Topic Based Zoom: Retirement & Final Pay Transactions
5/5/21
Today’s Topics

- How to Initiate a Retirement
- When and How to Request Final Pay
- Resources and Review of Deadlines
- Best Practices and Q&A
How to Initiate a Retirement

- System Steps
- 7/1 Considerations
Before initializing a Retirement Template Transaction:

- Coordinate with other departments for last day worked in other jobs
- When UCPC receives a Retirement transaction, they will retire the employee from all other UC jobs

Have the information you need to complete the template handy, including:
- Empl ID
- Empl Record/Position
- First day as "Retired" Effective date
- Last day worked/Last day on Pay Status

- Review the Template Transactions – Action Reason Codes and Descriptions job aid to ensure you utilize the correct template and reason code
- Review the Payroll Processing Calendar to ensure you submit your transaction in time for approval before deadline
CONSIDERATIONS FOR 7/1 RETIREMENT

- To qualify for the inactive COLA, the employee must have a minimum of one business day not on active pay status prior to July 1.

Example: To qualify for the COLA increase in the 2021 calendar year:

- **Effective Date** of Retirement template: June 30th (Wednesday)
- **Last Day Worked** = June 29th (Tuesday)
- June 30th represents the 1 business day that they would not work and not receive pay.

Note: This process only addresses the actions in UCP. Standard Retirement Administration Service Center (RASC) retirement business process and Academic Personnel Manual (APM-120) policy must be followed.

After the retirement template transaction has been submitted, you may need to request final pay. Remember to check the **Payout Accruals** checkbox in the final pay request, if applicable (not required for Academic Year (AY) appointees).
When to use the Retirement Template

Use the UC_RETIRED template when:

- An employee submits a retirement request

When UCPC receives a Retirement transaction, they will retire the employee from all other UC jobs.

REMEMBER: The Effective Date for a retirement is the first day the individual has the status of retired; this is different than what is recorded in PPS.
System Steps

- Select Template
- Enter Effective Date (first day as “retired”)
- Click Create Transaction
System Steps

- Enter Employee ID
- Select Employment Record Number
- Review Effective Date
- Click Continue
The **Last Date Worked** automatically populates with a date that is one day prior to the **Effective Date**.

- **Last Date Worked** is the last day on Pay Status
- If the **Effective Date** is a Monday, the **Last Date Worked** defaults to the previous workday (Friday)
- The **Last Date Worked** field can be changed, however, the **Last Date Worked** must be prior to the **Effective Date**
- Enter **Comments** for UCPC, describe transaction
- When complete, click **Save and Submit**

Note that oftentimes the **Last Day Worked** is more than one day prior to the first day on retired status. Keep the **Effective Date** and change the **Last Day Worked** as necessary.
How to Request Final Pay

- When to Submit Final Pay
- System Steps
- Final Pay Guide
When to Submit Final Pay & Final Pay Distribution

UCPath determines whether Final Pay is On-Cycle or Off-Cycle. You cannot override this determination. If there are special handling instructions for final pay, those must be included in the Comments section of the request.

<table>
<thead>
<tr>
<th>OFF-CYCLE</th>
<th>ON-CYCLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Employee is represented and their contract requires off-cycle final pay; work with Campus/Med Center HR to identify which employees are covered by the 48 Hour Pay-Out rule.</td>
<td>- Non-represented employee has accruals to pay out.</td>
</tr>
<tr>
<td>- Employee is being involuntarily terminated.</td>
<td>- Non-represented employee is exempt and used hours (sick/vacation/PTO) that will not be picked up by the monthly or biweekly pay compute deadlines.</td>
</tr>
</tbody>
</table>

NOTE: If none of these apply, no final pay action is needed. Employee will receive their final pay on the next On-Cycle pay period.
When Final Pay Isn’t Necessary

If **ALL** the following is true, no final pay request is required:

- Voluntary termination AND
  - Non-represented OR
  - Represented with contract not requiring Off-Cycle pay
- Employee did not accrue hours that need to be paid out
- All earnings and leave usage will be picked up in the On-Cycle pay process
In order to submit a Final Pay Request, navigate to the **Self Service Transaction Links page** and select the **Create link next to Payroll Request (E-078)**.
1. Select Payroll Request = Final Pay
2. Select Termination Type
3. Enter Search Criteria (e.g., Empl ID, name etc.)
4. Click Get Employees
5. After results are displayed, click the employee’s name to proceed to the request page

For Employees with multiple jobs, verify the Empl Record, and select the desired record.
1. Enter Earnings Code
2. Enter Earnings Begin and Earnings End to encompass pay period days worked (Earnings End = Last Day Worked)
3. Enter % Salary = (# days worked/# working days in month); press Tab to prompt calc of pay fields
4. Enter Initiator Comments; both local Approver and UCPC will see these comments.
5. Upload Documents if needed
1. Enter **Earnings Code**

2. Enter **Earnings Begin** and **Earnings End** date (must match)

3. Enter **Hours** worked that day.

4. Add rows and repeat as needed to capture time worked to **Pay End Date**.

5. Enter **Initiator Comments**; both local Approver and UCPC will see these comments.

6. **Upload Documents** if needed.

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**Pay End Date** defaults to end date of current pay cycle (biweekly or monthly) based on **Employee Pay Group** and cannot be updated.

Any time worked after this date must be entered in the **Initiator Comments** with **Earn Code**, **Begin and End Date**, and **Hours**.

The **Earnings End** date cannot be a date after the employee’s separation date.
1. Check **Payout Accruals** box if appropriate.
2. Enter **Earnings Code**.
3. Enter Leave earning **Hours** taken that day.
4. Enter **Earnings Begin** and **Earnings End** dates (must match).
5. Add rows as needed to capture Leave earning hours taken within pay period.
6. Add to **Initiator Comments** if needed.
7. Click **Submit**.
Comments are critical in submission of payroll requests. For Final Pay, include:

- Termination or Retirement template transaction number
- Details of time worked outside of current pay period (days and hours worked)
- Explicit statement that employee did not use any accruals, if applicable
- Instructions for any special handling
## Final Pay Monthly Employees

<table>
<thead>
<tr>
<th>Type of Employee</th>
<th>Deadline for Local Approval</th>
<th>Off-Cycle/On-Cycle</th>
<th>Earnings Tab</th>
<th>Leaves Tab</th>
<th>Initiator Comments</th>
<th>Timekeeper Action in Time &amp; Attendance</th>
</tr>
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</table>
| Monthly, non-represented or represented with no requirement for off-cycle final pay | Local approval no later than 2:00 pm on 6/18/2021 | On-Cycle | Do not enter any earnings if all time worked is captured in Time and Attendance | Do not enter any Leaves if all time accrued usage is captured in Time and Attendance | * Retirement template transaction number  
  * Last Day Worked  
  * Statement that employee did not use any accruals, if applicable  
  * If employee earns Addl Pay: List Earn Code/type and amount; add “Please prorate based on Last Day Worked.” | None |
| Monthly, represented with requirement for off-cycle final pay | Local approval no later than 2:00 pm on 6/18/2021 | On-Cycle | Do not enter any earnings if all time worked is captured in Time and Attendance | Do not enter any Leaves if all time accrued usage is captured in Time and Attendance | * "PROCESS ON-CYCLE. ON-CYCLE PROCESSING MEETS CONTRACT REQUIREMENTS FOR FINAL PAY. EARNINGS/ LEAVE USAGE IN 1-181"**  
  * Retirement template transaction number  
  * Last Day Worked  
  * Statement that employee did not use any accruals, if applicable  
  * If employee earns Addl Pay: List Earn Code/type and amount; add “Please prorate based on Last Day Worked.” | None |

Available under Quick References: Processing Final Pay for 7/1 Retirees [https://ucpath.ucsd.edu/transactors/job-aids.html#Payroll-Requests](https://ucpath.ucsd.edu/transactors/job-aids.html#Payroll-Requests)
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</table>
| Biweekly, non-represented or represented with no requirement for off-cycle final pay | Local approval no later than 2:00 pm on 7/8/2021 | On-Cycle           | Do not enter any earnings if all time worked is captured in Time and Attendance | Do not enter any Leaves if all time accrual usage is captured in Time and Attendance | ▪ Retirement template transaction number  
▪ Last Day Worked  
▪ Statement that employee did not use any accruals, if applicable  
▪ If employee earns Addi Pay, List Earn Code/type and amount; add “Please prorate based on Last Day Worked.” | None |
| Biweekly, represented with requirement for off-cycle final pay | Local approval no later than 2:00 pm on 6/24/2021 | Off-Cycle          | Enter earnings for 6/13/2021 – 6/26/2021 | Enter accrual usage for 6/13/2021 – 6/26/2021 | ▪ Retirement template transaction number  
▪ Last Day Worked  
▪ Hours worked on 6/28 and/or 6/29, if applicable  
▪ Accrual usage on 6/28 and/or 6/29, if applicable  
▪ Statement that employee did not use any accruals, if applicable  
▪ If employee earns Addi Pay: List Earn Code/type and amount; add “Please prorate based on Last Day Worked.” | Timekeeper should check the DO NOT PAY box in EcoTime, located in Employee Set-up/Employee Details screen, to ensure no Earnings or Leave usage included in the Final Pay Request is passed through to the I-181. |

Available under Quick References: Processing Final Pay for 7/1 Retirees https://ucpath.ucsd.edu/transactors/job-aids.html#Payroll-Requests
Resource Review

- UC San Diego Materials
- UCPC Materials
- Deadlines
- UC San Diego Job Aids and Quick References: https://ucpath.ucsd.edu/transactors/job-aids.html
- How to Initiate a Retirement Template Transaction
- How to Process an Academic Retirement and Change to Emeritus Status
- Processing Final Pay for 7/1 Retirees
- How to Request Final Pay for Exempt Employees
- How to Request Final Pay for Non-Exempt Employees

- UCPath Help Site for Transactional Users: https://sp.ucop.edu/sites/ucpathhelp/LocationUsers/LOCplayer/data/toc.html
- Initiate Retirement Template Transaction
- Submit Final Pay Request
- Approve Final Pay Transaction
Under the **Benefits Deduction Calendars** tab, you should find the following information and this should be viewable to all users:

The **Voluntary Retirement Savings Program Enrollment/Change Effective Date** will provide guidance regarding the cutoff date for elections for the employee’s corresponding paycheck. [https://www.ucop.edu/ucpath-center/_files/mypath/calendar/rsp-enrollment-change-dates-2021.pdf](https://www.ucop.edu/ucpath-center/_files/mypath/calendar/rsp-enrollment-change-dates-2021.pdf)
## Retirement Template and Final Pay Deadlines

<table>
<thead>
<tr>
<th>Type of Employee</th>
<th>Retirement Template Deadline</th>
<th>Final Pay Request Deadline</th>
<th>Date of Final Check</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monthly</strong> employee retiring effective 6/30, final pay is <strong>not</strong> required</td>
<td>Local approval no later than 3:00 pm on 6/18/2021</td>
<td>N/A</td>
<td>July 1, 2021 (includes PPE 6/30)</td>
</tr>
<tr>
<td><strong>Monthly</strong> employee retiring effective 6/30, final pay is required</td>
<td>Local approval no later than 3:00 pm on 6/18/2021</td>
<td>Local approval no later than 2:00 pm on 6/23/2021</td>
<td>July 1, 2021 (includes PPE 6/30 plus any accruals)</td>
</tr>
<tr>
<td><strong>Biweekly</strong> employee retiring effective 6/30, final pay is <strong>not</strong> required</td>
<td>Local approval no later than 3:00 pm on 7/8/2021</td>
<td>N/A</td>
<td>July 21, 2021 (will include PPE 7/10: 6/28 and 6/29)</td>
</tr>
<tr>
<td><strong>Biweekly</strong> employee retiring effective 6/30, On-Cycle Final Pay is required</td>
<td>Local approval no later than 3:00 pm on 7/8/2021</td>
<td>Local approval no later than 2:00 pm on 7/14/2021</td>
<td>July 21, 2021 (will include PPE 7/10: 6/28 and 6/29, plus any accruals)</td>
</tr>
<tr>
<td><strong>Biweekly</strong> employee retiring effective 6/30, Off-Cycle Pay is required</td>
<td>Local approval no later than 3:00 pm on 6/24/2021</td>
<td>Local approval no later than 2:00 pm on 6/30/2021</td>
<td>July 2, 2021 (will include PPE 6/27, plus 6/28 &amp; 6/29, plus any accruals)</td>
</tr>
</tbody>
</table>

Available under Quick References: Processing Final Pay for 7/1 Retirees https://ucpath.ucsd.edu/transactors/job-aids.html#Payroll-Requests
Coordinate with other departments as needed
- If employee has multiple empl records, coordinate last day worked in other jobs
- When UCPC receives a Retirement Template they will retire the employee from all other UC jobs

Retirement/Termination Templates must be submitted before Final Pay Requests
- If retirement/termination is not fully processed before submitting request for Final Pay, employee may receive final pay before retirement/termination is processed

Check the DO NOT PAY box in Ecotime
- For off-cycle final pay, make sure you check the DO NOT PAY box in Ecotime so hours are not sent with the regular on-cycle I-181 file
Pay close attention to Effective Dates

- The Effective Date for a retirement is the first day the individual has the status of retired

Do not forget to check the Payout Accruals box

- If the box is not checked and the employee has accruals to be paid out, it will be distributed on a separate check and there will be tax implications for the employee

Additional Pay is calculated by UCPC

- Enter comments on Final Pay Request
- Review PayPath to confirm:
  - Prorate box is checked
  - The End Date is the Last Day Worked
Key Takeaways | Retirement

- The Retirement Template transaction must be submitted before the request for final pay.
- If retirement is not fully processed before submitting request for final pay, employee may receive final pay before retirement is processed.
- When UCPC receives a Retirement Template transaction, they will retire the employee from all other UC jobs.
- The Effective Date for a retirement is the first day the individual has the status of retired; Last Day Worked is the last day on Pay Status.
- UCPC is responsible for the calculation of Additional Pay, including proration if applicable; do not include additional pay in a final pay request (end any recurring additional pay in PayPath as of the last day worked).
- Final check is distributed however employee normally receives pay.
- Do not delete blank rows.
Key Takeaways | Retirement

- Do not forget to check the **Payout Accruals** box; if forgotten and distributed on a separate check there are tax implications for the employee.

- Comments are **very important**.

- If the **Final Pay** is **off-cycle**, don’t forget to check the **DO NOT PAY** box in **Ecotime** to ensure the hours are not sent on the regular on-cycle I-181 file.

- If the **Final Pay** is **off-cycle**, UCPC cannot refer to the regular time files, so you will need to enter all earnings on the final pay request.

- If you need to process an academic retirement and change to emeritus status refer to Job Aid **How to Process an Academic Retirement and Change to Emeritus Status** on our Job Aids Page: [https://ucpath.ucsd.edu/transactors/job-aids.html#Template-Transactions](https://ucpath.ucsd.edu/transactors/job-aids.html#Template-Transactions)
Salary % calculation question - So it’s not multiplied by the employee’s FTE in this calculation? \textbf{Salary }\% = \textbf{# of days worked} / \textbf{# working days in the month}. The system calculates the Calculated Salary with the FTE in Job Data.

If final pay will be on-cycle and captured in time & attendance, earnings don’t need to be entered do they? \textbf{Correct}, ON CYCLE final pay can refer to time and attendance for hours entered through time and attendance.

PPT/recording will be available at: \url{https://ucpath.ucsd.edu/training/review.html}

The effective date is being referenced as "6/30" for our upcoming retirees, as the first day on retired status. But to ensure COLA eligibility, isn't the first day in a separated status 6/30 with a 7/1 first day of retirement?

- To qualify for the inactive COLA, the employee must have a minimum of one business day not on active pay status prior to July 1.

\textbf{Example}: To qualify for the COLA increase in the 2021 calendar year:

- \textbf{Effective Date} of Retirement template: June 30th (Wednesday)
- \textbf{Last Day Worked} = June 29th (Tuesday)
- June 30th represents the 1 business day that they would not work and not receive pay.
If BW employee is on a paid leave, and returns on the day of final work day before they retire, do I return them from leave and process retirement and final pay on the same day? For example, employee returns from paid leave on 5/21. That is the last day worked. Official Retirement date is 5/22. Should I wait until UCPath approves the return from leave before I process the retirement template and final pay? Sometimes UCPath approval from leave takes 24 hrs. Is it best practice to wait until UCPath approves return from leave, (which may take at least 24hrs) before I process retirement template and final pay request? If the employee is not returning from leave before retirement, you do not have to enter an actual return date. You should submit the final pay request after the retirement template and reference the retirement template transaction number to ensure UCPC will process correctly.

A lecturer (Exempt/MO) with a current appointment of 7/1/20 – 6/30/21 will be retiring. If I use 6/29/21 for the retirement, will that cause her June paycheck (her final one) to be prorated? Yes, if you use the 6/29/21 last day worked they will not be paid for 6/30/21. If the employee wants to participate in the inactive COLA, they will need to have 1 day of no pay before retirement. If the employee wants to be paid for 6/30/21 then the employee will not be eligible for the COLA per the inactive COLA guidelines.

If UCPath determines whether the final check request is on-cycle or off-cycle, how will the initiator know whether to enter the time in the final pay transaction and edit Ecotime to avoid duplicate pay? The “off cycle?” box will be checked or unchecked on the final pay request and this lets you know whether or not UCPC will be processing the final pay on or off cycle.

When requesting off-cycle pay for vacation accrual payout, do we still let the regular monthly hours (exempt) report via ecotime? Or do we suppress Ecotime and report final hours worked and vacation payout on the off-cycle request? If the “off cycle?” box is checked on the final pay request, UCPC will not be able to refer to the reg i-181 files so you should enter reg earnings on the final pay request so it is paid out all together with the vacation payout.