**NAME**
Title

*Department*

Address

Baltimore, MD 21201

410 000 0000

*email goes here*

 *www.umaryland.edu*

Recipient’s Name

Recipient’s Address

Recipient’s Address

Date:

RE: Debt to UMB for Overpayment of Compensation

 Gross Overpayment Amount: $ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dear :

This notice is to inform you of a debt you owe as a result of overpayment of compensation to you while you were employed by the University of Maryland Baltimore (UMB). You are legally obligated to return that overpayment to UMB. Please see the enclosed Compensation Reconciliation Worksheet for an explanation of the overpayment and a calculation of the amount you owe UMB.

The total amount of your overpayment is the gross compensation you received in excess of your correct compensation. The overpayment was subject to withholding taxes, so you did not receive the full amount of the overpayment in your net pay. The full overpayment, not the net after withholding, is your debt to UMB.

As indicated on the enclosed Compensation Reconciliation Worksheet, UMB has applied to your debt the amount of any gross compensation due to you upon separation from employment to compensate you for final annual and holiday leave balances. Your remaining gross overpayment amount is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. After adjusting for FICA taxes, your net payback amount is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. This is your amount due. If you disagree with the calculation of overpayment, please contact my office within two weeks of the date of this letter.

UMB will issue an invoice for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in approximately two weeks. UMB’s invoice will be payable upon receipt. Please be sure that you do not spend the overpayment you received so the funds are available for payment of UMB’s invoice in a timely manner. If you would like to pay the amount due immediately, please send a check or money order with a copy of this letter to the following address:

University of Maryland, Baltimore

Central Billing

P.O. Box 41427

Baltimore, Maryland 21203-6427

UMB will not seek a refund on federal and state taxes withheld on your behalf from your overpayment. After you pay the UMB invoice in full, you will receive a corrected W-2 and you may be able to recover the withholding taxes included in the overpayment by claiming tax refunds. Seeking refunds of taxes is a personal responsibility and the risk of non-recovery of taxes is your risk.

If you do not pay your invoice for your debt for overpayment, your debt is subject to collection in accordance with the State of Maryland Department of Budget and Management Central Collection Unit’s (CCU) Standards for Administrative Collection of Claims. If the invoice is not paid in full, with payment received within 120 days of the invoice date, UMB will transfer the invoice to CCU for debt collection on behalf of UMB. A 17% collection fee is added to all accounts sent to CCU.

As a former employee with outstanding debt to UMB you are not eligible for rehire at UMB until your debt, including any collection fee charged by CCU, has been paid in full.

Sincerely,

***[Must be signed by the Department Administrator and an Associate/Assistant Vice President, Associate/Assistant Dean, or designee]***

Printed Name

Title

Contact Info

***[Must be signed by the Department Administrator and an Associate/Assistant Vice President, Associate/Assistant Dean, or designee]***

Printed Name

Title

Contact Info