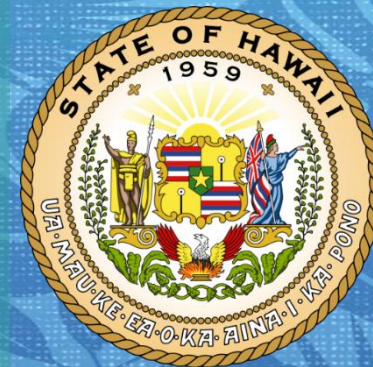




HIP Time and Leave Refresher Training

December 19, 2022



Department of Accounting and General Services
in coordination with the
Office of Enterprise Technology Services

TOPICS

1. Year-End Leave Processing

- What is Involved in Year-End Leave Processing
- Year-End Vacation Forfeiture Guidelines
- Reviewing Employee Year-End Data
- Calculation of Forfeited Vacation – Lower Cap, Higher Cap, Rollover Balance
- Leave on Last Day of Period – Continuous Leave
- Vacation Forfeiture Processing Timeline
- Leave Donation Timeline
- Retroactive Submissions of Vacation Leave
- Vacation Balance Adjustments Due to Vacation Forfeiture

2. Resources



DISCLAIMER

- The specific scenarios outlined in this training have been simplified for training purposes.
- Figures used to illustrate payment information is fictitious for training purposes.
- As individual employees' circumstances and situations are different, please consult with your HR Authority for specific guidance on entering employee data.

Year-End Leave Processing

- What is considered for year-end forfeiture calculation?
 - Vacation Earned YTD, Vacation Used YTD, Vacation Donated
- There are various components that are involved to determine whether (and how much) an Employee will forfeit vacation at the end of the year
 - The Employee's pay schedule (LAG or ATF)
 - If the Employee has hit the "lower cap" in a prior year and is required to use 6 days (48 hours) of vacation
 - If the Employee has a balance of over 90 days (720 hours) – "higher cap"
 - If the employee is out "on continuous leave" from the Employee's last scheduled day in December into January

Year-End Forfeiture Guidelines

- Two forfeiture caps exist – referred to the “higher cap” and “lower cap”:
 - Higher cap: Employees may accumulate no more than 90 working days (720 hours) at the end of the calendar year
 - Lower cap: Employees who have accumulated 42 days of vacation leave, subsequently cannot accumulate not more than 15 days of vacation leave per year, even if their accumulation falls below 42 days (336 hours)
 - Employees who reach a vacation leave balance of 336 hours need to start taking 48 hours per year in the subsequent year to avoid forfeiture related to this cap
 - If 42-day accumulation is reached within the current year, number of accrued days Employee can hold will be prorated based on when accumulation is reached – Aligns with February 13, 1974 Memorandum (interpretation of accumulation of vacation provision contained in CBAs)

Reviewing Employee Year-End Data

- **HIP_TL_YE_VAC_ROLLOVER** – Run after December 20th payroll is confirmed
 - Query pulls data from end of November (12/20 ATF) to populate the December starting balance
- **HIP_TL_GREATER_THAN_300_VAC** - Pulls active employees that have either hit the 336-hour threshold previously OR has a vacation balance greater than 300 hours relating to the *lower cap*
- **HIP_TL_GREATER_THAN_600_VAC** – Pulls employees who have a balance greater than 600 hours relating to the *higher cap*

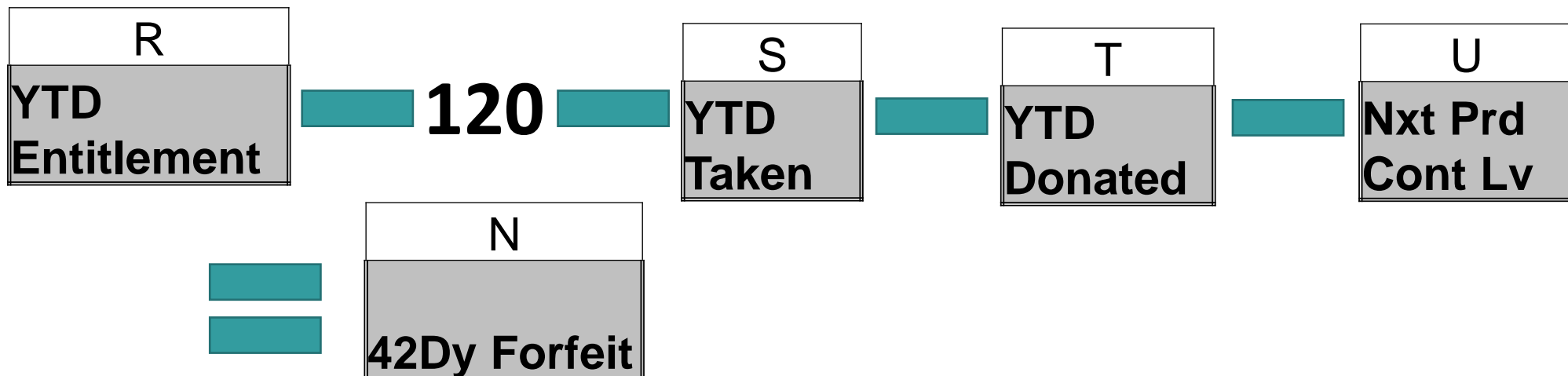
Calculation of Forfeited Vacation

- Use of the **HIP_TL_YE_VAC_ROLLOVER** query will produce the following data:

A	B	C	D	E	F	G	H
Empl ID	Rcd#	Name	Dept ID	Dept Description	Pay Group	Dec Confirmed	Prcs Ent/RO
I	J	K	L	M	N	O	P
Dec Start Bal	Dec Adjust	Dec Donated	Dec Taken	Dec Entitlement	42Dy Forfeit	720Hr Forfeit	Rollover Bal
Q	R	S	T	U			
42Dy Date	YTD Entitlement	YTD Taken	YTD Donated	Nxt Prd Cont Lv			

Calculation of Forfeited Vacation – Lower Cap

- ***YTD Entitlement*** – 120 hours – ***YTD Taken*** – ***YTD Donated*** – ***Nxt Prd Cont Lv*** = ***42Dy Forfeit***
- Columns R – 120 – S – T – U = N
- Use to verify whether Employee used 48 hours of vacation



Lower Cap – Things to Note

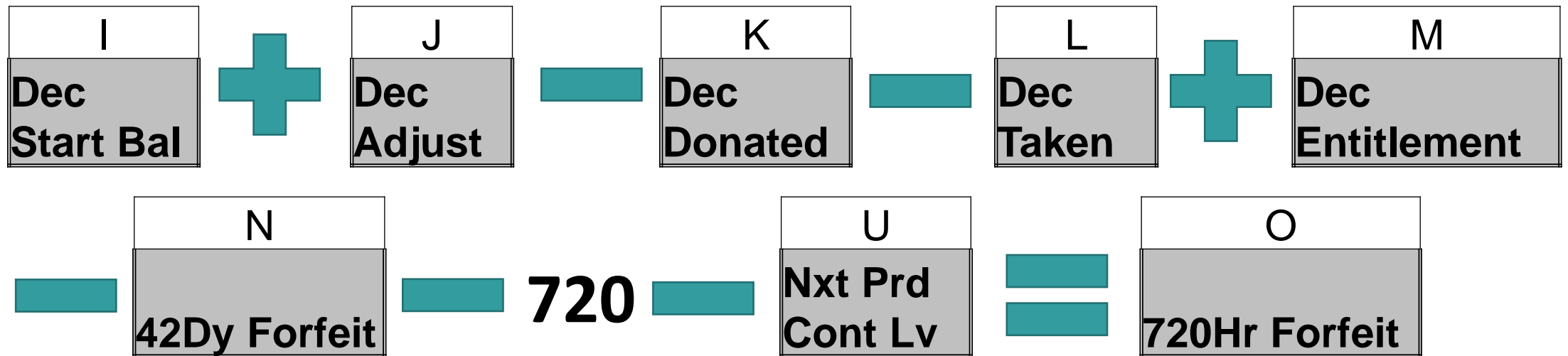
- ***Employees participating in BU11 (e.g. Firefighters) utilize a different parameter to account for their 15-day accumulation (in reference to the 120 hours in the formula) to accommodate their work schedule***
 - Please refer to their specific bargaining agreement to confirm their per-year vacation accumulation
- February 13, 1974 Memorandum (interpretation of accumulation of vacation provision contained in CBAs) – covers the employee's accumulation in current year when hitting 42-day accumulation
 - Formula only covers the scenario where Employee hits the 42-day accumulation in the prior year and needs to use six days (48 hours) of vacation in the current year

Calculation of Forfeited Vacation – Lower Cap Example

- Potential Forfeiture Calculation for Employee as of 12/31:
- ***YTD Entitlement (168) –***
- 120 hours –
- ***YTD Taken (0) –***
- ***YTD Donated (64) –***
- ***Nxt Prd Cont Lv (80) =***
- ***42Dy Forfeit (0)***

Calculation of Forfeited Vacation – Higher Cap

- ***Dec Start Bal + Dec Adjust – Dec Donated – Dec Taken + Dec Entitlement – 42Dy Forfeit – 720 hours – Nxt Prd Cont Lv = 720Hr Forfeit***
- Columns I + J – K – L + M – N – 720 – U = O

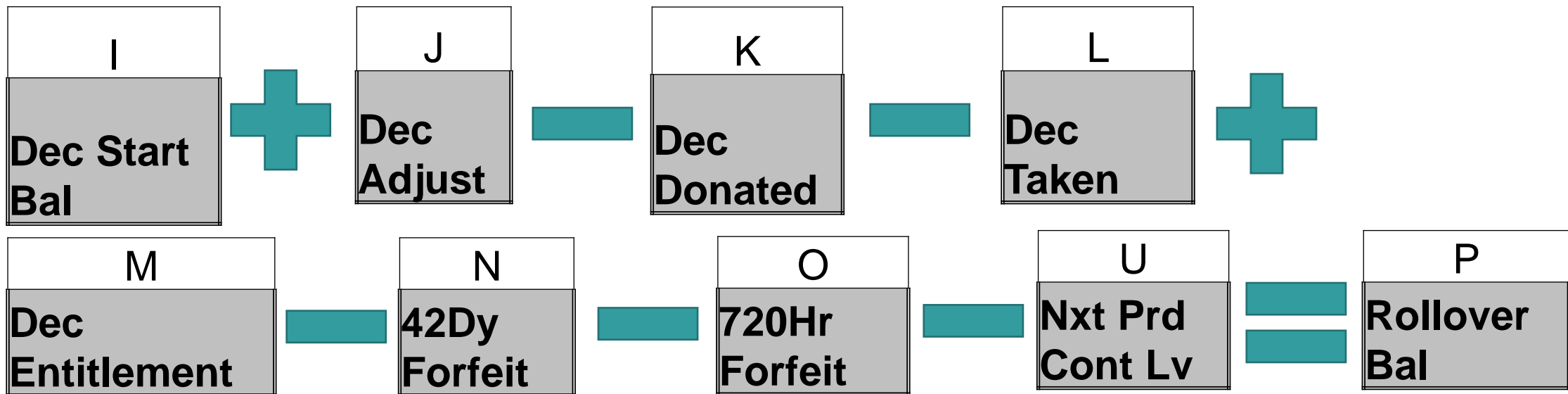


Calculation of Forfeited Vacation – Higher Cap Example

- ***Dec Start Bal (874) +***
- ***Dec Adjust (0) –***
- ***Dec Donated (64) –***
- ***Dec Taken (16) +***
- ***Dec Entitlement (14) –***
- ***42Dy Forfeit (0) –***
- ***720 hours –***
- ***Nxt Prd Cont Lv (80) =***
- ***720Hr Forfeit (8)***

Calculation of Forfeited Vacation – Rollover Balance

- ***Dec Start Bal + Dec Adjust – Dec Donated – Dec Taken + Dec Entitlement – 42Dy Forfeit – 720Hr Forfeit – Nxt Prd Cont Lv = Rollover Bal***
- Columns I + J – K – L + M – N – O – U = P



Calculation of Forfeited Vacation – Rollover Balance Example

- ***Dec Start Bal (874) +***
- ***Dec Adjust (0) –***
- ***Dec Donated (64) –***
- ***Dec Taken (16) +***
- ***Dec Entitlement (14) –***
- ***42Dy Forfeit (0) –***
- ***720Hr Forfeit (8) –***
- ***Nxt Prd Cont Lv (80) =***
- ***Rollover Bal (720)***

Leave on Last Day in Period – Continuous Leave

- If an Employee is out on leave on their last scheduled day in December, continuing into January, the forfeiture logic will not process until the Employee returns to work
 - Applies if Employee is out on partial leave on the last scheduled day continuing into January
 - If Employee is out long-term (more than one month), accruals are withheld until the Employee returns to work
- Holidays do not count as scheduled days – If December 31 is the observed New Year's Day holiday, an Employee's last scheduled day in December would be prior to the holiday

Vacation Forfeiture Timeline

- Vacation forfeiture process with the Employee's 12/16 – 12/31 payroll processing
 - LAG = January 5th check
 - ATF = January 20th check
- Employees wishing to submit vacation requests and/or leave donations to effectuate prior to the forfeiture must be done by the timesheet submission deadline for the respective LAG/ATF check processing

Vacation Forfeiture Timeline

December

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

LAG Employees must have approved leave donation/vacation requests by the timesheet deadline.

January

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

ATF timesheet deadline prior to forfeiture

LAG vacation forfeiture

ATF vacation forfeiture

Leave Donation Timeline

- Vacation donations initiated in HIP are processed with the current open absence calendar – coincides with the current payroll that is processing
 - LAG and ATF Employees observe different deadlines due to difference when 12/16 – 12/31 period is processed
 - LAG: Deadline would be 12/22/2022 for donations and vacation requests prior to forfeiture
 - ATF: Deadline would be 1/9/2023 for donations and vacation requests prior to forfeiture

Leave Donation Timeline

December

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

LAG Employees must have approved leave donation/vacation requests by the timesheet deadline.

January

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

ATF timesheet deadline prior to forfeiture

LAG vacation forfeiture

ATF vacation forfeiture

Retroactive Donations

- If the deadlines are not met, forfeiture will run without including the intended donated hours
- Since the **Leave Donation** processes in the current period, retroactive donations require different processing
 - Manual adjustment to the leave bank balance
 - Manual adjustment to the employee's vacation balance
- Employee vacation balance adjustment can be done effective 1/1 to "restore" the employee's balance due to forfeiture

Retroactive Submissions of Vacation Leave

- Employees, Supervisors, and Leave Keepers can enter vacation requests after-the-fact, even after forfeiture has been run
- Once approved, HIP will recalculate the forfeiture during the nightly absence calculation process
- Applies more generally to any retroactive leave entries for prior periods – absence will recalculate the affected period forward until present
 - **Example:** If an Employee enters a retro request for July 1, 2022, once approved, HIP will recalculate the Employee's absence information from July 1 through current

Vacation Balance Adjustments Due to Vacation Forfeiture

- HR Admin have the capability to manually adjust employee vacation balances
 - If an exception occurs that is not covered by the forfeiture logic, HR Admin can manually adjust the employee's vacation balance
 - Some examples include:
 - Special exceptions to rollover based on a Comptroller's Memorandum
 - Employees on Workers' Comp
- Recommended to use 1/1 – 1/15 period – adjustments done prior to 1/1 would be included in the forfeiture logic (no effect)

Additional Resources

- [Year-End Leave Processing Guide](#)
- [Receive Donated Leave Processing Quick Guide](#)
- [Receive Donated Leave Absence Take Guide](#)



MAHALO FOR YOUR TIME!