

## Stale Dated Warrants

Payroll or commercial warrants that are not presented for payment after 186 days are considered stale dated and are no longer negotiable. The Galaxy system will automatically stale date warrants after the 186 day period has elapsed. Processing of stale dated warrants is based on the type of warrant:

### Payroll Warrants

- W-2 corrections are not needed for stale dated warrants.
- Galaxy will automatically transfer the net amount of the stale payroll warrant to the LEA.
- LEA's will reissue the net amount to the employee via a commercial warrant.
- **Do not** reissue a stale dated amount through a payroll warrant or a POD.
- LEA's should have a procedure in place to reissue the warrant.
- The reissuance of a stale dated warrant will have no effect on the individual's current or prior year taxable wages.

### Commercial Warrants

- All commercial warrants for payroll deductions issued through DFS that become stale dated will be transferred to the LEA's holding account. On some occasions there are staled warrants for pretax benefits. DFS will reach out to the LEA to confirm if the deduction was made in error. If an employee refund is required, DFS will refund the employee through a negative voluntary deduction. This procedure corrects the employee's W2.
- Post tax stale dated voluntary deductions (*See Section 520 Refund a Voluntary Deduction*)
  - Reissue to vendor
  - Reissue to employee(s) if deducted in error.
  - The LEA is not to assume the funds collected from an employee deduction.

If an employee or vendor presents a stale dated warrant at your LEA, please verify funds have been transferred prior to reissuing a warrant. If you have any questions regarding a stale dated warrant, please contact DFS Payroll.