## Purpose of the Leave Liability Report

Leave plans that accumulate over the years represent a future financial responsibility to the Commonwealth of Virginia. At some point in the future, the employee will collect on the balances either with a cash payout or in the form of paid time off. Therefore, this leave is considered a financial liability and must be tracked and accounted for. The Commonwealth of Virginia requires us to provide this Leave Liability data on a fiscal year basis –July 1st- June 30th. The leave liability report is a detailed description of your college’s leave liability.

Leave plans that do not require a pay-out to the employee at the time of termination are not included in this report. For example, balances in the VSDP Sick Leave, VSDP Family Leave, and School/Volunteer Services Leave are not paid out and therefore are not included in the report.

The Leave Liability Report provides employee balances for all Annual Leave Plans, Excess Carry-Over Leave Traditional Sick Leave Plan, Compensatory Leave, Overtime Leave, Bonus Leave, Other Leave, Recognition Leave, On-Call Leave, and Disability Leave.

To place a dollar value on Leave Liability, the report multiplies the employee’s leave hours by the employee’s hourly compensation rate.

Note: For Faculty employees with less than five years of service, the Traditional Sick Leave or Disability Credit Liability is calculated by the Comptroller’s Directive for Manual Leave Liability Calculation Guidelines. These guidelines include multiplying percentages that are updated each Leave Liability fiscal year.

## How the Leave Liability Report Works:

Information comes from the final calendar group processed in the fiscal year, which is the 6/24 EN1 calendar and from current information in Job Data.

NOTE: A 071 Calendar has been added to your 6/24 EN1 calendar group so employees in the 071 pay group will appear along with the other pay groups in the 6/24 EN1 calendar group. The 071 Calendar will not add any accruals to the 071 pay group employees. It is built solely to display the employee’s Leave balances for the Leave Liability Report.

The Report will capture each employee and the eligible leave plans from the 6/24 EN1 Calendar Group. The Report then uses the rules established by DHRM and the VCCS to determine the proper amounts to show for Leave Liability. For example, if an employee has a leave balance that is greater than the Maximum Payout, the report uses the Maximum Payout balance when calculating the employee’s leave liability.

## Preparing for the Leave Liability Report:

The Leave Liability Report is in **PDF format**. If the data on the report is not accurate, you will need to document the inaccuracy and note the changes needed to the report results as an extra step in the process.

You can greatly simplify the process if you perform the preliminary two steps shown below to ensure the data on the Leave Liability Report is accurate.

**Process all outstanding Leave Requests**

All leave requests from 6/25 of the past year until 6/24 of the current year should be processed. Run the **VX\_AM\_TAKES\_NOT\_PROCESSED** query using the start date of 6/25 of last year, and the end date of your most recent calendar. For all entries that appear on the query, focus on the leave plans that affect the Leave Liability Report. Certain outstanding leave requests may have no impact. For example, if an employee has an outstanding leave request in the past year for 8 hours of VSDP Sick, and the employee ended the year with more than 8 hours of VSDP Sick, processing this leave request will have no impact on the Leave Liability Report. Determine if outstanding leave should be processed, or if you have created adjustments to account for the unprocessed leave.

**Validate Active Employees**

Be certain Job Data contains accurate status information. In particular be certain Terminated have been processed in Job Data.

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**The 6/24 EN1 Calendar must be Finalized**

All semi-monthly Take and Entitlement Calendar groups up to, and including the 6/24 EN1 Calendar Group, should be processed and Finalized prior to running the Leave Liability Report process. This will ensure all takes have been processed and all accruals have been added to employee balances.

**Run the Leave Liability Report**

## Produce the Leave Liability Report

1. Navigate to the Leave Liability Report Run Control page shown below

(Navigator > VCCS HRMS > Absence Management > Leave Liability Report)

1. Find an Existing Run Control ID or Add a New Run Control ID



1. Key your Agency number in the field named Company
2. Key your June 24th EN1 Calendar Group ID in the field named Calendar Group ID

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1. Click Run
2. On the Process Scheduler Request page, set the fields as shown below, the click OK

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1. On the Run Control page, click Process Monitor.

*The report is complete when the process monitor indicates “Success” and “Posted”.*

1. Click the hyperlink at the bottom of the page to return to “Go Back to Leave Liability Report”
2. Click Report Manager to view the report

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1. Click the hyperlink of the PDF report.

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1. Click the Report name VX\_LEAVE\_LIB.pdf

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*The report will open in PDF format*

1. Print or Save the Report

## Validating the Results

Select an employee sample of approximately 5% of your population to validate the report amounts. For an employee base of 200, select 10 employees. It is recommended that you have an employee in at least one of each of the annual plans and sick plans on the Leave Liability report. For these employees, use HCM (formerly HRMS) and any other means available to validate the report data:

* Review Annual Leave Balances & Sick Leave Balances using Results by Calendar Group
* Review the Max Payout amounts
* Review Compensation rate in Job Data on the Compensation Page
* Review Earnings Distribution in Job Data on the Earnings Distribution Page
* Validate the report fund information
* Validate Fund Totals on the Report (Add Totals for one Fund Code)
* Validate the Fund codes – the information comes from Job Data and from VCCS HRMS >Human Resources >Additional Position Info

## Perform any necessary Adjustments

You may need to adjust the report results for one of the following reasons:

* Removing employees from report entirely
* Adding employees to the report

If an adjustment is necessary, use the XLS version of the report to make the changes. The XLS Query contains no Excel formulas. Any modifications made will not be reflected in the corresponding totals. The totals must be manually adjusted.

## Transferring the totals to Schedule 7

The report is segmented by Fund and Program Code to match the fields on Schedule 7. Transfer the number appearing in the last column: **Total Liability $ + FICA** to the appropriate field on Schedule 7. For Program Code 534, use the Department Code to determine the proper field.

In the example below, the summary line for Fund & Program 10300 101 and the far right column - Total Liability $ + FICA is shown.

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  | **Total Liability $ + FICA** |
| **Fund & Program** | **10300** | **101** | **196518** |

**This total should be posted to Schedule 7 in the following field:**



## Transferring the Totals to Schedule 8 and 8b

1. Go to the final page of the Leave Liability Report
2. Use the Grand Totals numbers to populate Schedule 8 and 8B.

*The graphics below indicates where the numbers should be placed in the Schedules*

**NOTE**: The total FY Annual Leave Hrs Used does not include any Excess Leave carry over leave usage from 1/10-6/24. This will need to be manually added to this grant total for Annual Leave Hrs Used. See Appendix 1 for instructions on how to capture this information.

Table

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## Appendix 1

1. Navigate the to **Absence Event** page in HCM

(Navigator > Global Payroll and Absence Mgmt > Payee Data > Maintain Absence > Absence Event)

* Enter the Empl ID
* Click Search

1. Change the **From** date to 6/25/XXXX (previous year) and the **Through** date to 6/24/XXXX (current year) and **Click** **Refresh.**



1. Download Results to Excel

* Click on the **Grid Action Menu**
* Select **Download Absence Events Table to Excel**

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1. **Open** Excel

* Click Enable Editing
* Save document

1. **Calculate** Annual Leave Hours

* Filter Results for Annual Leave in the Description Column
* Total Column for Partial Hours

**NOTE**: If a field is blank in the Partial Hours column, this indicates a full day of leave usage. These hours will need to be manually entered into the spreadsheet. Ensure the hours entered are based on the employee’s work schedule. If needed, the employee’s timesheet can be reviewed to show the hours that was populated by the schedule. Review the Begin Date and End Date to determine if more than one day was submitted.

1. The Calculated Total Results is Annual Leave used for the current leave year. The total should be documented as usage for the employee and added to the Grand Total for FY Annual Leave Hrs Used.