



## OFF-CYCLE INSTRUCTIONS



Off-cycles are usually scheduled the day before pre-payroll is run, the day before payday, and the day after payday. Occasionally, this schedule may be subject to change due to other considerations. The off-cycle run dates will be shown on the KHRIS Operations Calendar. The “requests due” time shown on the calendar is the time at which the off-cycle process will be *run*. If the time is shown as 4 PM, it means that the off-cycle payroll run will begin at 4 PM. In order to allow sufficient time to prepare off-cycle requests for processing, requests should be submitted as early as possible. While requests submitted closer to the off-cycle run time will be considered for processing, we cannot guarantee that the request will be processed if errors exist.

The off-cycle payroll can be used for the following reasons:

- To pay an employee underpaid on regular payroll due to an error such as a mistake in time reporting or basic pay. In these examples, the retroactive process is initiated when the correction is made, and the pay due can be issued on the next regular payroll following the correction, or it can be paid earlier via off-cycle. If the off cycle to pay the money due runs after the next regular payroll runs but before the pay is due, the employee should not receive the pay until payday. If the pay is due retroactively, the check may be given to the employee when received.
- To pay an employee whose entire pay was missed on regular payroll. Technically, this is an “on demand payment,” but it is executed via the off-cycle process.
- To update adjustments entered for a manual process executed outside KHRIS, such as a SAS-27 or Refund on Payroll for a pre-go-live event, a Board Order payment, or a Workers’ Compensation Buyback. These off-cycle transactions are entered and processed by the Personnel Cabinet.
- To pay annual or compensatory termination pay or block 50 payments with deferred compensation rollover. Additionally, annual and compensatory termination payments with deferred compensation rollover can be made together, in the same payroll. All block 50s, annual leave payouts, and compensatory leave payouts that do not contain deferred compensation deferrals should be paid in the regular payroll.

The off-cycle should *not* be used for the following reasons:

- To pay annual or compensatory termination pay without deferred compensation rollover. Termination pay is now paid on the regular payroll, in the pay period in which the employee is separated from employment. Agencies are instructed to pay Block 50, Annual Leave Payouts, and Compensatory Leave Payouts with deferred compensation deferrals in the off-cycle. When KHRIS calculates taxes on a payment containing both regular pay period pay and lump sum payment with a deferral, the way it applies taxation and handles retirement within the pay calculation results in the regular net check being less than usual. Termination pay without deferral should be paid in the regular payroll whenever possible.
- To pay special pays such as an ERA or Employee Suggestion System Award. These special pays should be made on the next regular payroll.
- To pay expense allowance. Expense allowance should be paid in the regular payroll whenever possible.

To notify the Personnel Cabinet of the need to include an employee on the off-cycle, the agency will need to submit a Business Request, selecting “Payroll,” then selecting “I need Payroll or Time Management support with” and then

selecting subcategory "Off-cycle payroll request." From there, users will enter all the information associated with the request. There will be no separate form. If the selections are not made as described, the request will not be directly routed to the payroll branch as an off-cycle request, and this could cause a delay in processing.

Before submitting the off-cycle request form, make sure all master and time data changes have been made in order to allow the off-cycle to process as desired. All applicable fields must be completed on the request form. Payroll consultants will retrieve the off-cycle requests and will process them as appropriate. If for some reason the off-cycle is not appropriate, the consultant will notify the HR Administrator who sent the request. If approved for off-cycle, the transactions will be captured in the next off-cycle and be processed. Payroll staff will work diligently to get all received requests and any errors resolved and processed, but some errors are complex and require research and time to resolve. When requests are submitted later on the day of the off-cycle run, there may not be sufficient time to research any errors and ensure all steps needed are completed to execute the pay properly.

Per KRS 337.020, agencies have up to six days to make corrections to missed pay. As we will be running off-cycle each week, all pay missed and due should be eligible for payment via off-cycle. SAS 27s should not be used to pay wages missed after 3/16/2011. If payment is made via SAS-27 for pay due to correction, it will double-pay the employee, as the correction will generate retroactivity and pay the employee again. SAS-27s will have limited use.

If a net SAS-27 is being created to provide an employee with a net check while awaiting an anticipated off-cycle payment, the employee must complete the Off-Cycle KHRIS SAS Payment Agreement form.

\*Please note that for off-cycle requests for payment reversals requiring EFT strips or reversals, an EFT strip or reversal request must be made separately from the Off-Cycle Request Form. The Off-Cycle Request form does not initiate the reversal of an EFT. A Business Request must be submitted as soon as you become aware the payment should be reversed, choosing EFT/ACH Reversals as the item you need assistance with. All fields must be completed on the request. The process for reversing the EFT is a separate process.

For questions regarding the off-cycle form or reversal requests, please submit a Business Request for assistance.