

## UCF RETROACTIVE PAYMENTS

Retroactive pay (retro pay) occurs when the deadline for submitting paperwork on a new hire or rehire has been missed.

Additionally, retro pay refers to money that is owed to an employee for work already performed at a lower wage rate.

### **Timing of Pay Adjustments**

Retroactive pay adjustments may impose significant risks and costs for UCF and the employee benefits in terms of wages, employee relations, and administrative time.

Therefore; the following types of transactions are not permitted:

- Retroactive adjustments to base pay (i.e. special pay increases or merit increases)
- Retroactive effective date changes for position reclassifications
- Retroactive transfers of employees between positions or departments
- Retroactive transfers of employees that fall between biweekly payrolls

It is imperative that no commitments regarding the effective date for pay adjustments be made to employees until written authorization is received from the appropriate budgetary authority.

All appropriate paperwork should be completed and processed in advance of the effective hire or status change date. In all cases, the required adjustment should be effective with the beginning of the next pay period after written authorization has been received. Please refer to the Payroll Calendar sent out each month to know the appropriate dates to use.

Retroactive adjustments in funding sources (which do not impact pay rates or classifications) are not impacted by this pay practice.

Rare exceptions to this pay practice will be handled on an individual basis. HR will formally recognize in the case when a back payment is necessary to remediate an earlier nonpayment caused by an administrative error or operational oversight, such as misclassification or other failure to duly compensate for additional duties.

Approved pay adjustments will be made in the following on-cycle pay period or as soon as administratively possible.

### **Timing of Pay Adjustments as they related to Reclassification and Special Pay Increases**

It is the department's responsibility to submit justification and revised job descriptions reflecting changes of duties in a timely manner. Retroactive actions can seriously affect exemption status (FLSA), bargaining unit membership and pay issues.

Once an employee has been performing the full scope of higher-level duties for six (6) months or more, the department may submit a request for a preliminary analysis on what is changing (refer to the Compensation Action Checklist on the HR-Compensation website). Upon receipt of a reclassification request, the compensation analyst has 30 days\* to render a decision, therefore departments should be prepared to provide any additional information the analyst may require within that time frame. If needed documentation cannot be made available or the employee being reviewed is not available for consultation, then the reclassification request will be suspended, and the department will be asked to re-submit when all supporting information can be provided.

After HR Compensation provides a preliminary analysis on the requested action, the department should then submit an electronic personnel action form (ePAF) that reflects the approved action. Requesting a preliminary analysis lessens the turn-around time of the formal ePAF significantly.

**For non-represented positions, the effective date of a reclassification is the first full day of the first full pay period following HR-Compensation's approval of the completed ePAF request.**

**For represented positions, the effective date of a reclassification varies depending on the type of reclassification (within-unit or out-of-unit) and the collective bargaining unit. Please refer to the applicable collective bargaining unit agreement and/or consult with your Compensation Analyst. Most bargaining units require at least two (2) week notification before a change can be made.**

Reclassification of an in-unit, non-exempt position represented by PBA going to exempt:  
Upon reclassification from an in-unit PBA position to an exempt position, all compensatory time balances will be paid to the employee using the same effective date as the reclassification action.

*\* This time frame may either be shortened or lengthened depending on variables such as workload, staffing, and special projects.*

Salary adjustments resulting from reclassification, career progression, or assumption of higher responsibilities within range will not be backdated further than the first pay period following the official signature date of HR-Compensation's approval.