Please see attached requirements for modifying the leave accrual function of PPS.
Overview

At present, the method of leave accrual supported by the Payroll/Personnel System is at variance with published leave accrual policy for most personnel programs and exclusively represented units. Nor does the system support the proposed personnel policy changes which specifically address the bi-weekly population. In addition, the current system is insensitive to collective bargaining attributes where leave accrual is concerned.

Moreover, the current system provides no leave accrual history, so that adjustments to prior period pay for accruing employees result in manually applied adjustments to leave balances.

Finally, the possibility exists that new methods and programs of leave accrual will be developed in the future. The current system does not have the flexibility to deal with such potential items as paid-time off.

The vacation and sick leave accrual functions within the Payroll/Personnel System should be modified to:

1. provide the ability to differentiate the administration of leave accrual policy according to collective bargaining attributes and Appointment Title Type, and

2. support the relevant policy statements as they currently exist, in so far as possible, and

3. support the methods of leave accrual referred to in proposed personnel policy, recognizing the calendar month as the accrual period for monthly and semi-monthly employee and the quadri-weekly cycle, comprised of two bi-weekly pay periods, as the accrual period for bi-weekly employees, and

4. provide some degree of historical capability, and

5. allow flexibility for the addition of new leave types.

This document defines the requirements for PPS performance in this area.

Populations and Variables

In the current system leave accrual is calculated based upon the Leave Accrual Code which conveys the following information:
the employee's length of qualifying service, and
the employee's status as a leave earner or non-earner.

The Leave Accrual Code is stored at the appointment level of
the employee's EDB record. This code is required in order
for an accrual to be made. Therefore, accruals are based
only on transactions which guarantee access to this code.
These transactions are AU, TX and TE.

Currently, in order to accrue leave automatically the system
must determine:

1. that it is the employee's primary pay cycle, and

2. that the payment carries a leave eligible
   Description of Service Code, and

3. that the Leave Accrual Code associated with the
   payment is valid and indicates that leave should
   be accrued.

The rate of accrual is determined by interpreting the Leave
Accrual Code value in relation to the leave accrual rates
which are stored on the System Parameters Table.

In accordance with the five points stated in the Overview
above, the Payroll/Personnel System should be modified to:

1. Define populations by Title Type, Title Unit Code,
   Appointment Representation Code, Special Handling Code
   and Distribution Unit Code for leave accounting
   purposes.

2. For each discrete population identified, allow the user
to specify:
   a. Accrual method - Initially the system will be
called upon to support two primary methods of
   accrual:

   Table-driven - the appropriate accrual to be
determined according to tables such as those
which currently reside in the Staff Personnel
Policy Manual and other policy statements
(these tables will have to be modified to
deal with the range of hours or percent of
time between zero and the current table
threshold, in order to accommodate certain
split appointees), or

   Factor-driven - the accrual to be the result
of multiplying the factor by the number of
hours on pay status which are eligible for
accrual (per Description of Service Table). The proposed policy calls for factors precise to six decimal places. This means that the EDB leave balance for an employee under factor-driven accrual must be maintained with six-decimal precision.

b. Rate(s) of Accrual - Each population defined by the user may (probably will) have several possible rates of accrual. This means that for each population the user may need to define either several factors or several tables. Ten factors or tables per population per leave type should be adequate.

c. Period of Time Benefits Review - Employees receive increased vacation accrual benefits based upon length of service. The intervals at which such time benefits increases occur vary from one personnel program to another and, in some instances, from one collective bargaining unit to another.

d. Maximum Vacation Accrual - The maximum number of vacation hours which an employee may accrue. While this maximum may vary from one personnel program to another, each employee has but a single maximum regardless of the number of appointments he or she may have in different personnel programs. The employee's maximum is assumed to be the maximum provided under his or her highest leave accruing appointment.

e. Threshold - Currently, a leave earning threshold of 50% time on pay status applies to all employee groups. However, certain employee groups have full-time schedules which are not comparable to the 40 hour work week. For example, certain members of the Printing Trades Unit have a full-time schedule which calls for a 37 and 1/2 hour work week. PPS should have some means of recognizing that an employee in such a group will reach the leave earning threshold by having fewer hours on pay status in the accrual period than an employee on a 40 hour per week schedule. It is also possible that in the future the threshold for some group may be other than 50% time on pay status.

3. Develop leave accrual based upon each eligible earnings distribution processed in the employee's regularly scheduled pay cycle, for transactions AU, TX, TE, AP, LX and RX. The admission of the latter three transaction types will permit the adjustment of prior
period accruals based upon late payments or reductions in pay (see History below).

4. The system should not require that an earnings distribution be matched to a specific appointment on the employee's EDB record. Thus, the Leave Accrual Code, currently a part of the appointment record, should also be available at the employee-level of the EDB record.

5. Where no Leave Accrual Code exists, the system should base its accrual on the attributes listed in point 1 above, assuming the lowest possible rate of accrual for the population so defined.

User Controls

PPS should be modified in such a way that users will have the ability to define populations using the attributes discussed above under "Populations" and for those groups, define the appropriate accrual parameters as discussed under "Variables" above.

In addition, it should be possible for the user to identify a population as accruing vacation leave but not sick leave or vice versa or accruing no leave at all.

Finally, the system should store the date of last change to the resident values for each population. This information will be used as one factor in determining whether to make adjustments to prior period accruals.

Split Appointments

The following rules should be observed in the handling of employees with multiple appointments in dissimilar personnel programs or collective bargaining units:

1. For the purpose of determining whether or not an employee meets the leave earning threshold all of that employee's leave-eligible time on pay status should be considered, regardless of personnel program. This means that to be considered the time must:

   a. be carried on a payment which matches to a leave code on the employee's EDB record which shows eligibility (i.e., an earner, not a non-earner), and

   b. be carried on a payment with a Description of Service Code which is leave-eligible.
2. For the purpose of determining the proper rate of accrual, each earnings distribution should be considered individually.

3. An employee's maximum vacation accrual should be equal to the maximum available according to the policy governing that employee's highest leave accruing appointment.

Other Types of Leave

PPS should be sufficiently flexible to allow for the future introduction of new types of leave accrual, such as paid-time off.

History

A facility for maintaining a history of vacation and sick leave accrual should be provided. This history should satisfy the following requirements:

1. It should cover the current accrual period and, at least, the accrual period immediately preceding it.

2. For the accrual period included in the historical file the following information should be retained:

   * Leave eligible hours
   * Leave accrued
   * Leave usage
   * A record of whether one or more than one earnings distribution contributed to the accrual

Financial Considerations

Note: This section pertains to those campuses who are utilizing the financial accounting option.

The financial charge associated with an accrual must be charged to the departmental fund source from the initiating transaction (regardless of whether current or prior period) in accordance with the rate at which the accrual was made.

Order of Processing

Because of the added complications of maintaining a history of leave accrued and, potentially, of distinguishing among various employee population with different leave policies, it is vital that adjustments to leave balances be handled in the proper order. The following requirements must be satisfied:
1. The ending balance must not exceed the maximum, whether through the accrual of current leave or the increment of a prior period accrual due to late payment.

2. No prior period adjustment to leave balances should be made unless the system can determine the exact rate at which the original accrual was made.

3. For campuses using the financial aspect of leave accrual, no prior period adjustment to leave balances should be made unless the system can accurately adjust all necessary fund sources.

4. Whenever a prior period payment is processed for which the appropriate leave balance adjustment cannot be made a message should be issued. These messages should be displayed on a discrete report. (See Reporting below for details).

Terminal Vacation Pay (TRM)

Because of the complexity introduced by the proposed leave policies, which require accrual and maintenance of sick and vacation leave to the millionth of an hour, it seems appropriate that the Payroll System provide some automated assistance in the process of making terminal vacation payments.

Specifically, the proposed policy requires that TRM be paid to the nearest higher hundredth of an hour of the amount stored on the EDB. For example, if the employee's vacation balance at termination were 119.230001 hours, the TRM payment would be for 119.24 hours.

PPS should be modified so that the submission of a positive time reporting transaction (TX, AP, LX, TE) with a Description of Service (DOS) of TRM and no input time will cause the system to insert the employee's vacation hours balance (adjusted by the amount of any accrual and usage in the current compute) into the regular time field in the transaction. The input of hours into the regular time field by the user should override the system's attempt to derive the number of hours to be paid.

Sick Leave Balances

Existing University policies allows for the partial or complete reinstatement of sick leave hours earned for an employee being rehired, dependent upon the length of the employee's break in service. Currently, PPS does not concern itself with an employee's hours balances after separation.

It is asked that the system be modified to do the following:
For employees being rehired (Personnel Action Code = 02), the system should determine whether a positive sick leave balance exists and, if so, issue a message to that effect together with a display of the balance.

Reporting

Currently, the system is able to report the leave balances to the employee via the pay stub or Surepay statement and to the department via the Time Benefits Roster. Such reporting will continue, with modifications. In addition, several new messages are asked for relating to accrual and prior period adjustments.

Message Reporting - A new report should be added to the output of PPP390 which will carry all messages issued by that program relating to leave accrual or leave balances. The report should be sorted by Title Type and then by Home Department, with page breaks for each change in Title Type and Home Department. For campuses utilizing the Multiple Home Department Option, an employee should appear under each Home Department in which he holds a leave accruing appointment.

Pay stub reporting - The ending balance reflected on the pay stub should represent the amount of leave the employee has available, to the nearest lower quarter of an hour. The accrual should be displayed to the nearest one hundredth of an hour. Usage should be displayed exactly as entered. It is asked that the system enable users to display balance and usage figures one month in arrears for monthly-paid employees on an optional basis.

Time Benefits Roster - The purpose of this report is to enable departments to administer accurately leave time earned and taken by employees. Because the proposed policy requires that vacation and sick leave accruals be accurate to millionths of an hour, some reporting modifications will be needed. The report should reflect the following for all types of leave earned for each employee:

* Balance as of beginning of most recent accrual period
* Accrual for most recent accrual period
* Usage recorded during most recent accrual period
* Balance as of end of most recent accrual period
* Balance rounded to nearest lower quarter hour as of end of most recent accrual period
Except for the rounded ending balance and the usage, all of the above items should be displayed as they reside on the EDB, i.e., to the nearest millionth of an hour. Trailing zeroes should not be displayed, as, for example, in the case of an employee who accrues vacation according to tables. If the employee's balance is exactly 10.25 hours then the report should not display 10.250000.

In addition to displaying the items discussed above, the Time Benefits Roster should be modified to display messages related to an employee's leave earning status. Such messages are currently displayed on the Personnel Status Report (PPP6201):

* Employee Approaching Time Benefits Review

* Casual Employee Approaching Vacation Eligibility

and a new message:

* Employee Approaching Vacation Maximum

This message should be issued for any employee who is within 20 hours of achieving vacation maximum.