

# Quick Reference Guide (QRG) for Processing Terminations (Payroll)

## 1 BACKGROUND

To provide **required payroll process steps** to ensure on-time and accurate final pay when a termination is submitted in Workday for HRPAs (school/unit) and University Payroll Services (central). This helps to avoid unnecessary waiting time penalties. If the preferred method of payment for the final check is via direct deposit, these payments must be finalized by University Payroll Services 2 business days in advance of the termination date.

For additional comprehensive termination information, please reference the following link:  
<https://uscedu.sharepoint.com/sites/hrprofessionals/SitePages/Terminating-employment.aspx>

See appendix (step 6) below for timeline requirements.

## 2 PROCESS STEPS (HRPA/HRP)

- Workday Timekeeping Only (please move to step 2 for all other timekeeping systems): For Non-Exempt (voluntary) terminations only, employees fall into one of three scenarios below. HRPAs/HRP is responsible for ensuring that all procedures are completed 4 business days prior to termination date (\*unless otherwise specified per scenario 3). For all other terminations, proceed to step 2. Employees will need to estimate future time worked and absences to complete timesheets for submittal.**

### Scenario 1

Termination date falls within one payroll period and all hours due fall within the same pay period.

-Employee enters and submits all time worked and absences in Time Tracking.

-Manager approves the timesheet in Time Tracking.

### Scenario 2

Termination date is Thursday or Friday immediately following a pay period end.

**-For pay period that has ended:** Employee enters and submits all time worked and absences in Time Tracking.

**-For New Pay Period:** Employee completes and signs a paper timesheet.

-Manager approves the timesheet in Time Tracking and signs the paper timesheet.

### Scenario 3

Termination date is Monday or Tuesday immediately following a pay period end.

**\*Due Thursday following pay period end**

**-For pay period that has ended and new pay period:** Employee enters and submits all time worked and absences in Time Tracking.

-Manager denies first pay period on Thursday to ensure that there is no overpayment.

-Manager approves timesheet for new pay period on Thursday.

-HRPA / HRP provides a paper timesheet for time off only in the old pay period.

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2. **Complete ODCR and attach to Workday Termination Business Process only if any of the following scenarios apply:**
  - a. Termination is for faculty and post doc terminating mid pay cycle.
  - b. Termination is involuntary.
  - c. Termination contains special payments.
3. **HRPA/HRP initiates Workday Termination Business Process (following [QRG "Terminate Employee"](#)).**
  - a. Occurs 4 business days prior to termination date for voluntary terminations and immediately for involuntary terminations.
  - b. Special direct deposit instructions (disregard if employee is not set up for direct deposit):
    - i. If voluntary and set up for direct deposit alert employee that they will need to voluntarily authorize direct deposit via a Workday inbox action item.
    - ii. If involuntary, then communicate with HR personnel as to method of payment delivery. Provide direct deposit form to HR personnel and if signed by employee, then attach in business process OR send via ticket system if not signed when initiating termination.
  - c. Attach timekeeping documents if a paper timesheet is necessary or if reporting hours from an external timekeeping system (reference step 14 in QRG "Terminate Employee").
  - d. Attach ODCR if applicable.
  - e. Notate attachments in comments section of Termination Business Process (Example: *Timekeeping and ODCR are attached*).
  - f. If involuntary terminations are sensitive, notify Payroll Services at [payroll@usc.edu](mailto:payroll@usc.edu) with the Subject: "Termination Special Handling" if special handling required.

*Termination Business Process Routes to Payroll Services for action.*

4. **HRPA verifies accuracy of pay results:**
  - a. 2 business days prior to termination date.

**Important:** For inaccuracies, contact your Payroll Services representative immediately.

### 3 PROCESS STEPS (PAYROLL SERVICES)

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1. **Payroll Services assigns a processor to ODCR.**
  - a. As soon as possible but no later than 3 business days prior to termination date.
2. **Processor reviews "to-do" items in Workday.**
  - a. Find task "Process OnDemand Check for Terminated Employee".
  - b. Click "Save for Later" to assign the termination to yourself for processing.
3. **Verify method of final payment.**
  - a. Employee must voluntarily authorize direct deposit for the final payment.
  - b. Review business process (voluntary terminations) and Service Now tickets for this completed form.
4. **Verify if an ODCR is attached to the Termination Business Process in Workday and process it.**
  - a. Run On Demand Payment for a Worker and select "create replacement payment".

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- b. If involuntary termination, it is required that you “Hide Payslip from Worker” by clicking on the pay result, selecting Payroll Result and clicking on Hide Payslip from Worker.
5. **If there is no ODCR attached to the Termination Business Process in Workday and it is needed for proper calculations, leave On Demand Payment in draft state (no batch ID) and contact department to confirm pay details for final paycheck in Workday.**
  - a. If a discrepancy is found, HRP or HRP submits an ODCR.
6. **Confirm ODCR has no special handling requirements and current vacation balances in Workday are reflected on last paycheck.**
7. **Verify paycheck was run, termination date has passed, and all accruals are at zero balance.**
  - a. If unable to submit “Create Replacement Payment”, enter details on deletion log.
8. **Submit “to-do” in Workday to close assignment.**

### 4 MAINTENANCE ACTIVITIES (PAYROLL SERVICES)

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1. **Pull the termination report on a daily basis.**
2. **Verify all terminations waiting for Payroll Services (column A: “yes”) are assigned to a processor (column O: one name only).**
  - a. If not assigned, Payroll Supervisor is responsible for assigning a processor.
3. **Verify if employee has overpayment deduction schedule associated with paycheck (column P: Overpayment Reimbursement Input).**
  - a. If so, notify Overpayment Accounting Technician for adjustment.

### 5 RESOURCES

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- [QRG “Terminate Employee”](#)

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### 6 APPENDIX

#### TERMINATION PAYMENTS

#### Timeline Requirements

Type of Termination	HRPA - Workday termination initiation	Employee - Direct Deposit form	USC Payroll Services - Final payment	Direct Deposit	Check
Voluntary	★ 4-5 days before termination: Workday termination business process initiated	3-4 days before termination: Employee authorizes direct deposit in Workday 3-4 days before termination date	2-4 days before termination: USC Payroll Services issues direct deposit for termination date.	✓	
		3-4 days before termination: Employee does not authorize direct deposit in Workday	2-4 days before termination: USC Payroll Services issues and mails check for termination date.		✓
	Less than 2 days before termination: Initiated less than 2 days before	Workday Business process will not route to employee to authorize direct deposit. Direct Deposit if employee signs form outside of system and it is attached in termination BP	USC Payroll Services issues direct deposit as soon as possible for termination date.	✓	
		Workday Business process will not route to employee to authorize direct deposit. Check issued due to lack of time.	USC Payroll Services issues check as soon as possible for termination date. Dept may need to pay waiting time penalties.		✓
Involuntary	4-5 days before termination: Workday termination business process initiated	Employee signs form outside of Workday, HRPAs attaches in Termination business process.	2-4 days before termination: USC Payroll Services issues direct deposit for termination date.	✓	
		No form signed.	2-4 days before termination: USC Payroll Services issues check for termination date.		✓
	Less than 2 days before termination: Initiated less than 2 days before	No form signed.	USC Payroll Services issues check as soon as possible for termination date.		✓