



# State of North Carolina

## Office of the State Controller

DAVID T. MCCOY  
STATE CONTROLLER

July 1, 2010

### MEMORANDUM

**TO:** Chief Fiscal Officers  
HR Directors

**FROM:** David McCoy

**SUBJECT:** Year-End Compensated Absences Report

The OSC HR/Payroll team requests your assistance in finalizing the year-end compensated absences report. Vacation and bonus leave balances from the State's HR/Payroll system on June 30, 2010 will be utilized in this process and must be up-to-date. **All BEACON-serviced agencies must ensure that employee time data through June 30 is recorded, released and approved no later than July 23.**

On July 26, the OSC HR/Payroll team will send verification reports in text format to HR Directors and Chief Fiscal Officers. It is the responsibility of the agency HR Directors and Chief Fiscal Officers to ensure that proper personnel receive and review the reports to determine their accuracy. Agencies following the OSC recommendation of having employees enter time weekly and managers approve time weekly should have to make few, if any, adjustments to vacation and bonus leave quotas. If any changes are required, they must be completed and approved by August 10.

Following the August 10 cut-off date, agency leave balances will be converted by budget code and account/center into liability dollars. This will be made available to each agency on or about August 13 (through the compensated absences report). The report will include calculated fringe benefits and dollar amounts shown on the report will be based on each employee's salary as of June 30 divided by 2080 hours (number of hours in a work year) multiplied by vacation/bonus leave balance hours. The report will be run by OSC and distributed to Chief Fiscal Officers and HR Directors in HTML format. All time entered and approved between July 26 and August 10 for periods prior to June 30, 2010 will be reflected in the final reports.

As in past years, the report is to be used as the source document in preparation for the year-end CAFR (Comprehensive Annual Financial Report) package and for related audit reviews. Questions or comments should be directed to the BEST Shared Services Center by phone at (919) 707-0707 or by email at [best@osc.nc.gov](mailto:best@osc.nc.gov).