

Separations Workgroup

Topics for today and future PPA meetings

COBRA Subsidy – May

- Keying differences
- Assistance Eligible Individuals must be identified
 - Y or N
 - PAY1
 - Reporting requirements/recordkeeping burden
- Accounting requirements (mailed to agencies separately by OFM)
- Directions for agencies to post to be in compliance with IRS / HCA

Separation out of State Service – June

- **All Terminations/Resignation/Voluntary:**
 - HR Separation Checklist
 - § Letter to the Employee
 - Employee assistance/EAP
 - Employee rights
 - § Exit Interview, if practical
 - § Final address change (W-2, other correspondence)
 - § Security Access revoked
 - HRMS Access
 - PAY1 Access
 - AFRS
 - Other statewide/agency internal systems
 - Keys/Access cards
 - Agency property recovered
 - SCAN
 - Calculation of final pay:
 - § Timekeeping/Payroll Actions
 - § Final leave entry
 - § Overpayments/reconcile with current known issues
 - For instance, “we know there are 60 employees that were all overpaid because we did something wrong”
 - Make sure our terminating employee isn’t on that list.
 - § Non-cash fringe benefits/payments taxable!
 - Taxable meals
 - Awards
 - Travel
 - Vehicles (trip tickets)
 - If we don’t account before final pay:
 - Employee/Employer Social Security/Medicare out of balance

- Agency “on the hook” for employee portion
- § Review/reconcile leave quota balances
 - Additional leave accrual
 - Remove balances if they are not eligible for payment (vacation, sick)
 - Remove sick if they do not turn in their VEBA paperwork.
 - Note final sick balance conspicuously in file for reinstatement on employee return to state service
- Holidays in the month of the employee separation
 - § Personal holiday non refundable
 - § Non eligible remove from HRMS in case they are rehired
- Potential Continuation of Coverage/COBRA
 - § Health Insurance
 - § FSA/DCAP/Other deferrals as appropriate
- Annual Leave Buy-Outs (after six months)
- Savings bond refund
- Shared Leave balances updated if appropriate
- Outstanding overpayments (take the amount out of final pay)
- Termination of agency insurance coverage
 - § A.01
 - § HRMS
 - § Health insurance reconciliation
 - § Do we have to recon life insurance/LTD?
- Other Account 035 items
 - § Reconcile the insurance for the individual
 - § Do a pay sim make sure everything is coming out correctly for the individual
 - § Reconciliation workgroup
- Retirement/DRS:
 - § Retirement reconciliation
 - § PERS 1 / State Patrol Plan1 post your T codes for hours of up to 240 annual leave subject to retirement
 - Verify JEV
 - § Timely reporting/WBET Adjustments
 - § What payments are subject/are not subject to retirement on final pay?
 - § Deferred Compensation final deferral
 - § Other eligible deferrals (e.g. 401(k) at Convention Center)
 - § Process between different retirement systems (PERS/WSPRS/PSERS, etc.)
- Remember, possible JVs to maintain books for all of the above
- Garnishments:
 - § All final net pay used for calculation, unless excluded by writ or statute
 - § Agency “on the hook” for failure to garnish
- Contract provisions—make sure you’re following your employee’s employment contract or collective bargaining agreement
- HRMS processing notes:
 - § Effective Dating
 - § All infotypes completed
 - § Exchange Time delimited/adjusted
 - § Over \$25,000 gross—special processing

- § Review final voluntary deductions (IT0014 & IT0015)
- Reporting (What reports to run to ensure what you have processed is correct)
 - § 084
 - § Pay Simulation
 - § 126
 - § NO8

LRO - New Contracts

- **Retirement**
 - Sick Leave Buy-Outs/VEBA
 - VEBA/New administrator
 - § New forms
 - § New vendor
 - § Process changes
 - § Transition necessary for agencies /employees
 - § Still awaiting word from vendor on final change
 - Early retirement (VSIP)
 - § Early Retirement Incentive
 - Budget item
 - Up to \$25,000
 - § COBRA/CoC pre-payment
 - § Clarification: Employee responsible to pay HCA for COBRA/CoC premiums, not agency
 - Not AEI for COBRA Subsidy purposes
 - Retirement/DRS:
 - § Retirement reconciliation
 - § Timely reporting/WBET Adjustments
 - § What payments are subject/are not subject to retirement on final pay?
 - § Deferred Compensation final deferral
 - § Other eligible deferrals (e.g. 401(k) at Convention Center)
 - § Process between different retirement systems (PERS/WSPRS/PSERS, etc.)
- **Layoff/Involuntary**
 - Leave Deferral Option
 - Health Insurance Continuation of Coverage
 - General Government Transition Pool
 - Temporary COBRA Subsidy review
 - Required notice, or pay in lieu of notice

Transfers – July

- Transfer out to another agency
 - Garnishment (Child support, writ, liens, agency specific, voluntary)
 - § Document forwarding
 - § History
 - § Notification to other agencies

- Final leave transmittal
- Mid Period complications
- Transfer out to higher education institution
- Transfer within agency

Deceased employee – August

- Dependent COBRA
- Death Certificate
- Claim for Indebtedness
- 1099s
- Letter to the family
- EFT vs Warrant
- Final check
 - tax treatment
 - Endorsement on the final check
- Life Insurance
 - Death claim
 - Premium paid in full
 - Things that are not being filled out well
 - Current Beneficiary form
- Notification to DRS
 - When an employee dies at work, notification of LNI through DRS
- Notification to HCA
- Caring and Compassion (general sensitivity what can you do)
 - Deceased Employee
 - Lay-off situation
 - Self Care

“At a later date”

- § HCA
 - Process
 - Life Insurance
 - Eligibility
 - Process between systems (I don't know what this means)
- § Disciplinary
 - Payroll may not know if it's disciplinary due to confidentiality concerns
 - May allow continuation of coverage in some circumstances—HR should determine eligibility for continuation of coverage under COBRA and subsidy (?)
 - Probably not AEI for COBRA Subsidy purposes, but check rules
 - Settlements (possibly a micro-class)
 - § HRMS
 - § Manual