| TOPIC | GAAP REPORTING | SUB-SECTION 27.40.10 |
|---|---|---|
| SECTION | SUPPLEMENTARY SCHEDULES | ISSUANCE DATE<br>June 25, 2009 |
| SUB-SECTION | ACCRUED COMPENSATED ABSENCES | REVISED - 2019 |

## ACCRUED COMPENSATED ABSENCES

PURPOSE

The Accrued Compensated Absences schedule is generated out of SPAHRS to provide the detail of the amounts of compensated absences reported in the CAFR.

GASB Statement 16 requires employers to accrue a liability for future vacation, sick and other leave benefits that meet the following conditions:

1. The employer's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered and is not contingent on a specific event that is outside the control of the employer and employee.

2. The obligation relates to rights that vest or accumulate.

3. Payment of the compensation is probable.

4. The amount can be reasonably estimated.

The compensated absences liability will be calculated in SPAHRS on the pay or salary rates in effect at the reporting date. An additional amount will be accrued as a liability for salary-related payments (fringes) associated with the payment of compensated absences, using the rates in effect at the reporting date. The salary related payments subject to this accrual are those items for which an employer is liable to make a payment directly and incrementally associated with payments made for compensated absences on termination. Such salary-related payments include the employer's share of social security and medicare taxes and the employer's contributions to retirement plans.

The liability for governmental funds at the reporting date is shown in a CAFR note. The note reports the liability at the beginning of the period, additions during the period, deletions during the period and the liability at the end of the period. The ending liability for proprietary and pension trust funds, however, is recorded as a liability on the fund financial statements. Proprietary and pension and OPEB trust funds will run schedule 27.40.10 out of SPAHRS to calculate and support the ending liability.

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PROCEDURES

The procedures for generating the Accrued Compensated Absences schedule are as follows:

| Your Action.... | System Response.... |
|---|---|
| 1.  Enter SPAHRS.  Go to the Main Menu. | |
| 2.  Choose **RT** - Report Time from the Main Menu.  Press ENTER. | The Report Time menu will appear. |
| 3. Choose **RP** - Report Time Reports from the Report Time menu.  Press ENTER. | The Report Time Reports menu will appear. |
| 4.  Choose **AC** -  Accrued Compensated Absences.  Press ENTER. | The Accrued Compensated Absences menu will appear. |
| 5.  Choose **AC** - Accrued Compensated Absences.  Press ENTER. | The Accrued Compensated Absences options will appear. |
| 6.  Choose an available option from the displayed menu.  Available options from the Accrued Compensated Absences menu include:<br><br>**Run these reports after all June leave has been posted  and actual leave accruals have been run.**<br><br>1.  Schedule of Accrued Compensated Absences - Detail<br><br> 2.  Schedule of Accrued Compensated Absences - Summary<br><br> 3.  Reprint Schedule of Accrued Compensated Absences - Detail | <br><br><br><br><br><br><br>To print the Schedule of Accrued Compensated Absences - Detail report.<br><br>To print the Schedule of Accrued Compensated Absences - Summary report.<br><br>To reprint the Schedule of Accrued Compensated Absences - Detail report. |
| Press ENTER. | |

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If option 1- Schedule of Accrued Compensated Absences - Detail is chosen, the following screen will appear.

```
PHTEC04  PHVH     STATEWIDE PAYROLL AND HUMAN RESOURCE SYSTEM        06/06/2001
PHPSRI1D PHPSRI1M                Accrued Compensated Absences          02:18 PM


   > Agency    : ___
   >Reporting Date    : __ __ ____
   >Leave Type        : ___
   >Final Run (Y/N)   : _


   1.  Schedule of Accrued Compensated Absences - Detail
   2.  Schedule of Accrued Compensated Absences - Summary
   3.  Reprint Schedule of Accrued Compensated Absences - Detail



       Enter Number of Batch Job to Submit: 1_

Direct Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---
Issue Main  End                                  Quit
```

| Field.... | Data to be entered.... |
|---|---|
| >Agency | Enter agency number. If the agency has multiple agencies, a separate report must be run for each agency. |
| >Reporting Date | Enter 06 30 2XXX to run the report for FY2XXX, using the appropriate year. |
| >Leave Type | Enter **P** for personal, **C** for Comp time or **F** for frozen leave.  Note: Only Public Safety and Corrections are to use the Comp Time option, and only Employment Security Commission is to use the frozen leave option. |
| >Final Run | Enter Y if you have completed balancing.<br>Enter N if you want an "edit" to look at.<br><br>**WARNING: A final can only be run ONCE.** |
| Press ENTER. | |

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**BATCH JOB SUBMISSION**

Job Name:  PH766830   *Job Class: A

**Job Description: Sched of Accrued Comp Absences**

*Destination: _____  *Msg Class: Z

| | *Sysout | | |
|---|---|---|---|
| **Reports** | **Class** | **Forms** | **Copies** |
| **Sched of Accrued Comp Absences** | ___ | _____ | 1____ |

---

| Field.... | Data to be entered.... |
|---|---|
| **Batch Job Submission** | Provide printer information about the printer where the report will be printed. |
| Your Action.... | System Response.... |
| Press ENTER. | "3110I PH766830 Has Been Submitted Successfully " will appear on your screen. |
| | The "Schedule of Accrued Compensated Absences - Detail" report will print on the selected printer. |

If option 2- Schedule of Accrued Compensated Absences - Summary is chosen, the following screen will appear.  This option can be chosen only after the **final** Schedule of Accrued Compensated Absences is run.

```
PHTEC04  PHVH         STATEWIDE PAYROLL AND HUMAN RESOURCE SYSTEM      06/06/2001
PHPSRI1D PHPSRI1M                 Accrued Compensated Absences            02:38 PM


   >Agency    : ___
   >Reporting Date   : __ __ ____
   >Leave Type       : ___


 1. Schedule of Accrued Compensated Absences - Detail
 2. Schedule of Accrued Compensated Absences - Summary
 3. Reprint Schedule of Accrued Compensated Absences - Detail

    Enter Number of Batch Job to Submit: 2_


Direct Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---
Issue         Main End                                        Quit
```

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| Field.... | Data to be entered.... |
|---|---|
| >Agency | Enter agency number.  If the agency has multiple agencies, a separate report must be run for each agency. |
| >Reporting Date | Enter 06 30 2XXX to run the report for FY2XXX, using the appropriate year. |
| >Leave Type | Enter **P** for personal, **C** for Comp time or **F** for frozen leave.  Note: Only Public Safety and Corrections are to use the Comp Time option, and only Employment Security Commission is to use the frozen leave option. |
| Press ENTER. | |

**Job Name:   PH767330    *Job Class: A**

**Job Description: Accrued Comp Abs - Summary**

**\*Destination: _____ \*Msg Class: Z**

| | **\*Sysout** | | |
|---|---|---|---|
| **Reports** | **Class** | **Forms** | **Copies** |
| **Accrued Comp Abs - Summary** | **___** | **_____** | **1____** |

| Field.... | Data to be entered.... |
|---|---|
| **Batch Job Submission** | Provide printer information about the printer where the report will be printed. |
| Your Action.... | System Response.... |
| Press ENTER. | "3110I PH767330 Has Been Submitted Successfully " will appear on your screen. |
| | The "Schedule of Accrued Compensated Absences - Summary" report will print on the selected printer. |

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|---|---|---|
| SECTION | SUPPLEMENTARY SCHEDULES | ISSUANCE DATE<br>June 25, 2009 |
| SUB-SECTION | SCHEDULE OF ACCRUED COMPENSATED ABSENCES | REVISED - 2019 |

If option 3 - Reprint Schedule of Accrued Compensated Absences - Detail is chosen, the following screen will appear.  This option can be chosen only after the **final** Schedule of Accrued Compensated Absences is run.

```
PHTEC04  PHVI        STATEWIDE PAYROLL AND HUMAN RESOURCE SYSTEM        06/06/2001
 PHPSRI1D PHPSRI1M              Accrued Compensated Absences                03:36 PM


    >Agency     : ___
    >Reporting Date   : __ __ ____
    >Leave Type       : ___

  1.  Schedule of Accrued Compensated Absences - Detail
  2.  Schedule of Accrued Compensated Absences - Summary
  3.  Reprint Schedule of Accrued Compensated Absences - Detail

     Enter Number of Batch Job to Submit: 3_

 Direct Command: _____
 Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---
 Issue Main  End                                     Quit
```

| Field.... | Data to be entered.... |
|---|---|
| >Agency | Enter agency number.  If the agency has multiple agencies, a separate report must be run for each agency. |
| >Reporting Date | Enter 06 30 2XXX to run the report for FY2XXX, using the appropriate year. |
| >Leave Type | Enter **P** for personal, **C** for Comp time or **F** for frozen leave.  Note: Only Public Safety and Corrections are to use the Comp Time option, and only Employment Security Commission is to use the frozen leave option. |
| Press ENTER. | |

**Job Name:  PH768530    *Job Class: A**

**Job Description: Sched of Accrued Comp Absences**

**\*Destination: _____ \*Msg Class: Z**

**\*Sysout**

| Reports | Class | Forms | Copies |
|---|---|---|---|
| **Sched of Accrued Comp Absences** | ___ | _____ | 1____ |

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| Field.... | Data to be entered.... |
|---|---|
| **Batch Job Submission** | Provide printer information about the printer where the report will be printed. |
| Your Action.... | System Response.... |
| Press ENTER. | "110I PH768530 Has Been Submitted Successfully" will appear on your screen. |
|  | The "Schedule of Accrued Compensated Absences - Detail" report will reprint on the selected printer. |

Exhibit 27.40.10 contains reference numbers.

| REFERENCE | EXPLANATION |
|---|---|

1      The agency name.

2      The agency number.

3      The fund type of the schedule. G - Governmental funds, E - Enterprise funds, I - Internal Service funds or P - Pension Trust funds.

4      The reporting date including month, day and year.

5      Employee name.

6      Employee social security number.

7      Hourly salary rate. The "hourly salary rate" is calculated in SPAHRS by dividing the annual salary by 2080 hours.

8      Hourly salary with fringes. The hourly salary with fringes is calculated by multiplying the hourly salary by the fringe rate (the State's contribution of F.I.C.A., Medicare and retirement) at the reporting date.

9      Number hours accrued ($\leq$ 240) at period-end. This number is the employee's personal leave balance per the agency's leave records at the reporting date. The accrued liability is limited to the number of hours that can be paid upon an employee's termination; therefore, the liability is not calculated on more than 240 hours.

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REFERENCE            EXPLANATION

10          Hours taken ($\leq$ 240) during year from the agency's leave records from July 1 through the reporting date. Hours taken is used to calculate the dollar amount of deletions from the beginning balance and is limited to 240 hours.

11          Accrued liability at the beginning of the reporting period. This amount must agree to the final amount from the prior year.

12          The net amount of "deletions" and "accrued liability at period-end" minus "accrued liability 6/30/XX". ( 13 + 14 - 11 = 12 )

13          The deletions figure is calculated by multiplying the "hourly salary rate with fringes" by the "hours taken during the year." ( 8 x 10 = 13 ) When an employee has 240 hours at the beginning of the FY and at the end of the current period, there is no net change in the amount of the State's liability for that individual because the individual cannot be paid for more than 240 hours upon termination. Therefore, there should be no amount in the deletions column, and the only amount that should be in the additions column would be any increases in salary and fringes which would cause the State's liability to increase for that individual. Since beginning and ending liability is limited to 240 hours, deletions are not calculated on more than 240 hours.

14          Calculated by multiplying "hourly salary rate with fringes" by the "# hours accrued ($\leq$ 240) at period-end". This is the State's liability at the end of the period. ( 8 x 9 = 14 ).

15 - 18          Fund type totals of 11-14.

19 - 22          Grand totals of 15-18. These amounts are to be rounded and transferred to form 27.40.20, except for proprietary and pension trust funds.

23          Indicates Final report, which can only be run once. However, it can be reprinted.

24          The signature of the person approving the final report.

When an employee transfers or terminates at an agency, the amount of deletions will be equal to the number of hours taken during the period and the number of hours for which the employee was paid at the time the employee left the agency. The amount is limited to 240 hours times the salary rate at termination.

When an employee begins and ends employment between June 30 and the current reporting date, additions and deletions must still be calculated. The deletions will be calculated as explained above.

Exhibit 27.40.10
Rev. 09-015

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| ID: PHPSR12T | | | STATEWIDE PAYROLL AND HUMAN RESOURCE SYSTEM | | | | | Page: 1 | | |
| Job: FM766830 | | | Schedule of Accrued Compensated Absences - Agency Detail | | | | | Date: 11/02/20YY | | |
| Step: PH766806 | | | | | | | | Time: 2:20 PM | | |

Form: 27.40.10
Agency: Example Agency **(1)**

Agency: XXX **(2)**    Fund Type: G **(3)**    For the period ended: 06/30/20YY **(4)**

Approved By: _____      FINAL **(23)**
**(24)**

| (5)<br>Employee Name | (6)<br>SSN | (7)<br>Hrly<br>Slry | (8)<br>Hrly<br>Slry<br>W. Frng | (9)<br>Hours<br>Accrued @<br>Period<br>End <= 240 | (10)<br>Hours<br>Taken<br>During<br>Yr <= 240 | (11)<br>June 30<br>Balance<br>Prior Yr | (12)<br>Addtions | (13)<br>Deletions | (14)<br>Ending<br>Accrued<br>Liability |
|---|---|---|---|---|---|---|---|---|---|
| EMPLOYEE 1 | 000 - 00 - 0000 | 10.70 | 12.56 | 240.00 | 14.00 | 2507.29 | 682.95 | 175.84 | 3014.40 |
| EMPLOYEE 2 | 000 - 00 - 0000 | 13.02 | 15.29 | 240.00 | 0.00 | 2815.20 | 854.40 | 0.00 | 3669.60 |
| EMPLOYEE 3 | 000 - 00 - 0000 | 10.40 | 12.21 | 209.00 | 209.00 | 646.10 | 4457.68 | 2551.89 | 2551.89 |
| EMPLOYEE 4 | 000 - 00 - 0000 | 13.33 | 15.65 | 240.00 | 0.00 | 3556.80 | 199.20 | 0.00 | 3756.00 |
| EMPLOYEE 5 | 000 - 00 - 0000 | 10.75 | 12.62 | 141.75 | 132.75 | 1397.12 | 2067.08 | 1675.31 | 1788.89 |
| EMPLOYEE 6 | 000 - 00 - 0000 | 30.04 | 35.27 | 240.00 | 120.00 | 7023.72 | 5673.48 | 4232.40 | 8464.80 |
| EMPLOYEE 7 | 000 - 00 - 0000 | 18.52 | 21.74 | 240.00 | 0.00 | 5018.40 | 199.20 | 0.00 | 5217.60 |
| EMPLOYEE 8 | 000 - 00 - 0000 | 17.28 | 20.29 | 240.00 | 0.00 | 4257.60 | 612.00 | 0.00 | 4869.60 |
| EMPLOYEE 9 | 000 - 00 - 0000 | 10.40 | 12.21 | 240.00 | 12.00 | 1900.46 | 1176.46 | 146.52 | 2930.40 |
| EMPLOYEE 10 | 000 - 00 - 0000 | 9.97 | 11.70 | 143.00 | 0.00 | 0.00 | 1673.10 | 0.00 | 1673.10 |
| EMPLOYEE 11 | 000 - 00 - 0000 | 18.52 | 21.74 | 240.00 | 0.00 | 5018.40 | 199.20 | 0.00 | 5217.60 |
| EMPLOYEE 12 | 000 - 00 - 0000 | 21.09 | 24.76 | 240.00 | 0.00 | 5743.20 | 199.20 | 0.00 | 5942.40 |
| EMPLOYEE 13 | 000 - 00 - 0000 | 15.78 | 18.53 | 240.00 | 0.00 | 3794.40 | 652.80 | 0.00 | 4447.20 |
| EMPLOYEE 14 | 000 - 00 - 0000 | 14.38 | 16.88 | 240.00 | 0.00 | 3852.00 | 199.20 | 0.00 | 4051.20 |
| EMPLOYEE 15 | 000 - 00 - 0000 | 14.11 | 16.57 | 240.00 | 0.00 | 3775.20 | 201.60 | 0.00 | 3976.80 |
| EMPLOYEE 16 | 000 - 00 - 0000 | 14.66 | 17.21 | 240.00 | 0.00 | 3931.20 | 199.20 | 0.00 | 4130.40 |
| EMPLOYEE 17 | 000 - 00 - 0000 | 9.97 | 11.70 | 47.00 | 0.00 | 0.00 | 549.90 | 0.00 | 549.90 |
| EMPLOYEE 18 | 000 - 00 - 0000 | 10.40 | 12.21 | 240.00 | 0.00 | 2731.20 | 199.20 | 0.00 | 2930.40 |
| Fund Type Total | | | | | | 57968.29 | 19995.85 | 8781.96 | 69182.18 |
| | | | | | | **(15)** | **(16)** | **(17)** | **(18)** |
| Agency Grand Total | | | | | | 57968.29 | 19995.85 | 8781.96 | 69182.18 |
| | | | | | | **(19)** | **(20)** | **(21)** | **(22)** |