

Job Aid: Retirement Transaction Process for July 1 Retirement - COLA

Overview

This document reviews the process for an employee who wishes to retire on July 1st and qualifies for the *Inactive* Cost-of-Living Adjustment (COLA). To qualify for the *Inactive* COLA, a University of California Retirement Plan (UCRP) member must have a 1976 Tier service credit or Safety classification and at least one business day break prior to the July 1st retirement date.

Contents

- [UCPath Terminology for Retirement Action](#)
- [Qualifying for the Inactive COLA](#)
- [Leave of Absence \(LOA\) or Short Work Break \(SWB\)](#)
- [Retirement Transaction](#)
- [Manage Job Action](#)
- [Final Pay Transaction](#)
- [Additional Resources](#)

UCPath Terminology for Retirement Action

Term	Description
Effective Date	<p>This date is entered in the Effective Date field for use within the UC_RETIREMENT template transaction or Create Job Action within Manage Job. This date reflects the first day the employee is no longer on active HR status.</p> <ul style="list-style-type: none"> ○ Note: The effective date does <u>not</u> reflect the first day of retirement. The first day of retirement should be coordinated with the employee's work Location and the UC Retirement Administration Service Center (RASC).
Last Date Worked	<p>This date is entered in the Last Date Worked field for use within the UC_RETIREMENT template transaction.</p> <p>This date defaults to one day prior to the effective date in the Last Date Worked field with the Create Job Action within Manage Job.</p> <p>Note: This date reflects the last day the employee physically worked. This date must be at least one day prior to the Effective Date but could be earlier. If earlier, Override Last Date Worked should be changed to Yes to open the Last Date Worked field within the Create Job Action within Manage Job.</p>

Job Aid: Retirement Transaction Process for July 1 Retirement - COLA

Term	Description
Termination Date	This date is system derived after the retirement action is processed and is located on the Work Location tab/ page within Job Data/ Manage Job . This field reflects the last day the employee was on active HR status. <ul style="list-style-type: none"> Note: The RASC will receive this as the separation date.

- ⚠ The **Effective Date** and **Last Date Worked** are the only dates needed to complete the retirement template in UCPath.
- ⚠ The **Effective Date**, **Action (RET)** and **Reason (RET)** are the only fields needed within the [Create Job Action](#) within [Manage Job](#). The **Last Date Worked** will default to one day prior to effective date.

Qualifying for the Inactive COLA

UCPath does not determine *Inactive* COLA eligibility. Eligibility should be determined/confirmed in coordination with the employee and the UC Retirement Administration Service Center (RASC).

General information provided by the RASC:

- Employees in the UCRP 1976 Tier or Safety classification may be eligible for the *Inactive* COLA if they have at least one business day where they are not on active pay status prior to July 1st, and have a termination date no later than June 27, 2024. The RASC will receive the termination date as the separation date.
- All employees who elect UCRP monthly retirement income, regardless of their tier, are eligible for the retirement COLA after receiving retirement benefits for one year following July 1, 2024.
- A UCRP eligible employee who previously retired and elected monthly retirement income is not eligible for an *Inactive* COLA and should not have a one business day break.

For additional information, please refer to the [2024 COLA Announcement for UCRP Benefit Recipients](#) available on UCnet or contact RASC at (800) 888-8267, Monday-Friday, 8:30 a.m. to 4:30 p.m. (PT)

UCRP benefit recipients eligible to receive the *Inactive* COLA need to reflect as terminated for at least one business day prior to July 1st. This means for an intended July 1st retirement an employee must have a minimum of one business day not on active HR or Payroll status prior to the July 1, 2024 retirement date.

- The **Effective Date** entered on the **UC_RETIREMENT** template transaction must be no later than the last business day of June (June 28th), and the **Last Date Worked** field must reflect the last date that the employee physically worked (either the last working day prior to June 27th or an earlier date if applicable).

Job Aid: Retirement Transaction Process for July 1 Retirement - COLA

Example for 2024: An employee's final day at work must be June 27th (or earlier), with June 28th being their effective date for retirement. June 28th is then the one business day they would not work and not receive pay to qualify for the 2024 *Inactive* COLA increase for only the 1976 Tier or Safety classification.

Leave of Absence (LOA) or Short Work Break (SWB)

- For employees on a LOA, the **Last Date Worked** (LDW) on the retirement template should equal the LDW entered on the LOA transaction and be reflected on the corresponding LOA Job Data row; if this date needs to be updated, the LOA transaction will need to be updated before submitting the retirement transaction.
- For employees on a SWB, the LDW should reflect a date before the start of the SWB.

Example: An employee has been on an LOA effective March 27th, with their last day worked entered as March 26th. The employee will retire effective June 28th. June 28th is entered in the **Effective Date** field, and March 26th is entered in the **Last Date Worked** field.

- June 28th represents the minimum one business day not on active HR or Payroll status prior to July 1st needed to qualify for the 2024 *Inactive* COLA increase.

Retirement Transaction

1. Select the **UC_RETIREMENT** Smart HR Template.
2. Enter **6/28/2024** in the **Effective Date** field.
3. Enter the **Employee ID** and select the **Employment Record Number**
4. Accept the default of **6/27/2024** in the **Last Date Worked** field or enter the employee's actual last working date if prior to 6/27/2024.
5. Enter any **Comments** or **Supporting documents** as needed.

Or you can use **Manage Job Action**.


Manage Job Action

1. Enter the **Employee ID** and select the **Employment Record Number**.
2. Select the **Create Job Action** within **Manage Job**.
3. Enter **6/28/2024** in the **Effective Date** field.
4. Enter **RET** (Retirement) in the **Action** field.
5. Enter **RET** (Retirement) in the **Reason** field.
6. Accept the default of **6/27/2024** in the **Last Date Worked** field or select Yes to **Override Last Date Worked** to enter the employee's actual last working date if prior to 6/27/2024.
7. Use the **Validate** button to verify the entered data.
8. Enter any **Comments** or **Supporting documents** as needed.

Job Aid: Retirement Transaction Process for July 1 Retirement - COLA

Final Pay Transaction

1. After submitting the retirement action, complete the final **TRM- Terminal Vacation Pay** request.
2. Provide vacation usage not previously reported nor submitted on the time files for the June 28th paycheck in the **Earnings Code** field
 - **Note:** Vacation usage submitted on time files for the June 28th paycheck do not need to be provided on the final pay request and will be factored into the final TRM payout.

 Upon submission of a final pay request for non-represented voluntarily separating employees, Locations must request vacation payouts and any takes not previously reported.

Additional Resources

- Simulation: [Initiate Retirement Template Transaction](#)
- Simulation: [Submit Final Pay Request](#)
- Job Aid: [Termination and Final Pay](#)
- For specific steps on entering a payroll request or final pay, refer to the [PAYL200: Additional Compensation and Pay Adjustment Requests](#) course and applicable simulations.
- For steps on how to enter and submit a Manage Job transaction, refer to Job Aid: [Manage Job Phase II job](#), Create Job Action section, p. 9.

This process only addresses the actions in UCPath. Standard Retirement Administration Service Center (RASC) retirement business processes and Academic Personnel Manual ([APM-120](#)) policies must be followed.