

PERSONNEL
TRAINING FOR
HR
PROFESSIONALS
IN THE
STATE
PERSONNEL
MANAGEMENT
SYSTEM

Terminations and the Leave Payout Process



Topics to be discussed:

- ❖ How to determine term date
- ❖ How to determine “pay through date”
- ❖ When to remove leave balances
- ❖ Key things to remember

How to determine termination date

- ❖ The termination effective date will be the employee's last day on payroll
- ❖ If the employee is retiring, the termination date is normally the last day of the month; An employee cannot retire in the same month they receive active employee pay. Retirements are **ALWAYS** effective the first of a month.
- ❖ Upload resignation letter, or separation document, when processing a termination.

How to determine “pay through date”

- ❖ The pay through date is ALWAYS the last day of a pay period.
- ❖ The pay through date is the pay period in which unused Annual and Compensatory time is paid, when applicable.
- ❖ The pay through date should be two full pay periods AFTER the employee’s last day on payroll.

Pay through date (continued)

- ❖ Determine the pay period ending date that includes the employee's last day of paid time (work or leave) as an active employee. This date will ALWAYS be on a Tuesday.
- ❖ Looking at a calendar or payroll chart, count two pay period ending dates AFTER the one that includes the last day on payroll.

(example: Last day is Friday, 4/6/18; PPE for this day is 4/10/18. Two FULL pays after would be 5/8/18, pay through date is 5/8/18).
- ❖ The second date is the date you will use for the pay through date.

When to remove leave balances

- ❖ Do not remove leave balances until you confirm via check register that the leave was paid out properly; once confirmed, remove all balances.
- ❖ If employee is transferring to an independent agency, provide agency with leave balances and then remove them. Employees who transfer to other State agencies are not eligible to be paid for leave.
- ❖ Do not remove leave balances prior to confirming employee has been paid. If balances are removed too soon, the employee will not receive payout.

Key things to remember

- ❖ Make sure all leave requests have been submitted and approved, prior to pay through date
- ❖ Ensure any time or leave corrections have been submitted and approved prior to pay through date.
- ❖ Ensure salary is correct.
- ❖ A termination date is the employee's last day on payroll (work or leave time)
- ❖ Always zero out leave balances **AFTER** you have confirmed employee has been properly paid.
- ❖ Retirements cannot be effective in a month where an employee was active and received compensation for work or paid leave time.

Things to Remember Continued

- ❖ Employees will need to advise Nationwide in advance of their pay thru date if they intend to have monies deposited in their 401K, 457 and other retirement accounts
- ❖ Employees will also remain on the Payroll Master File an additional pay period after Pay thru date.

QUESTIONS?????

