

HR.SOP.III.141

Annual Leave Encashment

HRT/HPJ

HR Standard Operating Procedure

DISCLAIMER

Standard Operating Procedures (SOPs) provide a step-by-step guide for staff directly involved in the processing of administrative actions to support and facilitate the implementation of WHO policies and procedures. The SOPs are for guidance only; they are neither authoritative nor binding. The SOPs reflect the policies and procedures of WHO at the time of writing; however, policies and procedures change from time-to-time. In the case of a conflict between the SOPs and the WHO eManual provisions, the WHO eManual provisions take precedence.

DOCUMENT SPECIFICATIONS

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1. INTRODUCTION

1.1. Overview/Description

This Standard Operating Procedure explains the process related to the payment of annual leave in cash to staff members upon separation from the Organization. Staff members on temporary appointments under Staff Rule 420.4, fixed-term appointments and continuing appointments accrue annual leave during their appointments. Payment upon separation is made in accordance with Staff Rule 630.8. When the contract is coming to an end, the staff member resigns or a decision is taken to separate the staff member, the Manager/Supervisor initiates a HR Action Plan for separation. The Clearance Certificate process is initiated. Prior to separation the staff member is required to complete the separation clearance process. The Leave Administrator with the staff member verifies that all absences are entered and confirmed in the GSM leave and absence system and signs-off on the local clearance certificate which is sent to GSC/GHR and Payroll for GSC financial clearances and eventual payment of the annual leave remaining to the staff member's credit on the date of separation.

1.2. General Guidance / Business Rules

A separating staff member receives a Local Clearance Certificate for completion from their HR focal point. Staff member is required to verify and take relevant action to ensure that all his/her leave requests are approved as confirmed leaves in the GSM leave and absence system prior to the separation date. Once all leaves have been approved as confirmed, the staff member contacts the Leave Administrator to complete the clearance certificate.

The Leave Administrator verifies the staff member's GSM records in the absence dashboard ensuring all leaves have been entered, confirmed and approved and that no annual leave record remains as planned up to the separation date. If a planned leave appears after the separation date, the Leave Administrator initiates a Cancel leave request. Once all leaves are confirmed and approved, the Leave Administrator enters on the clearance certificate the GSM annual leave balance, dates and signs-off. The staff member

continues the clearance process until completed and hands it to the local clearance officer. If the clearance certificate is not completed, no payment for annual leave will be made upon separation.

The local clearance officer sends the complete and scanned clearance certificate to GSC/GHR. GHR verify the leave balance in GSM. Upon completion of the GHR separation clearances, GHR verifies the balance of annual leave days to be paid or to be recovered from the staff member and obtains signature from GHR Certifying Officer. GHR sends notification to Payroll to process the annual leave encashment payroll element.

Payment is made to the bank account indicated by the staff member on the clearance certificate. Payment of accrued annual leave upon separation is charged to the Statutory Payments account. If monies are owed by the staff member they are deducted from any separation payments due, including annual leave encashment. If the annual leave balance is negative, the cost of the annual leave days is recovered from the last month of salary. If there are no monies available to recover from, the staff member is requested to reimburse the annual leave days to the Organization.

1.3. Reference Material

1.3.1. Staff Rules

- SR 630.8 Annual Leave
- SR380.2.2 Payments and Deductions
- SR1010 Resignation
- SR1015 Separation my Mutual Agreement
- SR1020 Retirement
- SR1030 Termination for reasons of Health
- SR1040 Completion of Appointment
- SR1045 Termination of Temporary Appointments
- SR1050 Abolition of Post
- SR1060 Non-confirmation of Appointment

- SR1075 Misconduct

1.3.2. WHO eManual

- III.3.10.16
- III.6.2

1.3.3. Related SOPs

- HR.SOP.III.149 – Death of a Staff Member
- HR.SOP.III.110 – Separation due to resignation
- HR.SOP.III.112 – Separation due to retirement
- HR.SOP.III.114 – Separation due to non-renewal upon completion of appointment Staff Rule 1040
- HR.SOP.III.115 – Termination under SR 1050.1
- HR.SOP.III.116 – Termination under SR 1050.2
- FIN.SOP.XII.073 – Separation Entitlement processing
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1.4. Other Definitions

- CC Clearance Certificate
- LA Leave Administrator
- HRBA HR Business Associate
- HRBP HR Business Partner
- RHRO Regional HR Officer

3. PROCESS STEPS

Step	Control (C)	Type	Process	Role / Responsibility
1	C	Offline	<p>Receives separation HRAP and prepares formal separation letter. Sends separation letter to staff member and copies HR Business Partner/Associate & Management officer (HQ); HRS?(HQ); RHRM (Region) ; HR Officer (UNAIDS, ICC, UNITAID) as appropriate.</p> <p>Copy sent to Payroll as advance information to hold last month salary.</p>	GHR Administrator
2		Offline	Upon receipt of copy of separation letter, prepares clearance certificate, contacts staff member and initiates the clearance process, explaining clearly to staff member actions to be taken before separation date.	HQ HR Business Associate / RHRO(Region)
3		GSM	<p>Receives separation letter from GSC HR Services which includes instruction to commence immediately the clearance process:</p> <ul style="list-style-type: none"> • Enters and confirms all leaves in GSM prior to the date of separation • Requests cancellation of any leaves planned after the separation date <p>Resolves any issues with the Leave Administrator. Once all leave records are confirmed and approved, contacts Leave Administrator to obtain clearance certificate sign-off.</p>	Staff Member
4	C	GSM	<ul style="list-style-type: none"> • Verifies staff member's records in the absence dashboard to ensure all leaves have been entered, confirmed and approved and no annual leave record has been entered after the separation date. 	Unit Leave Administrator

			<ul style="list-style-type: none"> Resolves any leave issues with the staff member in accordance with standard procedures. Makes an "Effective Date" search on date of separation and indicates annual leave balance on the clearance certificate ensuring that maximum amount entered is in accordance with SR630.8. If contract has been terminated before normal end date, checks that staff member has not taken discretionary days in excess of their entitlement for the service time, (i.e. 1 per 4 months of service time in a calendar year). If so, informs staff member that one day will be charged to annual leave and indicates on the clearance certificate with note to GHR to amend the discretionary day to an annual leave day instead before termination. Signs-off and dates clearance certificate. 	
5		Off-line	Staff member continues the Local Clearance Certificate process and returns completed LCC to Clearance Certificate office before separation date.	Staff member
6		Off line	<p>Upon receipt of Clearance Certificate :</p> <ul style="list-style-type: none"> obtains all other local clearances required ensures certificate is fully completed forwards completed Clearance Certificates by email to gschrservices@who.int 	HRS-HQ / RHRO-Regions
7	C	Off line / GSM	<p>Verifies and checks in GSM that:</p> <ul style="list-style-type: none"> The staff member has confirmed all annual leaves in GSM as on the date of separation by: 	GHR Administrator

			<ul style="list-style-type: none"> • Selecting Responsibility HR Administrator GSC → [Enter Maintain Screen → . Query Staff Member Record using Torch Icon → Type Value, e.g. S012345 select Others → Absence → OK → Type Annual Leave • Accessing GSM Leave Accrual (Enter Maintain → Query Staff Member Record using Torch Icon → Date Track to date of Separation → and reviews Annual Leave Balance and compare this with the information for annual leave balance as entered in the Clearance Certificate; • Makes adjustment to discretionary/annual leave days in GSM if minimum service time for discretionary days insufficient due to early termination of appointment; • if there is no discrepancy, proceeds to next step; otherwise reconciles the leave records in consultation with Leave Administrator through offline communications <p>If separation is due to Inter-Agency Transfer includes the annual leave balance in the Administrative Details letter to be sent to the receiving Organization. Process stops. No annual leave encashment occurs for separation by inter-agency transfer. HR.SOP.III.119 on Separation by Inter-agency Transfer.</p>	
8		GSM Inputs	<p>Enters Leave Encashment Element as follows:</p> <ul style="list-style-type: none"> • Access HR Administrator GSC Responsibility • Select Function Element Entry – HRM • Select staff member record using Staff Number, e.g., ‘S012345’ • Click on Find button (ensure that the staff name is correct) • Click on Alter Effective Date icon in the toolbar 	GHR Administrator

			<ul style="list-style-type: none"> • Click Calendar icon of Effective Date field and enter the date of separation into the field, for example "31-May-2011" • <i>[if element is entered after payroll cut off date, do date track 1st of following month]</i> • Click on OK button • Click on the List of Values icon of Element Name field • Select an appropriate Element from the list of values "Leave Encashment". • Click "OK" button • Click on Entry Values button • Checks staff member's records and if WIGI due date is the date after separation, indicate the appropriate step in leave encashment element. • Enters following in Entry Values: Number of days of annual leave balance for the separating staff member, Effective date (separation date), Grade and updated step, Duty station and Single or Dependent Rate. 	
9		GSM Inputs	<p>Administers Annual Leave Adjustment (zero leave balance) by following steps:</p> <ul style="list-style-type: none"> • Access Enter Maintain Screen • Search for Staff Member Record using Staff Number • Click "Assignment" Tab • Date track to separation date • Click on "Entries" Tab and access "Element Entries" Screen • Click "New" Button • Search for "Annual Leave Adjustment" element by typing "Annual" • Enter the following Entry Values in the following fields: 	GHR Administrator

			<p>Annual Leave days: (as per annual leave days accrual on separation date)</p> <p>Effective Date: (separation date)</p> <p>Remarks: (appropriately)</p>	
10	C		<ul style="list-style-type: none"> • Reviews Element Entries attached by the GHR Administrator in GSM and compares the information entered with the annual leave balance as indicated in the Clearance Certificate; • If no discrepancy, signs the clearance certificate and the Separation Check List. 	GHR Certifying Officer
11		Off line	Updates eSLA.	GHR Administrator
12		Off line	Emails Accounts Payable/GSC with copy to Payroll enclosing scanned clearance certificate form duly signed by GHR Certifying Officer to request for payment of Annual leave encashment and other entitlements which may be due upon separation.	GHR Administrator
13		ECM upload input	<p>Uploads Clearance Certificate and other separation supporting documents as certified by the GHR Certifying Officer to staff member's ECM folder</p> <p>See FIN.SOP.XII.PAY.073 Separation entitlements processing.</p>	GHR Administrator

4. KEY RISKS & COMPENSATING CONTROLS

Risks	Compensating Controls	Process Step
<p>Overpayment/underpayment to staff member on separation due to incorrect leave records</p>	<ul style="list-style-type: none"> • Leave Administrator must check records with staff member before departure and sign off on the clearance certificate. • GHR double check the GSM balance against the clearance certificate and review any discrepancies • Review of Discretionary days if staff member’s appointment terminated early. 	<p>4, 7, 9</p>
<p>Over/underpayment due to GHR manual data entry error in payroll element</p>	<ul style="list-style-type: none"> • GHR certifying officer checks screen shot of element and signs-off 	<p>9</p>
<p>Financial debt to WHO because :</p> <ul style="list-style-type: none"> • staff member departs from the Organization owing days of leave to the Organization due to negative leave balance • GHR is not informed by Manager through the HRAP of staff separating resulting in non-issuance of separation letter which in turn results in non-initiation of the Clearance process and non-closure/verification of leave records. 	<ul style="list-style-type: none"> • Payroll is copied on staff member’s separation letter and holds last month of salary pending receipt of clearance certificate – negative balance can be recovered from last month salary and other termination payments due. • HR Business Partner/Associate initiates clearance process upon receipt of separation letter and informs staff member that last month salary will not be released if clearance certificate process not completed. GHR separation letter includes. • GHR does not enter any separation payroll elements until the clearance certificate duly completed at the local and GSC levels is received. 	<p>1, 2</p>