

Instructions for Leave Liability Reporting

Purpose of Leave Liability Reporting

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 reports are a detailed description of your college's leave liability.

The Leave Liability Reports provide employee balances as well as Current and Long-term Liabilities:

- Report 1: All Annual Leave Plans, Traditional Sick Leave (also includes 9 Month Faculty Traditional sick)
- Report 2: 9-Month Faculty Personal, VSDP Personal, VSDP Sick
- Grand Totals are listed on Report 2

To place a dollar value on Leave Liability, reports multiply the employees' leave hours by the employees' hourly compensation rate.

Note: For Faculty employees with less than five years of service, the Traditional Sick Leave is calculated by the Comptroller's Directive for Manual Leave Liability Calculation Guidelines and will return a zero-dollar amount.

How the Leave Liability Reports Work:

The Reports capture each employee and the eligible leave plans from the 6/24 EN1 Calendar Group and Job Data information. The Leave Liability query is in **Excel format**, and the Leave Liability Reports are in **PDF format**.

The Reports then use the rules established by DHRM and the VCCS to determine the proper amounts to generate the Leave Liability reports. For example, if an employee has a leave balance that is greater than the Maximum Payout, the reports use the Maximum Payout balance when calculating the employee's leave liability. Refer to the Column Definitions document for detailed information regarding calculations for each column on the Leave Liability reports.

If data on any of the reports return inaccurate results, follow steps to make corrections in the *Perform any Necessary Adjustments* section below.

NOTE: For agencies that have paygroup 071, their leave balance information will be included in query SC270_071_VX_AM_CALENDAR_GROUP_LEAVE_BAL_06242025 (with your agency letters and number).

Validating the Results

Best practice is to select a sample of employees from each classification to include Classified, 12-Month Faculty, 9-Month Faculty, and Quasi. It is recommended to review all Annual Leave Plans, Traditional Sick Leave, 9-Month Faculty Personal, VSDP Personal, VSDP Sick. Since HCM is VCCS system of record for leave processing, this should be used for leave validation and any other means available to validate the reports data:

- Review Annual Leave Balances & Sick Leave Balances
- Review 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 Fund codes – the information comes from Job Data and from VCCS HRMS > Human Resources > Additional Position Info
- Validate Fund Totals on the Reports (Add Totals for one Fund Code)
- Confirm Job Data contains accurate status information for terminated employees

Instructions for Leave Liability Reporting

Perform any necessary Adjustments

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

- Removing employees from reports entirely
- Adding employees to the reports
- Adjust Balances
- Max Payout Amounts
- Compensation Rate
- Any other necessary corrections

If an adjustment is necessary, use the Excel version of the reports to make corrections. The Excel Query contains no Excel formulas. Any modifications made will not be reflected in the corresponding totals. The totals must be manually adjusted to ensure correct calculations are reported on FY Financial Schedules.

*****Proceed to next steps to transfer Leave Liability data to the FY Financial Schedules*****

Instructions for Leave Liability Reporting

Transferring the totals to Schedule 8

The reports are segmented by Fund and Program Code to match the fields on Schedule 8. Transfer the number appearing in the last column: **Total Liability \$ + FICA** to the appropriate field on Schedule 8.

Fund & Program 10300 107	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Fund/Prog Total Leave Liab + FICA \$</td> </tr> <tr> <td style="text-align: center; padding: 2px;">\$36,434.62</td> </tr> </table>	Fund/Prog Total Leave Liab + FICA \$	\$36,434.62
Fund/Prog Total Leave Liab + FICA \$			
\$36,434.62			

This total should be posted to Schedule 8 in the following field:

Schedule 8 (State) VIRGINIA COMMUNITY COLLEGE SYSTEM COMMUNITY COLLEGE Schedule of Accrued Leave Liability (State Funds) June 30, 2025 (Due July 25, 2025)								
Calculate the total leave liability per the Leave Liability Report Instructions, complete this schedule, and enter the total leave to accrue in the column - Total All Funds Unrestricted and Restricted. DO NOT ENTER AMOUNTS IN SHADED CELLS.								
Total Leave Liability	101	103	104	105	106	107	109	Total
Instruction	Public Service	Academic Support	Student Services	Institutional Support	O & M Plant	Auxiliary Enterprises		
101 Instruction								-
103 Public Service								-
104 Academic Support								-
105 Student Services								-
106 Institutional Support								-
107 O&M Plant								-
109 Auxiliary Enterprises								-
110 Federal								-
110 State								-
110 Private								-
105 Work Study								-
Total Leave Liability	-	-	-	-	-	-	-	-

- Go to the final page of the Leave Liability Reports to find the Total Current Leave Liability
- Use the Grand Totals numbers to populate Schedule 8

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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Grand Totals</td> </tr> </table>	Grand Totals	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Current Agency Total Leave Liab to be used + FICA \$</td> </tr> <tr> <td style="text-align: center; padding: 2px;">\$609,849.12</td> </tr> </table>	Current Agency Total Leave Liab to be used + FICA \$	\$609,849.12
Grand Totals				
Current Agency Total Leave Liab to be used + FICA \$				
\$609,849.12				

Report the total current leave liability per the Leave Liability Report Instructions, and enter the total current leave to accrue in the cell below.									
Total Current Leave Liability									
Report Total Current Estimated Usage(Current Leave Liability) per leave liability report									