SUBJECT: DISBURSEMENT OF FINAL PAYCHECK

GENERAL:

The purpose of this bulletin is to outline the process and timelines for final payment to employees who have been separated from the District, or have been placed on Layoff/Reduction in Personnel. Also included in this bulletin are the types of payments these employees should expect in their final pay check.

It is imperative that employees who change employment status (i.e., become Inactive or Withdrawn) verify their permanent address on file in SAP is correct to ensure accurate delivery of final paychecks. Active employees (including Externals) and Inactive employees may update their mailing address via Employee Self Service (ESS) at any time. Withdrawn employees may update their mailing address via Employee Self Service (ESS) for up to 45 days after the effective date of the action changing their status.

TYPES OF ACTIONS WITH FINAL PAYOUTS
A. Termination (Involuntary)
B. Layoff/Reduction in Personnel
C. Resignation (Voluntary)
D. Retirement

NOTE: The following actions may require a final payout, but do not place an employee in a Withdrawn status:
- Layoff – used for Non-Instructional staff only; employees placed on Layoff are changed to Inactive status. These employees may be entitled to a payout of Year Round Pay, Vacation hours, Compensatory hours and/or Sick Leave hours (TSP only).
- Reduction in Personnel – used for Instructional staff only; employees who are classified as Reduction in Personnel are changed to Inactive status. These employees may be entitled to a payout of Year Round Pay.
- Involuntary Transfers (AKA Surplus) – used for Instructional staff only; employees who are placed on Surplus remain active and are not affected by the processes contained in this bulletin.

IMPACT OF EFFECTIVE DATE AND PROCESSING DATE
The effective date of an employee’s change in status and the date the action is actually processed in the system will determine the following:

1. Pay Date – when the final pay check will be processed in the system, i.e. the specific scheduled pay date the employee will receive the final payment.

2. Method of Payment – an employee may receive their final payment in the format of a paper check or via direct deposit even if their standard method of payment was direct deposit during their employment.

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(a) Paper Check – if the termination action is processed prior to or by the effective date of the termination, the final payment may be in the form of a paper check.

(b) Direct Deposit Transaction – if the termination action is processed after the effective date of the termination, the final payment will be processed as a direct deposit transaction.

3. Delivery Method – where the final payment is sent will be determined by the processing date of the action. The final payment may be sent to the employee’s work location or mailed to their permanent address on file in the system.

(a) Work Location - if the personnel action is processed in a timely manner and falls within the employee’s last pay period, the final pay check will be sent to the employee’s work location.

(b) Permanent Address on File - if the personnel action is entered after the end of the employee’s last pay period, the employee’s final paycheck will be mailed to their most recent permanent address.

The following scenarios will illustrate the pay date, payment method and delivery venue for Mr. Anonymous final payment:

Example:
Mr. Anonymous has submitted a resignation with an effective date of 3/12/2010. He is a teacher on the AA payroll area and is enrolled in the Year Round Payment (YRP) plan. The next scheduled pay date on the AA payroll area is 3/19/2010.

Scenario 1:
Mr. Anonymous’ resignation is processed in a timely fashion on 3/12/2010.
- Final Payment Date - 3/19/2010
- Method of Payment - paper check
- Delivery Method - check will be sent to the work location via pony

Scenario 2:
Mr. Anonymous’ resignation is NOT processed in a timely fashion. The action is processed on 3/22/2010 (i.e. after the effective resignation date of 3/12/10)
- Final Payment Date - 3/19/2010
- Method of Payment – direct deposit
- Delivery Method – since the action was entered late, the advice will be sent to the work location. The location will forward the advice to the employee’s permanent address on file
SUBJECT: DISBURSEMENT OF FINAL PAYCHECK

TYPES OF PAYMENTS INCLUDED IN THE FINAL PAYCHECK

A. Hours worked through the effective date of the personnel action for the change in status, provided the hours are entered into the system in a timely manner by the location.

B. Accumulated sick hours – only employees who are separating from the District because of retirement and employees who are in the BTU-TSP bargaining unit and are laid off are eligible for payout of any accumulated sick hours.

C. Accumulated vacation hours – all employees who are on a vacation accruing calendar and who have an ending balance as of the effective date for the change in status will receive a payout of the remaining balance as allowed per contract.

D. Accumulated Compensatory Time – eligible employees who have an ending balance of Compensatory Time as of the effective date for the change in status will receive a payout of the remaining balance as allowed by contract.

E. Year Round Pay (YRP) – employees who are enrolled in the YRP program and have a YRP balance as of the effective date for the change in status, which has not been previously paid will receive a payout in the final paycheck.

NOTE: Any amounts owed to the District will be deducted from the final pay check or direct deposit transaction. This may include amounts for overused sick leave, unpaid personal leave hours reported late, unearned supplements and any other unearned wages. Outstanding overpayments as well as amounts owed for benefits not previously deducted may also be taken from the final pay check or direct deposit transaction.

WHEN TO EXPECT THE FINAL PAYCHECK

Employees, with the exception of Retirees, should receive their final pay check within two pay periods from the date the personnel action is processed in the payroll system. Retirees are processed in a different manner due to special reporting requirements and may take up to two additional weeks for final payments. This time period could increase if additional time is required for processing, especially during peak periods.

APPROVED BY EIU

James F. Notier 08/09/2010