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Best practices: Ensure reliable payroll for departing employees [1]



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Timing is everything when paying an employee who is terminated. Many moving parts must come together, including crucial steps employees should take [3] to ensure their benefits preferences and final payroll are taken care of.

Supervisors should be sure to share the Leaving CU page [3] with departing employees, and here are a few tips for payroll liaisons to ensure that an employee's final pay after termination processes correctly.

The employee's position must remain in **Active** status until the employee's last paycheck has completely processed. Inactive positions cause errors and must be reactivated during payroll processing.

Active positions need active funding. Be sure funding is current through the end of the period of the final paycheck. Avoid payroll suspense by ensuring that SpeedTypes and projects are in an active status and funding end dates have not expired.

Run the unit's **Personnel Roster** to ensure that any terminating employees are flagged for termination, and a process is in place to capture the termination row in HCM before their final payroll processes.

An employee's termination date is the first day that they no longer work at the university. It is not the last day worked or last day of active employee status.

Use the **Auto Terminated** and **Auto Term Ineligible** queries to confirm that any employees subject to auto-term were terminated as anticipated.

Enter the employee's termination row before the payroll deadline, but don't miss a CU Time My Leave upload by entering the termination row before the upload. Double check that all final My Leave timesheets and/or manual/regular CU Time entries are uploaded and approved by the payroll deadline for the final paycheck.

> **Tip:** Compare the current upload to last pay period's Personnel Roster to confirm who is missing, and then confirm that there is not any outstanding pay to enter.

Use the earnings begin and end dates in CU Time that reflect the actual earnings periods for final pay (i.e., before the termination date).

> **Tip:** If a monthly employee terminates on the 28th, the earnings period ends on the 27th.

When entering a vacation and/or sick leave payout (upon retirement) in CU Time, enter the number of hours rather than a pay amount. The hours reduce the accrual balances after payroll processes. The payout is based on the employee's annualized hourly rate. VCT and SKS campus funding sources are already in the DBT — no need to add SpeedType overrides in CU Time.

Review leave balances after the employee's final payroll. After a vacation payout, use earn code **VAA** to reduce the vacation balance to zero, and after a sick leave retirement payout, use **SKA** to reduce the entire sick leave balance to zero.

> **Tip:** Remember that a positive VAA (adjustment) adds to the balance, and a positive VAC (usage) reduces the balance. The same is true for sick leave.

Is the terminating employee also retiring with the university? If so, it is very important that the employee termination/retirement row is entered before the payroll deadline, and that all final pay is included in the final paycheck. Is the retiree returning as a working PERA or ORP retiree? Rehire them after the final employee payroll process on a record other than record 0.

These simple steps will contribute to a smooth exit transition for CU employees.

Need extra help?

You can find HR/GL resources on the HCM Funding Entry page [4].

As always, you can email hcm_community@cu.edu [5] or System.HRGL.Team@cu.edu [6] for additional help.

To access the HCM queries mentioned above:

1. Log into the **employee portal** [7].
2. Open the **CU Resources** dropdown menu and click **Business Tools**.
3. Select the **HCM** tile and choose **HCM Community Users** from the drop-down menu.
4. Click the **HCM WorkCenter** tile.
5. Select the **Resources** tab and click the query you desire.

HRGL [8], funding [9], payroll [10]
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