In order to improve the process for vacation payout at the University of Missouri, HR policy 402 will be changing effective 10/1/14. Prior to this date, vacation payouts were processed with the employee’s final wage payment. As of October 1, vacation payouts will now be processed on the paycheck following the employee’s final wage payment.

**What’s changing**
Starting with the first pay period in October 2014 (9/28/2014 – 10/11/2014 for BIW and 10/1/14-10/31/14 for MON), all employees terminating or losing vacation eligibility* during that pay period will have their vacation balance paid out automatically on the paycheck following their last paycheck for hours worked.

Examples:
1. Biweekly Paid - Vacation eligible employee terminates or loses vacation eligibility on 10/6/2014, their vacation balance will be paid out on the 11/5/2014 payday (the pay period ending 10/25/2014).
2. Monthly Paid - Vacation eligible employee terminates or loses vacation eligibility on 10/6/2014, their vacation balance will be paid out on 11/30/2014 (the pay period ending 11/30/2014).

**Processing**
To further improve the payout process, the payout will be automated and will include vacation and comp time payouts as well as the zeroing out of any remaining personal and sick hours.

- Time Keepers and Approvers must:
  - Confirm all leave time balances are accurate on the employee’s final timesheet prior to termination or loss of vacation eligibility
  - Ensure hours are entered and approved with the last wage payment
- CAPS will be monitoring reports to catch entries that are missed for approval or payroll processing and handle appropriately

**Items to Note**
- If an employee terminates prior to their probation date, they will not receive a vacation payout, but will receive the comp time payout
- *What qualifies as “losing vacation eligibility”?*
  - Termination
  - Transfer from Benefit Eligible to Non-Benefit Eligible
  - Transfer from staff to non-acruing academic
- Exceptions to the automated vacation and comp time payouts (Will continue to be handled by your CAPS Representative)
  - The only exceptions to this rule are:
1. Involuntary Termination – Current procedures will remain in place. Per Missouri state law this must be paid out with the employee’s final paycheck.
2. Retirement – Current procedures will remain in place.
3. Transition Assistance – Current procedures will remain in place.

- What is NOT handled automatically? (Will continue to be handled by your CAPS Representative)
  - Vacation payouts due to FTE changes, transfers to a lower leave accrual rate
  - Compensation time payouts due to moving from one department to another or moving from non-exempt to exempt in the same department

I will work on creating some Q&As to go out on our website, but they will not be ready at the time of the change. If you have questions, please send me an email and I will respond as quickly as I can.

Amy

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This year is different - Action Required: Annual Enrollment October 20-31, 2014
All benefit eligible employees must select and submit a medical plan choice or waive the medical plan coverage during annual enrollment this year, even if you have previously waived coverage. Visit http://umurl.us/2015AE for more information.