

9.2 Entering Vacation Leave Payout at Termination

Purpose: Use this document as a reference for entering a vacation leave pay out at termination in ctcLink.

Audience: Payroll Administrator.

❗ You must have at least one of these local college managed security roles:

- ZC Payroll Data Maintenance
- ZZ Payroll Data Maintenance
- ZZ SS Payroll

If you need assistance with the above security roles, please contact your local college supervisor or IT Admin to request role access.

❗ *Effective March 1, 2022:* RCW [43.01.041](#) establishes the authority for vacation leave buyout upon termination of employment. WAC 357-31-225 or collective bargaining agreements (CBAs) provide additional rules and guidance.

❗ Vacation leave pay out is a one-time pay entry transaction entered after the Create Paysheets process is complete.

Compute termination leave payments by multiplying an average hourly rate times the number of vacation leave hours accumulated. Determine the average hourly rate by multiplying .0064* times the monthly salary rate. The fraction of .0064 is based upon the number of work hours in an average month. Do not include premium pay such as standby, shift differential, and overtime in the monthly salary rate used as the basis for termination leave payment.


Formula for Deriving the Vacation Leave Buyout Termination Factor


Step 1: 365 days - 104 Saturdays and Sundays - 12 Holidays - 14 days of vacation leave) / 12 Months = 235 Days

Step 2: 235 Days * 8 hours = 1,880 hours in a calendar year

Step 3: 1,880 hours / 12 months = 156.66 average hours per month


Step 4: 1 hour / 156.66 average hours per month = .0064

 Additionally, the balance needs to be adjusted in the Absence Management module. (See [Adjusting Balances QRG](#) for instructions).

 Depending on the effective date of job termination, a paysheet may or may not be created for the respective employee record by the Create Paysheets process. If you need to manually create a paysheet, refer to the [Creating a Paysheet Manually QRG](#).

Enter Vacation Leave Payout at Termination

Navigation: NavBar > Navigator > Payroll for North America > Payroll Processing USA > Update Paysheets > By Payline Security

 **Prerequisite:** The employee's job data status must be changed to "terminated" before setting up the vacation leave pay out. See the [Entering Terminations and Retirements](#) Quick Reference Guide for further instructions.

1. The **By Payline** search page displays.
2. Select the **Company** lookup icon and select the appropriate company or enter the code if known.
3. Enter the appropriate date in the **Pay Period End Date** field.
4. Enter employee's ID in the **Empl ID** field.
5. Select the **Search** button.

By Payline Security

Enter any information you have and click Search. Leave fields blank for a list of all values.

[Find an Existing Value](#)

▼ **Search Criteria**

Company begins with 000

Pay Group begins with

Pay Period End Date =

Off Cycle ? ☐

Page Nbr =

Line Nbr =

Empl ID begins with 000000000

Job Pay Data Change =

Partial Pay Period ☐

Name begins with

☐ Case Sensitive

[Search](#) [Clear](#) [Basic Search](#) [Save Search Criteria](#)

6. The **By Payline Security** page displays.
7. On the **Payline** tab, Earnings section, select the **Add a Row (+)** button.
8. Select the **OK to Pay** box checkbox.
9. Select the **Override Hourly Rate** checkbox.
10. Calculate the rate per OFM instructions: **.0064 x Monthly Salary**. If it differs from the Hourly Rate displayed, you will need to override it. In that case, select the **Override Hourly Rate** checkbox, then enter the calculated rate in the **Hourly Rate** field. (Alternatively, the calculated rate could be entered in **Other Earnings** section, if you are entering more codes and each has a different rate).
11. Enter the appropriate dates in the **Earnings Begin Date** and **Earnings End Date** fields.
12. Select the **Code** lookup icon in the **Other Earnings** section and select the appropriate code.
13. Select the **Seq Nbr** lookup icon and select the appropriate sequence number (if needed).
14. Enter the hours to be cashed out in the **Hours** field.
15. Select the **Save** button.

Payline

One-Time Deductions

One-Time Garnishments

One-Time Taxes

Empl ID

Payline Details

Company

Pay Group

*Pay Period End Date 10/15/2020

Off Cycle

Manual Check

*Page

Line 1

Empl Record

Benefit Record

Check Number

Check Date

Total Gross

Net Pay

Transaction Message

No Message

Earnings

Addl Line Nbr 1

OK to Pay

Override Hourly Rate

No Direct Deposit

Separate Check

Gross-Up

Reason Not Specified

TL Records

Reg Hours

OT Hours

Hourly Rate

Reg Salary

Reg Rate Code

OT Rate Code

Shift Not Applicable

State OR

Locality

Earnings Begin 10/01/2020

Earnings End 10/15/2020

Additional Data

Other Earnings

*Code	Seq Nbr	Rate Code	Hours	Rate	Amount	Source
VLP			125			

Save

Return to Search

Notify

Refresh

Payline

One-Time Deductions

One-Time Garnishments

One-Time Taxes

16. The process to enter vacation leave pay out at termination is complete.
17. End of procedure.