

Termination Payment Policy



This policy is based on employment standards laws in Alberta, but HR managers in any part of the country can adapt this Model Policy for use at their own workplace.

INFORMATION REQUIRED BY THE PAYROLL DEPARTMENT TO PROCESS PAYMENTS DUE UPON AN EMPLOYEE'S TERMINATION

1. Purpose

This policy was created to clarify the information that the payroll department needs from HR (and other departments) to process amounts due to employees of ABC Company (the "Company") upon termination.

1. Policy

2. Notice of Termination

1. Notification of an employee's termination must be provided to payroll within one day of the date the Company provides notice to the employee.
2. Notification must include the employee's last date of employment and the amount of any of the following payment types due the employee:

- Wages in lieu of notice;
- Banked overtime;
- Unused vacation pay or payment in lieu of vacation;
- Statutory holiday pay;
- Sick leave;
- Call-in pay;
- Severance pay and retiring allowances;
- Pension options;
- Benefit coverage;
- Commissions due upon and after termination;
- Expense advances;
- The cost of any equipment or other materials for which reimbursement is sought from the employee;
- Payments in exchange for a promise not to compete; and
- Amounts forgiven on an employee's debt.

3. The Following documents should be attached to the notification:

- Employee time sheets;
- Employee absence requests during the notice period; and

- Employment, non-complete and other agreements between the Company and terminated employee.

1. Payment Dates

2. If an employee resigns without notice, final wages due shall be paid within 10 days of the last date of employment.
3. If an employee is terminated or laid-off, final wages due shall be paid within three days of the last date of employment.
4. All other amounts due upon termination, including retiring allowances, shall be paid in accordance with Company policies and applicable employment or collective agreements.

Signed: _____

President/CEO Date:

The ABC Company Termination Payment Policy should be consulted whenever there are concerns about termination pay in the workplace.