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Final Pay-Pay Disposition SR82187.doc

SR82187 Requirements
Final Pay-Pay Disposition Override

Objective:

To remove temporary override of the pay disposition code from final payments as established in Release 1492, June 2003

Project Type:

This is an upgrade to the existing final pay compute program. This project has a big payoff for those campuses that run a final pay compute and for those employees who elected to receive pay using direct deposit.

Requested by:

Campus Payroll Managers

Analyst:

Patty Yamashita
Payroll Coordination

Due Date(s):

This modification should be released as soon as possible, but not later than mid-May so that the modification is in place for those campuses that use the final pay compute cycle to pay employees with appointments ending at the end of the academic year.

Background:

In response to Assembly Bill 2410 enacted in 2002, Payroll Managers indicated that a special payroll computation cycle should be developed to handle the issuance of final payments to separating employees who should receive their final pay on the last day of work or within 72 hours of notification of their separation date. Thus, in 2003, IR&C developed and released the modifications to create the Final Pay Compute (Release 1492), an alternative normal cycle. One special feature of the Final Pay Compute cycle is the override of the employee's pay disposition. This temporary override allows the campus to generate paper checks as prescribed by the California Labor Code.

Due to recent changes approved by the California State Assembly, campuses can now distribute the final pay of separating employees using the employees' current pay dispositions, including direct deposit or U.S. mail.

Current Process:

In programs PPP420/PPP430, when the Final Pay Status (FP Status) indicator is "F," the value of the employee's pay disposition is overridden with a locally chosen pay disposition value that is stored in Installation Constant (PWSXIC2). This override results in paper checks for all employees being paid in the Final Compute cycle. The campus Payroll Office then distributes the paper checks to the departments for distribution to the separating employees.

Proposed Process:

So that campuses no longer have to distribute paper checks or inconvenience those employees who have previously requested direct deposit, the temporary override should be removed from the Final Pay Compute. Thus, the employee's final pay when paid through a final payroll compute cycle will be distributed by the employee's method of choice, direct deposit or paper check.

Modifications Needed:

Other programs and Rush Checks use the Final Pay Status Indicator; therefore the Indicator must remain as is. However the program that triggers the override should be modified and the default pay disposition value stored in Installation Constant 2 should be removed from the Final Pay Compute process.