
ELK ISLAND CATHOLIC S.R.D. NO. 41	CODE: DO-Policy
LEGAL REFERENCES: <i>Employment Standards Code</i>	TITLE: Salary/Wage Overpayment or Underpayment
CROSS REFERENCE:	ADOPTION DATE: June 10, 2004
	REVISION DATE:

The Board requires accurate payment of salary/wages to employees.

<p>ELK ISLAND CATHOLIC S.R.D. NO. 41</p> <p>LEGAL REFERENCES: <i>Employment Standards Code</i></p> <p>CROSS REFERENCE:</p>	<p>CODE: DO - Guidelines</p> <p>TITLE: Salary/Wage Overpayment or Underpayment</p> <p>ADOPTION DATE: June 10, 2004</p> <p>REVISION DATE:</p>
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1. While Elk Island Catholic Schools maintains internal checks and controls, it is the employee's responsibility to monitor his/her pay and immediately report discrepancies to the payroll section of the Finance Department.
2. Where there is an error in the payment of salary or wages and the employee is overpaid, Elk Island Catholic Schools will recover from the employee an amount of salary or wage overpayment that occurs in a maximum of a six (6) month period. Written authorization from the employee will generally not be required as the deduction is seen as simply a valid deduction resulting from an honest error. As overpayments are the responsibility of employers to collect, the recovery will be done in such a way that is both consistent for all employees affected and minimizes inconvenience to the employees as much as possible.
3. Where an underpayment of earnings has occurred, as a result of an error in payroll calculation, the employee will be paid all owed salary or wages on the next regular pay cycle.

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1. Payroll will immediately notify the employee, verbally and by letter over the signature of the Finance Manager, explaining the circumstances that caused the error and identifying a repayment schedule if applicable.
2. The letter will be placed in the employee's payroll file.
3. Collection of salary or wage overpayments:
 - a) Collection will be done in a way that is both consistent for all affected employees and minimizes inconvenience to the employee(s) as much as possible;
 - b) If the salary or wage overpayment occurred in the current tax year, the gross (before taxes) overpayment will be deducted from the employee's pay;
 - c) If the salary or wage overpayment occurred in a previous tax year or the employee is no longer active on the payroll, the net (after taxes) overpayment will be collected, and an amended T4 will be issued; and,
 - d) If the employee elects a repayment schedule, the following repayment schedules are suggested:
(Special circumstances may be considered and every effort should be made for repayment within the current fiscal year).
 - If the amount to repay is less than 30% of regular earnings – repay in 1 (one) payment.
 - If amount is greater than 30% and less than 50% of regular earnings – repay in 2 (two) payments.
 - If amount is greater than 50% and less than 100% of regular earnings – repay in 3 (three) payments.
 - If amount is greater than 100% of regular earnings – repay in 30% installments until paid in full.

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- e) Non-compliance of salary or wage repayment will be forwarded to a collection agency.
4. Underpayments will be paid on the next regular pay cycle following the discovery of the error.