Personnel Actions and Timekeeping for Unpaid Leave

The following guidelines are provided to aid administrators and time approvers in processing leave actions and recording time for employees that have exhausted their leave time.

PERSONNEL ACTIONS

A PASS transaction should be submitted to place an employee on an unpaid leave of absence (LOA) when:
1) the employee has exhausted leave accruals and is already on a paid leave of absence or
2) the employee is beginning a new unpaid leave of absence.

The LOA effective date will be the first day the employee is out a FULL day with no leave time used. The LOA designation in the human capital management (HCM) system places the employee in an unpaid status for the current payroll cycle (if SDR deadlines are met) and continues as unpaid until a new PASS transaction is completed to return the employee from leave (RFL).

Prior to requesting the LOA PASS, verify all applicable paid leave is used and timesheets are complete.
- The employee can only use sick hours for medical-related leave.
- The employee must use accrued vacation hours (according to vacation eligibility) and accrued comp time.
- The employee on a paid leave of absence continues to accrue vacation and sick leave on the first day of the month, but these accruals should only be used for subsequent leaves of absence (paid or unpaid), not the current leave.
- The employee on an unpaid leave of absence for at least one full calendar month will have his vacation and sick leave accruals suspended until he returns to work.

The LOA and the RFL PASS transactions should be submitted together if the return date is known.

TIMEKEEPING

The time approver in the department is also responsible for completing the timesheet for the employee on an unpaid leave of absence.

LOA PASS transactions may not be practical when the leave of absence is of a very limited duration so time approvers should be aware that an employee will continue to be paid his regular earnings unless negative hours with the LWO leave code are added to the timesheet to indicate unpaid time.

There are three scenarios that require the attention of time approver.
1. If the employee exhausted all leave time in the middle of the day, the timesheet will need to accurately reflect this. Following are several examples to assist you in coding work and leave time.
   a) Employee has 3 hours of sick time left to use on 11/01/17: the timesheet should reflect 3 SCK and -5 LWO (please note the negative hours) for 11/01/17, and the effective date for the LOA PASS should be 11/02/17. This process is the same whether the employee is Salaried Exempt or Salaried Non-Exempt.
   b) Employee physically worked 5 hours on 11/01/17: the timesheet should reflect 5 REG and -3 LWO (please note the negative hours) for 11/01/17 and the effective date for the LOA PASS should be 11/02/17. This process is the same whether the employee is Salaried Exempt or Salaried Non-Exempt.
   c) Biweekly employee on LOA will only be paid for the hours that are punched prior to the LOA effective date.
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2. If the LOA PASS transaction is completed prior to payroll processing for the current pay period, the timesheet will correctly reflect the unpaid leave. For example, if an employee is placed on an unpaid leave effective 11/11, and the LOA PASS is completed by the SDR deadline of 11/06, the unpaid hours will be accurately reflected in the employee’s 11/16 paycheck.

3. If the PASS transaction is not completed by the payroll processing deadline, the employee will receive pay for the entire pay period and it will be an overpayment. In this situation, notify Payroll (payroll@uth.tmc.edu) at the earliest opportunity so that they can halt payment if possible. Continuing the example above, if the LOA PASS is not completed until 11/13, payroll processing may have already finished, but the check has not been direct deposited and thereby can be reversed. Timely notification to Payroll is critical to prevent overpayments.