



# National Financial Regulations

## B-3 Employee Administration and Payroll

Frequently Asked Questions

(V1.3.3)

## Contents

<b>NFR B-3 Employee Administration and Payroll.....</b>	<b>3</b>
<b>1.1 What is the process if a person retires or resigns? .....</b>	<b>3</b>
<b>1.2 What happens if I receive an overpayment or underpayment? .....</b>	<b>3</b>
<b>1.3 What is the process for recouping payroll overpayments when a person has retired or resigned? .....</b>	<b>3</b>
<b>1.4 What is the process if I have been overpaid more the €200 gross?.....</b>	<b>5</b>
<b>1.5 What happens when an overpayment to an employee is discovered? .....</b>	<b>6</b>
<b>1.6 What is the process if I have been overpaid less than €200 gross? .....</b>	<b>6</b>
<b>1.7 Why is Segregation of duties (SOD) important in payroll administration? .....</b>	<b>7</b>
<b>1.8 What are the Employees Responsibilities regarding pay?.....</b>	<b>8</b>
<b>1.9 Why is it important to submit HR forms on time? .....</b>	<b>9</b>

## 1 NFR B-3 Employee Administration and Payroll

### 1.1 What is the process if a person retires or resigns?

On retirement or resignation, the following process occurs:

- Employee submits relevant paper work to Line Manager
- Line Manager submits approved paperwork to HR (NPA) for review
- HR (NPA) forward approved paperwork to Payroll and NPM for processing
- Payroll notifies Revenue of leaving date on the payroll submission and NPM activates retirement process.

### 1.2 What happens if I receive an overpayment or underpayment?

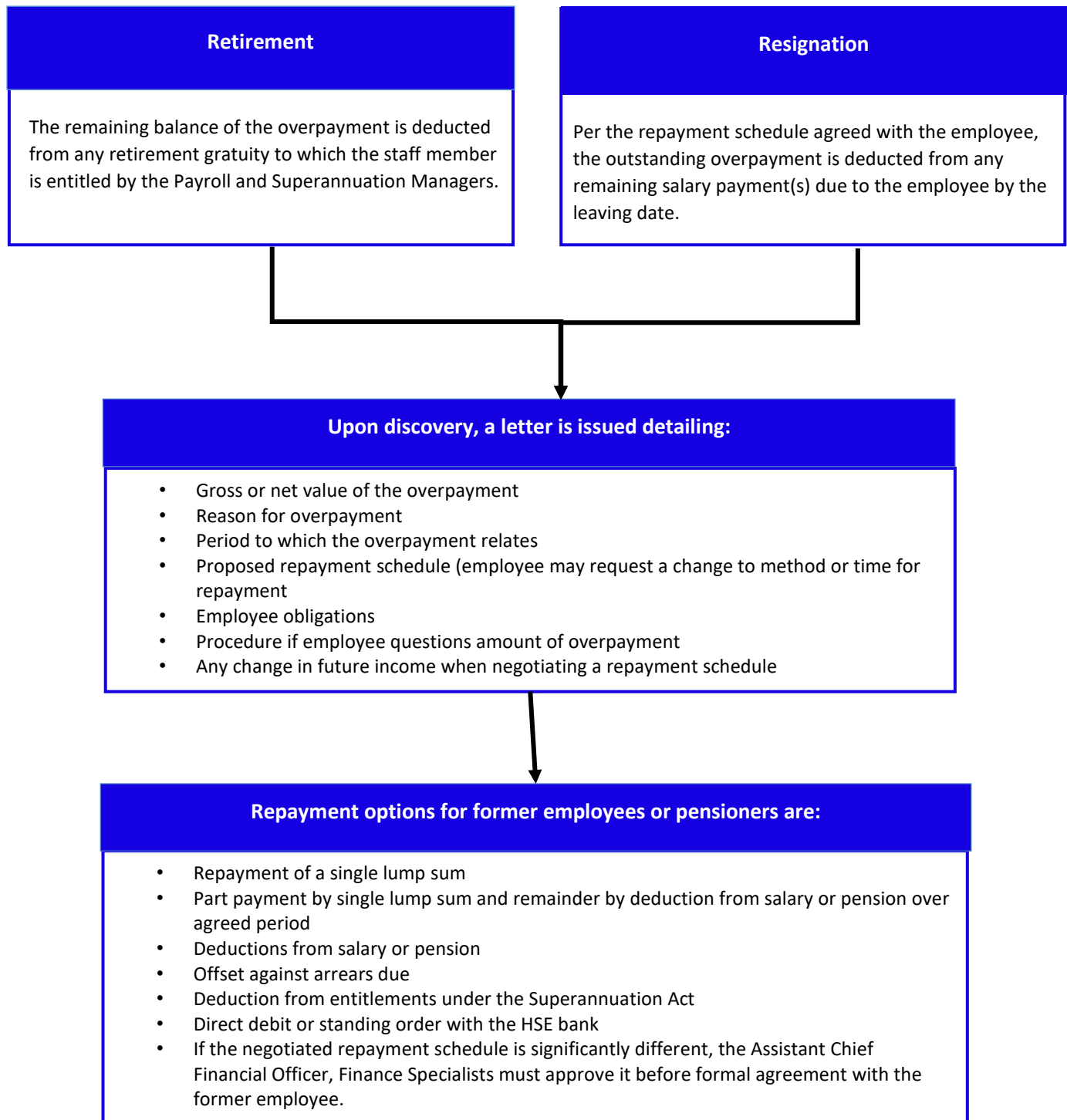
All staff members are obliged to notify Payroll if it is believed that they have been overpaid or underpaid for any reason.

### 1.3 What is the process for recouping payroll overpayments when a person has retired or resigned?

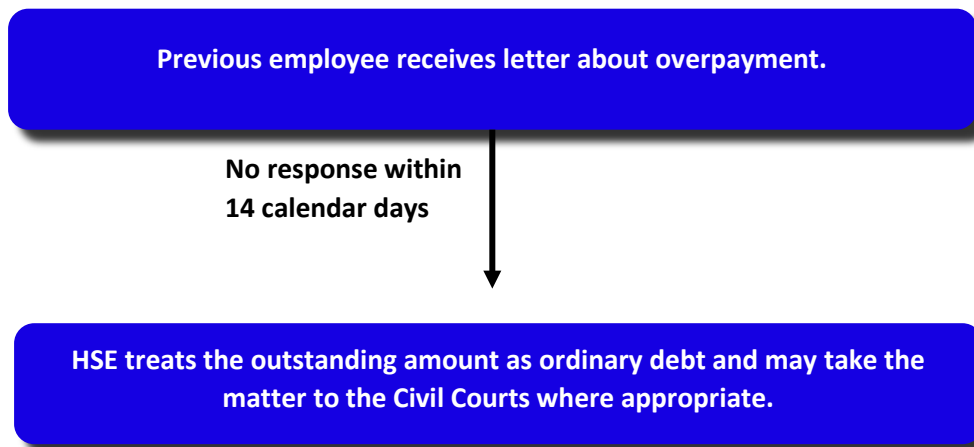
Retirements and resignations should be cleared through Payroll as much as possible and any outstanding should be converted to a net value which is then recouped by Pensions.

Pensions must inform Payroll of any recoupment to ensure that values are cleared from the Payroll Systems.

The process for retirements and resignation recoupment are set out in the flowchart below



Where no response is received through the attempted engagement with the former employee, the following procedure is implemented:



Where the Payroll Department does not receive notification or receives late notification of the death of an employee or pensioner, the overpayment recouped is the net amount of the overpayment (unless the employee was paid in arrears and there is still outstanding salary due).

The department will issue notification to the executor of the estate or next of kin of the deceased person.

#### 1.4 What is the process if I have been overpaid more the €200 gross?

For overpayment greater than €200, a letter will be issued to the employee from the party responsible for the overpayment with the assistance of FSS Payroll Department.

Any recovery of an overpayment paid to an employee must be carried out in accordance with [Revenue's position](#) on this matter.

The letter outlining the overpayment details must include the following items.

**You must include the following information to an employee if they have been overpaid – checklist**

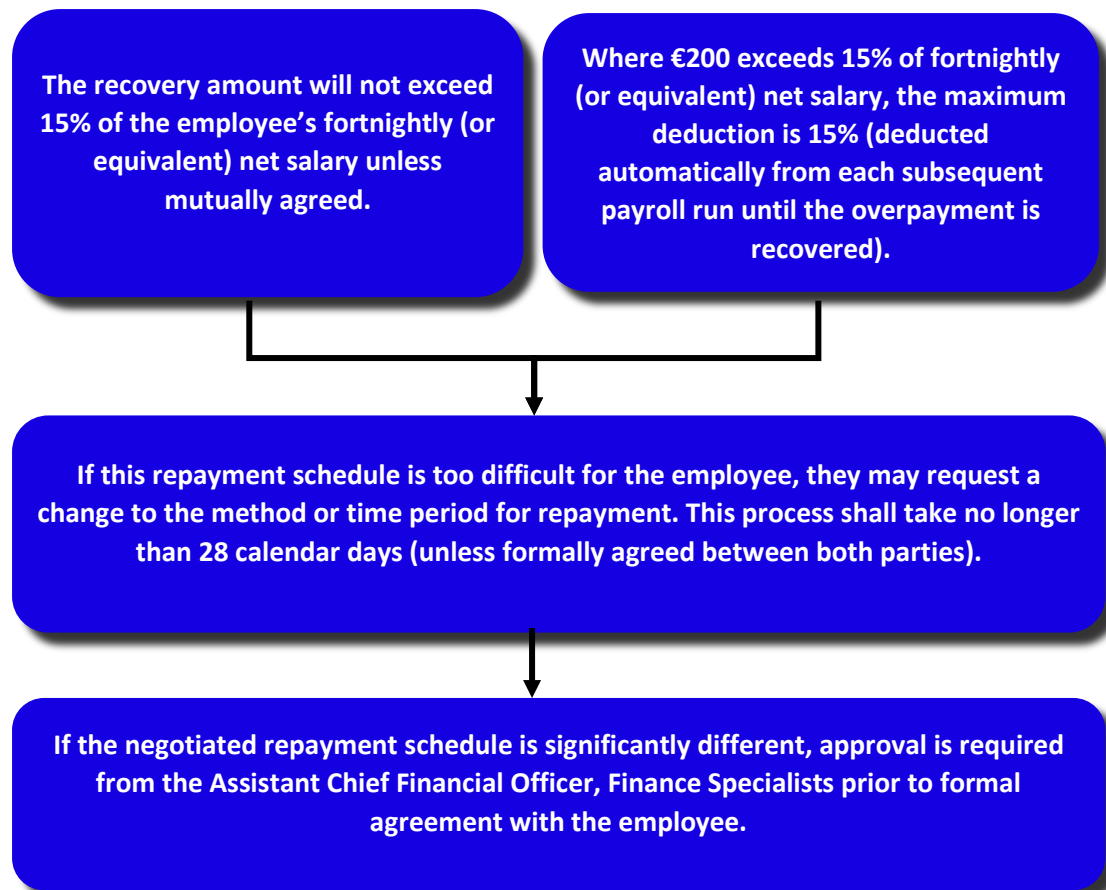
Gross or net value of the overpayment.	<input type="checkbox"/>
Reason for the overpayment.	<input type="checkbox"/>
Period to which the overpayment relates.	<input type="checkbox"/>
Proposed repayment schedule. The employee may request a change to the method or time period for repayment.	<input type="checkbox"/>
Employee obligations.	<input type="checkbox"/>
Procedure if employee questions the amount of the overpayment.	<input type="checkbox"/>
Any change in future income when negotiating a repayment schedule.	<input type="checkbox"/>
Revenue implications to be notified and explained upon request.	<input type="checkbox"/>
Copy of NFR B3 – Employee Administration and Payroll.	<input type="checkbox"/>

### 1.5 What happens when an overpayment to an employee is discovered?

When an overpayment to an employee is discovered initial engagement with the employee should be completed by the party responsible for the overpayment.

### 1.6 What is the process if I have been overpaid less than €200 gross?

Where the overpayment is below €200 gross (before deductions), the amount shall be recovered in the next payroll run. The recovery process needs to be in line with [Revenue guidance](#). The recovery process is shown below:



### 1.7 Why is Segregation of duties (SOD) important in payroll administration?

SOD within payroll administration is essential to reduce the risk of fraud and collusion.

This means that the same person is not responsible for handling payroll and authorising and approving transactions. All of these three actions must be completed by different staff so that no one person can control the payroll process from start to finish. For more on SOD, please refer to NFR A.

## 1.8 What are the Employees Responsibilities regarding pay?

Employee responsibilities	
<b>Accurate reporting</b>	<p>You must:</p> <ul style="list-style-type: none"> <li>▪ prepare and present accurate and timely documentation of your time, absences and attendance for review and approval at location or unit</li> <li>▪ accurately report any pay adjusting changes (such as parental leave, Shorter Working Year (SWY), cycle to work deductions and so on)</li> <li>▪ provide any change in information that may affect payroll, such as change of address or bank details to HR and NPA where applicable. Use one of the following methods: <ul style="list-style-type: none"> <li><a href="#">HR Forms</a></li> <li>In writing (email, memo or letter)</li> <li>Changed on HR and Payroll Self Service</li> </ul> </li> </ul> <p>You will not be paid unless all documentation is fully completed and submitted within the appropriate deadlines.</p>
<b>Timely information and notifications</b>	<ul style="list-style-type: none"> <li>▪ You must review your available leave to ensure that requests for leave do not exceed the appropriate level and you must give sufficient notice of leave.</li> <li>▪ All applications for leave are subject to the approval of your Line Manager. Absence without approval may lead to disciplinary action.</li> </ul>
<b>Notice periods</b>	<ul style="list-style-type: none"> <li>▪ You should be aware of the notice periods required to give effect to changes.</li> </ul>



### 1.9 Why is it important to submit HR forms on time?

Any delay to the processing of HR forms that relate to change in employees T&C's or an employee transfer could lead to over or underpayments to employees. Therefore, the timely submission of forms is required to calculate correct pay. It is critical that:

- local procedures are in place to ensure the efficient processing of HR forms
- local procedures must include the requirement to forward forms immediately for processing once approved
- staff must notify HR if they are receiving Maternity Benefit
- staff training should cover:
  - staff obligations when completing and approving HR forms
  - where forms need to be submitted for approval and processing
  - ban on staff approving or processing changes which affect their own pay
  - how staff can update their employee records using HR and Payroll Self Service
- only up-to-date HR forms may be given to staff. Outdated forms must be removed from circulation
- back-up documents must be kept on file for changes to important employee data such as address details or bank account records
- staff must not process any forms that do not have Line Manager approval or sign off
- staff must not process any forms that are not consistent with HSE policy.