

Example E – LTD Status

According to the Daily Action Report, the employee will go on LTD status on 12/4/2012, Semi-Monthly Salary is \$1500, SP 99 CONTBASE is \$1500; 10 day pay period: 6 days at 60% Income Replacement, employee chose not to supplement with leave or disability credits.

1. Calculate the VSDP Benefits due the employee (no change in method).
 - a. \$1500 divided by 10 working days in pay period = \$150 per day
 - b. 6 days multiplied by \$150 per day = \$900
\$900 multiplied by 60% = \$540
 - a. Use Special Pay 061 (VSDP BEN) to pay the employee \$540 on HUC01. (If you use HUE01 the indicators should be “5”-“0”-“0” and you will need to key a penny of Regular pay on HUA03 because the employee is non-auto and there is no regular pay transaction to process SP 99 on H10AS.)
3. **Under the new VRS Modernization rules, the TPA will not pick up the employee for retirement until the following month (January).** (Because the employee was employed by the agency on 12/3 – the first working day of the month). The retirement contributions should be collected from the employee and the employer for the entire month of December during the 11/25-12/9/2012 payroll **UNLESS** you are **SURE** that the employee will have enough pay (including leave payouts) in the second half to collect retirement.
 - a. To double collect all of the retirement deductions, use screen HUE01 to key \$3000 (double the amount of SP 99 CONTBASE on H10AS) to SP 99 CONTBASE – use zeros for the check, tax and deduction indicators. (Note, you may also key the amount of \$1500 with a “+” adjustment indicator. This will add \$1500 to the existing \$1500 on the H10AS screen.)