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| **Office of the Controller Job Aid** |
| **Responsible Unit** | **Payroll** | **August 3rd, 2023** |
| **Title** | *Retro Pay* |

Departments are responsible for submitting employee actions to be processed in eUMB HRMS system. Occasionally employees may be due positive or negative retro pay because of a pay rate change that took effect in the past. After an employee action is fully approved and loaded in employee’s Job Page, The Office Of The Controller- Payroll Services (OOTC-PS) will run a retro pay calculation in next payroll processing week to determine the amount owed to an employee (if pay rate increased) or an overpayment (if pay rate decreased). Departments must validate the retro pay calculation generated by eUMB.

* Positive retro pay (Pay rate increase):

OOTC-PS can only pay retro pay due to pay rate increase when the action is loaded onto employee’s Job Page. As eUMB will calculate the amount due to employee, no Payroll Adjustment Form (PAF) is needed for processing unless the retro amount from the system calculation is incorrect. In that case, department is required to submit a PAF to correct the amount. We cannot process or pay positive retro pay before the new rate is loaded on employee’s Job page.

* Negative retro pay (Pay rate decrease):

Normally negative retro pay is calculated by the retro pay calculation process. The negative retro pay will be deducted from employee’s paycheck. If the system calculated negative retro pay amount is greater than employee’s regular pay, OOTC-PS will need to turn off the negative retro pay on employee’s paycheck as employee cannot have negative paycheck. In that case, the department will be notified. Department will have to start preparing a Compensation Overpayment Form (COF) packet to recoup the overpayment. Payroll deductions will be checked on the COF as the option to recoup the overpayment in the next and agreed subsequent pay periods. The COF must be submitted within 30 days. Subsequent follow up emails will be copied to the Department Administrator and the Dean’s office.