RETIREMENT

P-1 Type 402 Retirement

Requires Approvals by: PA DEPT COMP

Please send all documentation to Pre-Audit before you start the P1.

- We must have all three pages of the SLIP form before the P1's ever reach COMP level.
- Please send us a copy of the original document. The original should be kept in the employee's personnel file.
- Documents can be scanned and emailed to Amy Brown and Elise Mullen or faxed to (515) 281-7970.

Documentation Required:

- Resignation/Retirement Letters
- Employee Separation form
- Completed SLIP Enrollment forms:
  - **Employee Name**
  - **Department Name**
  - **Date of Birth**
  - **Age at Termination** (To calculate the employee's age at termination use the Age tab of the Pre-Audit Calculator)
  - **Last Day Worked**
  - **IPERS File Date** (To obtain the file date send an e-mail to info@ipers.org. The subject line should be "State EE File Date Request". In the body of the email, include the retiring employee's name, date of birth, and last four digits of the social security number. Also include your name/title/department so the person at IPERS who is reviewing the request knows they are dealing with an HR rep or payroll assistant. Once an email has been sent, a response will usually be given within 24 hours.)

  ✓ **Important:** If the employee elects to take an IPERS refund, it is not considered a bona fide retirement. This means the employee is not eligible to be a retiree from the State of Iowa and will be considered a regular resignation. They will not be eligible for retiree insurance, or the $2,000 sick leave payout. In this case you should not use the 402 Retirement P1 type, but instead use the 401 Termination P1 type and the term reason should be "resigned".

P1's Required:

- **402 Retirement P1**
  - **Term Reason:** Enter code 89 Voluntary Retirement for a regular retirement or 90 Retirement - Sick Balance Conversion to Health for a SLIP retirement. If the employee is covered by the Peace Officer Retirement system, enter code 63 POR Retirement.
  - **Termination Date:** Enter the date the employee is retiring from state employment. The termination date entered on the P1 must be within the current pay period. If the employee's termination date is prior to the current pay period, enter the first day of the current pay period as the termination date. After payroll has written, write a 490 Termination Correction P1 to change the employee's termination date back to the original date of termination.
  - **Last Work Day:** Enter the last day the employee was physically at work. Administrative Rule 63.2(2)e. states that vacation shall not be granted after the employee's last day of work. Employees taking vacation on their last day must have some regular hours worked that day.

- **IPERS File Date and Date of Birth:** Enter the IPERS file date in the remarks. Pre-Audit will not approve P1's until the IPERS file date has been provided.
- **Payout P1 Type:** For a regular retirement, write an accompanying 846 Term Leave Pay P1. For employees retiring under the SLIP Program write an accompanying 470 Slip Calculation P1.

  Note: Do not approve the 402 Retirement P1 until the accompanying 846 P1 or 470 P1 has been approved as well. Pre-audit must receive both P1's at the same time in order to approve them.

- **846 Term Leave Pay P1** (to be used for regular retirements)
  - Vacation/Sick leave balances and accrual rates can be found by entering "EI" for Employee Information, then "D7" for the Hours and Balances Screen.
  - Include the following in the P1 remarks:
    - Employee's base salary and any special pays (shift, med passer, standby, etc). If the employee received a different amount of shift and/or med passer pay each pay period, take the average of the last six pay periods and add that amount to the biweekly base. Special pay is only included in the sick and termination payout calculations if the employee has received it for at least three of the last six pay periods.
    - Employee's vacation and sick balances from the D7 screen.
    - Calculations for the vacation/sick hours earned in the final pay period (see Regular Vac-Sick Payout tab of Pre-Audit Calculator tool).
    - Final vacation/sick balance after the accruals.
    - Vacation/sick leave payout calculations. Sick leave pay shall not exceed $2000.00.
  - Enter the employee's vacation payout in the "Term Leave Pay" field and sick leave payout in the "Sklv Payoff Pay" field.
  - Comp Time, Holiday Comp Time, and Banked Holiday balances must be paid off on the HRIS Timesheet with the appropriate time types (600, 610, 615) entered on the first day of the pay period.

- **470 SLIP Calculation P1** (to be used for SLIP retirements)

  Note: The 470 SLIP Calculation P1 cannot be approved until the Tuesday after rewrites (a week from the day payroll wrote for the prior pay period).
  - It is important that you include the same remarks as you would with a voluntary retirement to show how the accruals were calculated (see SLIP Vac-Sick Payout tab of the Pre-Audit Calculator tool).
  - Enter any special pays (shift differential, med passer, or standby). If the employee received a different amount of shift and/or med passer pay each pay period, take the average of the last six pay periods. Special pay is only included in the sick and termination payout calculations if the employee has received it for at least three of the last six pay periods. Standby pay should be entered in either the shift or med passer pay field.
  - Enter the sick accrued amount and any sick used amount.
  - Enter the vacation accrued amount and any vacation used amount.
  - If any sick leave is being converted to vacation time, combine the number of sick leave hours converted and any sick leave hours used, and enter the total in the sick leave

used field. Add four hours to the vacation accrued amount, and enter the total in the vacation accrued field.

Example remarks/calculations:

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LAST DAY WORKED: 01/09/2014   TOTAL HOURS WORKED: 40

BIWEEKLY: $3166.40 + SHIFT $00.00 + MP $00.00 + OTHER $00.00 =
$3166.40 / 80 = HRLY RATE $39.58.

HOURS AND BALANCES
VACATION BALANCE ...    49.7653        VAC. ACCRUAL RATE..    3.692307
SICK BALANCE .......    98.9731        SICK ACCRUAL RATE..    5.538462

VAC BAL:  49.7653 + EARNED 1.846154 - USED  0.00 + CONVERTED 00.00 =
FINAL BAL:  51.611454 (192 MAX)* HRLY RATE $39.58 = PAYOUT $2,042.78

SICK BAL: 98.9731  + EARNED 2.769231 - USED 0.00 + CONVERTED 00.00 =
FINAL BAL:  101.742293* HRLY RATE $39.58 = PAYOUT $4,026.96  (ROUNDED)
MAXIMUM SICK LEAVE PAYOUT:  $2,000.00
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