
Benefit Termination Reminders – for Business Managers

(applicable to voluntary and involuntary employment terminations)



Contact the Benefits Department at 617-746-5640 or benefits@rcab.org for assistance.
Access the Retirement/Termination Toolkit at catholicbenefits.org/retirement-terminations for additional information.

- ☐ Enter the **Termination Date** in Paylocity in advance for employees who have resigned or are already aware that their employment will be ending. Completing this data entry in advance allows the Benefits Department to terminate coverage timely, update the monthly invoices, and provide important notices to departing employees as early as possible. In Paylocity, be sure the **Begin Check Date** is the date that you want to ***not*** see the departing employee in your payroll batch for the first time.
- ☐ If the termination date is not known in advance, enter it as soon as possible.
- ☐ Notify the Benefits Department of any changes to the termination date once entered in Paylocity. If changed, this data is not automatically updated and must be manually corrected in BAS/MyEnroll and the carriers to avoid coverage problems/errors.
 - ☐ You can issue payment(s) to terminated employees in Paylocity by adding the terminated employee to a payroll batch. Payments paid to a departing employee that are considered wages due to them (including accrued, unused vacation) **must** have 401(k) and CFML deductions applied to them, so when possible, these payments should be made as part of a normal payroll batch. Please contact the Benefits Department for help with any special checks, manual checks entered into Paylocity after the fact, or same-day payrolls. Note: severance pay (*i.e.*, an additional payment made to an employee who has signed a release agreement, which should be prepared by RCAB General Counsel's Office) should be paid using the Severance earnings code, to which 401(k) and CFML deductions **do not** apply.
- ☐ If the employer would like to cover the cost to continue the employee's Health and/or Dental Plan benefits for a period of time, the employer can issue payment to the departing employee through Paylocity using the HEALTH PREM REIMB (HNTR) deduction code. If eligible, the departing employee can enroll in Continuation of Coverage (COC) through the Benefits Department.
- ☐ Generally, school staff have benefit coverage through 8/31 unless they are in a year-round position such as Principal, Custodian/Maintenance, or Office Staff Member (in which case, coverage ends the last day of the calendar month in which their employment ends).
- ☐ For departing Benefit-Eligible school employees who complete the school year, use 8/31 (instead of 6/30 or 7/31) as the Termination Date unless they work in a year-round position, as noted above.
- ☐ If an employee is set up in payroll with fewer than 26 listed under the Annual Number of Pays field and leaves before the completion of the school year, the school may need to credit a portion of the Medical and/or Dental deductions back to the employee. Consult the Benefits Department for assistance with these benefit deduction calculations.
- ☐ Provide a TAP packet to the departing employee if the employee had one or more years of continuous service and worked at least 20 hours per week (schools/other 10-month assignments require 24 hours per week), regardless of the reason for termination.
- ☐ Review contact information (mailing address, email address, and phone number) with departing employee and update as needed in Paylocity (or MyEnroll if not on common payroll system). Updated contact information will ensure that the employee receives their W2 Form and important notices from the Benefits Department.