tennessee Administrative Procedures Act (TAPA).

If you have any questions regarding your account, please call the Bursar's Office at 333-5290 or 333-4210. Otherwise we will expect to receive your payment within the next ten (10) working days. Checks should be made payable to Southwest Tennessee Community College and mailed to the Bursar's Office, Southwest Tennessee Community College, P. O. Box 780, Memphis, Tennessee 38101-0780.

If you prefer not sending payments to settle your account and you are still employed at Southwest Tennessee Community College, you may sign the attached authorization and send it to the Payroll Office requesting the balance be deducted from your next paycheck. This authorization must be received by the Payroll Office no later than (Deadline). This action will prevent further embarrassing collection letters from being sent to you.

Sincerely,

Vice President for Business, Finance and Information Systems

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SOUTHWEST TENNESSEE COMMUNITY COLLEGE

P. O. Box 780 • Memphis, TN 38101-0780

PAYROLL DEDUCTION AUTHORIZATION

NAME _____ SS# _____

I authorize Southwest Tennessee Community College to deduct _____
from my next paycheck as payment of my current accounts receivable charge.

EMPLOYEE
SIGNATURE _____ DATE _____

SOUTHWEST TENNESSEE COMMUNITY COLLEGE

P. O. Box 780 • Memphis, TN 38101-0780

Date

Ms. Ima Employee
439 Circle Drive
Memphis, Tennessee 38127

SUBJECT: Notice of Intent to Withhold Funds

Dear Ms. Employee:

Pursuant to T.C.A. Section 9-4-604, this letter shall serve as notice of our intent to withhold funds in payment of (Description) in the amount of (Amount Due) which our records indicate are now delinquent.

If you believe that the above amount is incorrect, or that you do not owe a debt to Southwest Tennessee Community College, you have the right to request a hearing in this matter under the provisions of the Tennessee Uniform Administrative Procedures Act. As an alternative, you may elect to have a hearing pursuant to alternative institutional hearing procedures, or you may elect to waive your right to a hearing in this matter. Please notify this office, in writing, within ten (10) working days of the date of this letter if you elect to have a hearing, and designate whether you wish a hearing under the Tennessee Uniform Administrative Procedures Act, or under alternative institutional procedures. If you elect to waive your right to a hearing in this matter, please sign the enclosed Waiver of Hearing form, and return the same to the following address:

Vice President for Business, Finance and Information Systems
Southwest Tennessee Community College
P. O. Box 780
Memphis, TN 38101-0780

Waiver of a hearing and application of the funds owed you in payment of the above debt do not relieve you of any additional debt to the institution including, but not limited to, that arising from any subsequent legal prosecution.

If you have any questions concerning this notice, or your rights in this matter, please contact the Bursar's Office at 333-5292 or 333-4210.

Sincerely,

Vice President for Business, Finance and Information Systems

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attchmnt

SOUTHWEST TENNESSEE COMMUNITY COLLEGE

P. O. Box 780 • Memphis, TN 38101-0780

I, _____, being an employee of Southwest Tennessee Community College, do hereby knowingly and voluntarily waive my rights to a hearing pursuant to the Tennessee Administrative Procedures Act (T.C.A., Section 4-5-102 et seq.), and pursuant to any other law or constitutional provision, being fully aware of my right to a hearing under said act and law.

EMPLOYEE
SIGNATURE _____ DATE _____

PAYROLL DEDUCTION AUTHORIZATION

NAME _____ SS# _____

I authorize Southwest Tennessee Community College to deduct _____ from my next paycheck as payment of my current accounts receivable charge.

EMPLOYEE
SIGNATURE _____ DATE _____