

ASU System Policy

Effective Date: January 1, 2007

Subject: Employee Debt Collection

1. Purpose

Arkansas State University employees should promptly settle all debts owed to the institution.

2. Arkansas State University System Employee Debt Collection Policy

Arkansas State University shall have the right to offset against any payments due to any employee, including a student employee, those amounts due and owing to the university for expenses or charges incurred.

3. Process

Arkansas State University will set-off against amounts due to an employee from any source those liquidated amounts due and payable by the employee to the university for any reason. This would include but not be limited to parking charges, parking fines, rent, tuition, fees, and other charges. The university will then pay the amount remaining to the employee in full satisfaction of his or her wages or the amounts due as follows:

- A. If the amounts owed by the employee to the university were the result of monies advanced to the employee, the university may set-off the full amounts owed to the university against all wages or other monies owed to the employee;
- B. In all other cases of set-offs against an employee's wages, the university may only set-off amounts owed the university against those wages which are above the statutory minimum hourly wage; and
- C. If the amounts owed to student employees constitute payments for work study or are student loans under a program guaranteed or established by the U. S. Government, any set-off shall be subject to laws and regulations governing those programs.

Subject to the above limitations, an employee, including a student employee, may be given the opportunity to establish a repayment plan for successive set-offs so that the entire amount owed to the university is not set-off on a single occasion; provided, however, that no such plan shall be developed in the instance of any final settlement of accounts, such as where a final check for wages for a terminating employee may be involved.

(Adopted by the Arkansas State University Board of Trustees on January 10, 2007, Resolution 07-01)