

Type: General Correspondence	ID Number: GC 220
Date: May 21, 2012	Subject: 2011-12 Leave Liability Reports

Suggested Audience:

Agency Personnel Office and Staff Responsible for Agency Financial Statements

Details:

When will the reports be available?

- **Preliminary Reports:** There will be three Preliminary Leave Liability reports for the 2011-12 Fiscal Year that can be used by agencies to pre-audit the data before the final report is run. The Preliminary Leave Liability reports will be available by 8:00 a.m. ET on Monday, July 2, 2012, Monday, July 9, 2012, and Monday, July 16, 2012. Each Preliminary Leave Liability report contains data as of close of business the Friday before the report is run. As this is preliminary data, agencies should not use this for their official financial statement reporting. This data is provided for validation only and will change each time based on approved timesheets for the 2011-12 Fiscal Year.
- **Official Reports:** The Official Leave Liability reports for the 2011-12 Fiscal Year will be available by 8:00 a.m. ET on Monday, July 23, 2012. The data available on July 23, 2012, will become static and will not change based on approved timesheets. The data contained in the official reports will be as of close of business Friday, July 20, 2012.

Report Descriptions:

- **Report 1: Agency Leave Liability**
 - This report is the detailed report by employee for the agency and contains all employees that are included in the agency's leave liability totals. This report contains the employee's beginning balance as of 07/01/11, leave accruals, leave used during the Fiscal Year, each employee's ending balance as of 06/30/12 and the corresponding leave liability values for each of these.
 - As applicable to your employees, this report contains the following leave types:
 - Annual Leave – Leave Type 51
 - Sick Leave – Leave Type 52
 - Special Compensatory Leave – Leave Type 55
 - FLSA Special Compensatory Leave – Leave Type 85
- **Report 2: Agency Leave Liability by Fund ID**
 - This report contains the agency's total liability summarized by Fund ID.
 - This is typically the report you will use to perform your Financial Statement calculations.
 - In addition to a total by Fund, this report also contains an overall total liability for the agency.
 - For agencies that have employees with FLSA Special Compensatory Leave, two separate overall totals are presented. The first is "Total Liability," which includes all leave liability for the agency, and the second is "Total Liability (excluding FLSA

Leave),” which is the total of the agency’s Annual Leave, Sick Leave and Special Compensatory Leave. The latter does not include FLSA Special Compensatory Leave.

- **Report 3: Agency Leave Liability by Leave Type**
 - This report contains the agency’s total liability summarized by Leave Type.
 - In addition to a total by Leave Type, a grand total is presented in the last line of the report.

Where are leave balance adjustments and rollover hours presented?

- Leave balance adjustments and rollover hours are separated and placed in the column “Adjusted Balance” instead of being included in employee accruals. The liability amount associated with the calculations for leave balance adjustments and rollover hours is reflected in the column “Adjusted Liability.”

Why is Sick Leave liability different from Annual Leave?

- Employees are only included in the leave liability reports for sick leave if they have at least 103 months of creditable service.
- The leave liability amounts for sick leave are based on one-quarter of the employee’s actual balance (compensable value), not the entire balance.
- Sick leave liability is capped at 480 hours (annual leave is not capped for leave liability).

Who will have access to the reports?

- Users with the following security role codes will have access to process these reports:
 - For user’s agency: A, C, D, H, I, K, U, X, and Y.
 - Statewide: F, N, and S
 - For assigned agencies: G

How do I process (execute) the reports?

- Users with the appropriate security role code (see above) can process the Leave Liability Reports as follows:
 - Within the Management Home Page, select “Data Warehouse Reports”.
 - Select “Budget Reports”, which will bring up a listing of all reports you have access to process.
 - Select the Leave Liability Report you wish to process. This will take you to the report setup screen.
 - Then enter 07/01/2011 in the Start Date field. If you enter an incorrect date, the report will come back blank.
 - Select the Report Format (PDF or XLS), then select “Run Report.”

Why is my agency’s beginning balance different from last year’s ending balance?

- If your agency’s current employee population is different than what it was when the 2010-11 reports were created, your agency’s beginning balance and liability will be different. Beginning balances and liability amounts are based on your active employees as of June 30, 2012.

- If timesheets containing leave used for the 2010-11 Fiscal Year were processed or modified after your agency's 2010-11 reports were created, then the beginning balance and liability for those employees will be different.

How do missing timesheets impact my agency's Leave Liability Reports?

- Missing timesheets can lead to an overstatement or understatement of an agency's leave liability. Therefore, it is important that all 2011-12 fiscal year timesheets be completed (submitted and approved) by 7:00 p.m. ET on Friday, July 20, 2012. Timesheets approved after this time will not be factored into the Leave Liability Reports.
 - For monthly employees, all time periods must be approved through the period ending June 30, 2012.
 - For biweekly employees, all time periods must be approved through the period including June 30, 2012.
- If the missing timesheets are for a period when the employee was on approved leave (annual, sick, etc.) and the timesheets are not approved before the final leave liability extract is processed (July 21, 2012), then the ending leave liability related to this employee will be overstated.
- Missing timesheets can be identified for the current fiscal year by running the Missing Timesheet report. This report can be accessed as follows: Select Management, Reports, Time and Payroll Reports, Missing Timesheet Report. Users with a security role of A, B, C, F, G, H, I, K, M, N, S, T, U, and Y will be able to process this report. Timekeepers can run this report for employees within their time group.

How do incorrect key service date records impact my agency's Leave Liability Reports?

- Incorrect key service dates can result in an over or understatement of your agencies leave liability. For this reason it's important that agencies ensure their employee's key service dates are accurate. The following are examples of how key service dates impact your agency's leave liability reporting:
 - Leave Accrual Service Date (which drives the calculation of Creditable Service Months) is used to determine whether employees should be included in the leave liability reports for Sick Leave. For example, if an employee has a Leave Accrual Service Date that results in less than 103 months of creditable service as of June 30, 2012, then the employee will NOT be included in the report. If the employee's date is incorrect the agency must fix the date by July 20, 2012.

Why does my leave liability not net across all columns for some employees?

- Scenario 1: Employee has a beginning annual leave balance less than 500 hours, with an ending balance greater than 500 hours. For annual leave liability, only the first 500 hours is subject to retirement contributions. The hours over 500 do not include the retirement contribution as part of the calculation.
- Scenario 2: Employee has a beginning and ending sick leave balance greater than 1920 hours. In this case, the sick leave accruals and sick leave used are factored into the accrued and used calculations, but the beginning and ending balances and liabilities do not change since the employee's balance remained over the max payout hours the entire fiscal year.