



STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P.O. BOX 119
HONOLULU, HAWAII 96810-0119

April 28, 2003

COMPTROLLER'S MEMORANDUM NO. 2003-13

TO: Heads of Departments

ATTN: Personnel/Payroll Offices

SUBJECT: Salary Overpayment Write-Off Procedures

This memorandum supplements the "Write-Off Procedures" issued by former Governor Cayetano on December 23, 1996 for salary overpayment delinquent accounts of former State employees that are at least two years old. To simplify the write-off procedures, we are modifying an existing form and creating a new form for accounts below \$500.

The existing multi-page form for accounts over \$500 has been modified to allow the Civil Recoveries Division (CRD) deputy attorney general to respond to the department's request by: (1) approving the write-off of the account; (2) returning the account for further action/correction; or (3) initiating CRD collection efforts.

To ensure uniformity in completing the form, please use the following guidelines:

1. On the "Debtor" line, specify the appropriation symbol and means of financing of the former employee. If your department uses a collection agency to recover delinquent accounts, please specify the collection agency.
2. Fill "Acct. No." column with the former employee's social security number.
3. Fill "Type of Debt" column with the phrase "salary overpayment".
4. Do not complete Items 13 through 17.

A new simplified single page form for accounts under \$500 has been created to expedite the write-off of these accounts.

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Because CRD will rely on information provided on the form and will do no further investigation, keep all documentation supporting the delinquent account computations and contacts with the debtor in a secure file. Send the original form to the CRD and retain a copy in a departmental pending file. To prevent unnecessary delays in the CRD review process, fully complete all forms prior to submittal.

With your help, we will be able to eliminate salary overpayment balances that are over two years old from your department's accounts thereby relieving your department of its responsibility for these old overpayments. If there are any questions concerning the completion of the form, please call the AG's Civil Recoveries Division at 586-1100. For all other questions on salary overpayments, please call the DAGS' Pre-Audit Branch at 586-0650.



RUSS K. SAITO
State Comptroller

Attachments:

- (1) Delinquent Account(s) Write-Off Checklist
- (2) Delinquent Account Write-Off for Accounts Less Than \$500

- This account is approved for write-off.
- This account should be reviewed, corrected, and resubmitted.
- Recovery of this account will be initiated by CRD.
- Recommend recovery be initiated by department.

Date Deputy Attorney General

Date: _____

DELINQUENT ACCOUNT(S) WRITE-OFF CHECKLIST

(for accounts over \$500.00)

Dept./Div./Branch/Unit: _____ Program: _____

Contact Person/Title: _____ Tel: _____

Debtor(s): _____

Guarantor(s) and others who may be liable (ex. parental liability) (hereinafter collectively "debtor")

Acct. No(s).	Type of debt (<i>salary overpayment, loan, services, lease rent, etc.</i>)	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
TOTAL		_____

(attach additional sheets if necessary)

- | | | | | |
|----|---|---|---|-----|
| 1. | Is/Are account(s) delinquent for at least 2 years? (§40-82, HRS; 90 days for federal low rent public housing projects, §356-39, HRS; other statutes or rules may apply) | Y | N | UNK |
| 2. | Is debtor known? | Y | N | UNK |
| 3. | Is debtor within the State? | Y | N | UNK |
| 4. | Can debtor be located? | Y | N | UNK |
| 5. | Has debtor filed bankruptcy? | Y | N | UNK |
| a. | If yes, has Proof of Claim been filed? | Y | N | UNK |

b. Status:

6. Is debtor deceased? Y N UNK

a. Has claim been timely filed with the estate (§560:3-803, HRS)? Y N UNK

b. Status:

7. Is this account deemed by you to be uneconomical or impractical to collect? Y N

If yes, why?

8. Has debtor been placed on tax intercept pursuant to §235.51 et. seq. HRS? Y N

a. If yes, result:

b. If no, why not?

9. Is debtor a State employee? Y N UNK

10. Is debtor a former State employee? Y N UNK

11. Is debtor a retired State or County employee? Y N UNK

12. If debtor is a State employee, has debtor been placed on §78-12, HRS, salary withholding? Y N UNK

a. If yes, result:

b. If no, why not?

13. Is debtor a corporation?

a. If yes, list the officers, their addresses and telephone numbers:

Name(s)	Office(s) Held	Address(es)	Phone No.(s)

14. If debtor is a corporation, is the corporation dissolved or being liquidated? Y N UNK

a. When was the corporation dissolved or liquidated?

b. What remedies under §415-105 or §415-000 HRS have been pursued? If none, why not?

15. Is debtor a partnership (Chap. 425 HRS)? Y N UNK

a. If yes, list the partners, their addresses and telephone numbers:

Name(s)	General or Limited	Address(es)	Phone No.(s)

16. If partnership dissolved? Y N UNK

a. If yes, when? _____

b. Under §125-136, HRS _____ does not _____ discharge the debt.
What efforts have been made to collect?

17. Are there others who may be liable for the debt (*herein collectively "debtor", ex. piercing the corporate veil; guarantor(s); parents; guardians, etc.*)?

a. If yes, list names, their address and telephone:

Name(s)	Relationship	Address(es)	Phone No.(s)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

18. Have you attempted to contact debtor by telephone and mail? Y N UNK

a. If yes, who and the response or statements?

b. If not, why not?

19. Have you attempted to negotiate settlement or payment plan? Y N UNK

a. If yes, results:

b. If not, why not?

20. Have you referred the account(s) to a collection agency? Y N UNK

a. If yes, results:

b. If not, why not?

21. What other efforts have been made to collect?

22. Is debtor receiving other State benefits (*money, loans, leases, permits, contracts, retirement*)? Y N UNK

If yes, what?

23. Is debtor sitting on any State or county boards or commissions? Y N UNK

If yes, what?

24. Does debtor have any miscellaneous cases pending (ex: workers' compensation, criminal or civil lawsuits)? Y N UNK

If yes, please provide explanation:

25. How can your department improve its collection efforts?

26. Additional comments, if any:

DELINQUENT ACCOUNT WRITE-OFF
FOR ACCOUNTS LESS THAN \$500

Dept./Div./Branch/Unit: _____

Contact Person/Title: _____

Telephone No.: _____

Debtor: _____

Account No. or Social Security No.: _____

Debtor's Address: _____

Type of Debt: _____

Salary overpayment, loan, lease rent, services, etc.

Date of Debt: _____ Amount of Debt: _____

Is the account delinquent for at least two years? YES NO UNKNOWN

Have you attempted to contact the debtor? YES NO UNKNOWN
If so, how and result? _____

Is this account deemed by you to be uneconomical or impractical to collect? YES NO UNKNOWN
If so, why? _____

(death, cannot locate, bankruptcy, etc.)

Is debtor still a state employee? YES NO UNKNOWN

Has the account been referred to a collection agency? YES NO UNKNOWN

Have you attempted to negotiate settlement or a payment plan? YES NO UNKNOWN

APPROVED FOR WRITEOFF: _____
Deputy Attorney General

Date