Example W1 – WTA with Severance Payments

An employee goes out on WTA effective 11/25/2012. Annual Salary was $36,000 and SP 99 CONTBASE is $1500. They are due 8 weeks of Severance Pay to be paid in 4 Biweekly Payments. They are due 12 months of Group Insurance coverage and Health Care Coverage during the Severance Benefit Period. These benefits would cover the employee from December of 2012 through November of 2013.

NOTE: In this example, the last day of employment for this employee was 11/24/2012 so the WTA Status is effective with the month of December. If the employee's last day of employment was on or after the first working day of the current month (12/3), retirement deductions should be doubled and taken for the entire month of December and the changes noted here would not be done until the first pay period in January.

11/25-12/9/2012 Pay Period:

1. On screen H0BID make sure the employee is on Non-Auto Status
2. On screen HMCU1 change the Health Insurance Provider Code to the applicable Involuntary Separation Provider code as shown in CAPP Topic 50430.
3. On screen HMCU1 leave the current Retirement Plan Code as is and change the Group Insurance/Retiree Credit Indicator to a "G".
4. Compute the amount of Severance Pay Due the employee. Annual Salary ($36,000) divided by 26 equals $1384 Biweekly. Key $1384 to SP 31 (Severance Pay) on screen HUC01. Be sure to use HUC01 so that Group Insurance Deductions and Imputed Life process properly.