

Termination Processing Procedures for Staff Employees

Monthly (S10,S12) and biweekly (BW1, BWP) appointed staff enrolled in leave plans are entitled to receive payout of benefit accrual hours at time of termination/retirement subject to policy restrictions.

- Biweekly staff (BW1) must have at least 6 months of service to receive termination payout for Vacation hours. Refer to UHRS for service date assistance and retirement requirements.
- **All terminal payout for accruals should be processed with the last regular payroll cycle.**
- If terminal payout is not included in last regular payment, per policy and State law, it should be processed in the next available off-cycle. We do not charge the off-cycle fee to process terminal pay.
- If a staff employee transfers to an Academic position, they receive payout for any accrued benefit hours. You should include the terminal payment with the last staff payment if possible.

The department/campus determines the last day of work and initiates the termination eDoc:

- Refer to policy and/or contact [Payroll](#) if you need assistance determining the last day of work, retiree status, and termination action reason codes. The Termination effective date is the first day not working. [Separation Pay Policy](#)
- Special note: **Monthly** staff whose last day working is the last day of the month, their eDoc term date is the first day of the next month i.e. LDW 5/31, Term eDoc 6/1 = Process term pay in May payroll cycle. **Biweekly** staff whose last day working is Friday, their eDoc term date is Saturday.
- When termination eDoc is final approved and saved in HRMS, the employee will be removed from the regular payroll voucher. The system will create a Final Check (FC Batch) paysheet . FMS will use the FC payline to process the final payment including terminal pay.
- If an FC payline is not created overnight, or the eDoc is saved on the day prior to a payroll close, contact [Payroll](#) for assistance in getting the FC payline created.

The department/campus prepares the [Paper Adjustment Voucher](#) (PAV) for termination payout:

- Include all regular pay and time off codes for the last pay period for BW1/BWP staff. Include all regular pay for S10/S12 for the last period. Time off codes for monthly staff are recorded in ePTO only. Be sure to indicate correct job record number.
- Include active additional pays. Be sure to indicate correct sequence number and prorate if appropriate.
- Indicate the exact funding account split(s) for each earn code.

Biweekly (BW1) Staff:

- Access the timesheet for the current pay period through the Payroll Processor Tab or by using the Timesheet inquiry.
- Review timesheet to determine hours worked and any time off hours used during the last pay period of employment.

- In Quali Time the timesheet can be approved to Final because we throw out terminated employees from the extract. This will allow for the approver and payroll processor's approvals to be recorded electronically for record keeping.
- The adjustment voucher should **NOT** be entered until the Termination eDoc is saved to PeopleSoft.
- Review Leave balances to determine payout based on years of service and policy. You should be running the IUIE Hours Balance report after each biweekly payroll closing to monitor accrual balances.
- Calculate prorated vacation accrual for last pay period to include in termination payout.
- [Vacation/PTO Accrual Chart](#) is published on FMS website in Payroll section.
- Determine accrual rate based on service years.
- Divide accrual rate by 80 = hourly accrual rate (also on chart).
- Multiply hourly accrual rate times hours in pay status in final pay period.
- Prepare PAV for final pay period, additional pay, and all terminal payout.
- Separate work/benefit hours by FLSA pay period end date (week 1/week 2).
- **RGN hours must equal total hours in pay status** for the week even if the employee used time off codes.
- *Example: Employee's last day of work was on Friday so they were in pay status 40 hours in the last week of work. They took 2 days off during the week due to sickness. **RGN hours = 40.00, SCK = 16.00** (the 16 SCK hours will subtract from the 40 RGN hours and the employee will receive 16 hrs SCK, 24 hrs RGN).*
- Indicate time off hours by earn code (SCK, VAC, etc.) in appropriate week(s).
- Include any additional pay earn codes (ALW, FYS, Temp Pay) in appropriate week(s) by sequence number. Prorate FYS payment for partial weeks.
- Combine **Accrued** Vacation hours balance + **calculated** vacation accrual for last pay period to determine termination vacation payout per policy restrictions. See [Vacation/PTO Accrual Chart](#).
- Include Vacation payout hours in final pay period end date using the terminal earn code (Max=872).
- **BW1: TVC – Terminal Vacation-Biweekly**
- Include Holiday hours in final pay period end date using the terminal earn code.
- **BW1: THL – Terminal Holiday-Biweekly**
- Include Compensation hours in final pay period end date using the comp payout code.
- **BW1: CMP – Comp Hours Payout**
- If the employee qualifies for retirement, calculate and include any Sick hours using the terminal earn code.
- **BW1: TSK – Terminal Sick - Biweekly**
- Follow instructions from UHRS concerning submitting the paper adjustment voucher.

Adjustment Voucher Entry (University Human Resource Services):

- Create an on-cycle adjustment voucher.
- Enter all regular hours, benefit time off and terminal pay.
- BW1/BWP staff: Include time off hours in regular hours. Example: if the employee worked 32 hrs and took 8 VAC hrs, you need to enter 40 RGN, 8 VAC since the VAC hrs subtract from reg.
- Review additional pay records and enter appropriate seq nbr and amounts on adjustment voucher.
- **Save** adjustment voucher. (Do not submit- it will show up on pending)
- Contact FMS about saved PAV.

Biweekly Professional (BWP) Staff:

- Access the timesheet for the current pay period through the Payroll Processor Tab or by using the Timesheet inquiry.
- Review timesheet to determine hours worked and any time off hours used during the last pay period of employment.
- In Quali Time the timesheet can be approved to Final because we throw out terminated employees from the extract. This will allow for the approver and payroll processor's approvals to be recorded electronically for record keeping.
- The adjustment voucher should NOT be entered until the Termination eDoc is saved to PeopleSoft.
- Review Leave balances to determine payout based on years of service and policy. You should be running the IUIE Hours Balance report after each biweekly payroll closing to monitor accrual balances.
- Calculate prorated PTO accrual for last pay period to include in termination payout.
- Reference the [Vacation/PTO Accrual Chart](#).
- Determine accrual rate based on service years.
- Divide accrual rate by 80 = hourly accrual rate (also on chart)
- Multiply hourly accrual rate times hours in pay status in final pay period.
- Prepare PAV for final pay period, additional pay, and all terminal payout. [Separation Pay Policy](#)
- Separate work/benefit hours by FLSA pay period end date (week 1/week 2).
- **RBP hours must equal total hours in pay status** for the week even if the employee used time off codes.
- *Example: Employee's last day of work was on Friday so they were in pay status 40 hours in the last week of work. They took 2 days off during the week. **RBP hours = 40.00, PTO = 16.00** (the 16 PTO hours will subtract from the 40 RBP hours and the employee will receive 16 hrs PTO, 24 hrs RBP).*
- Indicate time off hours by earn code (SCK, PTO, etc.) in appropriate week(s).
- Include any additional pay earn codes (ALW, Temp Pay) in appropriate week(s) by sequence number.

- Add **Accrued** PTO hours balance + **calculated** PTO accrual for last pay period to determine termination PTO payout per policy restrictions. See [Vacation/PTO Accrual Chart](#).
- Include PTO payout hours in final pay period end date using the terminal earn code.
- **BWP: TMP – Terminal PTO**
- Include Holiday hours in final pay week using the terminal earn code.
- **BWP: TMO – Terminal Holiday**
- Include Compensation hours in final pay week using the comp payout code.
- **BWP: CMP – Comp Hours Payout**
- Include any remaining Honorary Vacation hours in final pay period end date using the terminal earn code.
- **BWP: TMH – Terminal Honorary Vacation**
- If the employee qualifies for retirement, calculate and include any Sick hours using the terminal earn code.
- **BWP: TMS – Terminal Sick**
- Follow instructions from UHRS concerning submitting the paper adjustment voucher.

Adjustment Voucher Entry (University Human Resource Services):

- Create an on-cycle adjustment voucher.
- Enter all regular hours, benefit time off and terminal pay.
- BW1/BWP staff: Include time off hours in regular hours. Example: if the employee worked 32 hrs and took 8 VAC hrs, you need to enter 40 RGN, 8 VAC since the VAC hrs subtract from reg.
- Review additional pay records and enter appropriate seq nbr and amounts on adjustment voucher.
- **Save** adjustment voucher. (Do not submit- it will show up on pending)
- Contact FMS about saved PAV.

Monthly (S10, S12) Staff:

- Prior to submitting the Termination eDoc, the ePTO Administrator should work with the employee to make sure that the employee has recorded all final time-off information in ePTO.
- The employee will have access to do this until their termination date.
- The supervisor or ePTO Administrator can also add this data to the calendar for the employee.
- When submitting the Termination/Transfer eDoc, insert a note with the following information:
- Regular Pay amount for final month of work (prorated based on days in active status).
- Statement verifying the ePTO calendar is up to date. This signifies that either the employee, or the ePTO Administrator has recorded all time off on the calendar. If the ePTO calendar is changed after the eDoc is routed, please contact UHRS to correct.
- Special note: *employee's whose last day working is the last day of the month, their eDoc term date is the first day of the next month = termination paperwork should be processed in the on-*

cycle closing of the month in which they last worked. i.e. LDW 5/31, Term eDoc 6/1 = May payroll cycle.

- When the Termination eDoc is final approved, the ePTO Administrator will be responsible for accessing the employee's calendar to complete the terminal paper adjustment voucher (PAV). When the ePTO Administrator logs into the employee's calendar, the system will:
- Display a bubble by the employee's name which indicates that employee is terminated. *The employee will show in the hierarchy for one month from the termination effective date, or until the position is filled. After one month, if the position is not filled, only the bubble will display. The employee's calendar is still available through the "Find Employee" search box for ePTO Administrators. Once the position is filled, only a central office user will be able to access the calendar.*
- Prorate the monthly accruals for the month of the effective date of the termination
- Inactivate all entries in the system for the employee after the effective date of the termination
- Prepare the PAV for the final pay period, additional pay and all terminal payout:
- Monthly REG pay **prorated by work days in the month** (*this would include all hours in active status in the month they terminated. The REG amount would include any accruals used and/or holidays in the month they terminated.*)
- Additional Pay earn codes and/or amounts (ALW, Temp Pay) by sequence number **prorated by work days in the month.**
- Any termination payout due in accordance with policy. [Separation Pay Policy](#)
- **TMP – Terminal PTO hours**
- **TMO – Terminal Holiday hours**
- **TMS – Terminal Sick hours** (IU Retirees Only**)
- **TMH – Terminal Honorary Vacation**
- **TMV – Terminal Vacation** (PB Plan only)
- **TMB – Terminal Bonus** (PB Plan only)
- In the ePTO System the ePTO Administrator will then be responsible for:
- Providing the Honorary, Sick, and Holiday balances from the Time Off Detail tab in ePTO as of the last day of the month of termination
- Submitting and approving the final monthly calendar

How to figure prorated accruals in last working pay period for BW1/BWP Staff:

Accrual rate divided by 80 times hours in pay status = prorated accrual

Example: $4.31/80 \times 56 = 3.017$ (3.02)

How to figure Sick Payout for eligible Retiree's (must be enrolled in PERF or 11.25% retirement plan):

- If Sick accruals = 152 - 311 hrs
- (Accrual Amt – 152) x 25% = Balance To Be Paid
- Example: $300 - 152 = 149 \times 25\% = 37.25$ hrs

- If Sick accruals = 312 and above
- $((\text{Accrual Amt} - 312) \times 50\%) + 40 = \text{Balance To Be Paid}$
- Example: $900 - 312 = 588 \times 50\% = 294 + 40 = 334 \text{ hrs}$

Note: *This calc is different with those who had vested rights in PERF and are now in 12% retirement plan.* [Separation Pay Policy](#)

How to figure Staff Monthly pay amounts:

For REG pay: Monthly rate / number of work hours in the term month = hourly rate for month

Example: $\$4335 / 168 \text{ (Jun 2012)} = \$25.804 \text{ hourly rate}$

Hourly rate X work hours = prorated monthly amount

Adjustment Voucher Entry (University Human Resource Services):

- Create an on-cycle adjustment voucher.
- Enter all regular hours, benefit time off and terminal pay.
- S10/S12 staff: Enter terminal pay hours (not amount) and the system will calc the amount using the hourly pay rate on job data. Example: if employee has 288 PTO hrs, enter TMP + 288 hrs.
- Review additional pay records and enter appropriate seq nbr and amounts on adjustment voucher.
- **Save** adjustment voucher. (Do not submit- it will show up on pending)
- **Scan or fax adjustment voucher to Stacy Lady, slady@iu.edu, 812-855-3409.**