



DEPARTMENT OF THE ARMY
 U.S. ARMY CORPS OF ENGINEERS
 FINANCE CENTER
 7800 THIRD AVENUE
 MILLINGTON TENNESSEE 38054-5005

REPLY TO
 ATTENTION OF:
 CEFC-QQ
 SOP No. UFC-11

Revised: 11 January 1999

**STANDING OPERATING PROCEDURE
 ACCRUED LEAVE ANALYSIS PROCEDURES**

1. **PURPOSE.** This standing operating procedure (SOP) defines the procedures used to reconcile the liability for Accrued Leave recorded in the Corps of Engineers Financial Management System (CEFMS) cost accounts to the actual liability reported by the Civilian Pay Office (DFAS-DE/FNPDA).

2. **SCOPE.** The provisions of this memorandum apply to Commanders of each installation having a Revolving Fund.

3. **DEFINITIONS.**

a. **Accrued Leave Analysis Report.** A simplified form (Attachment 1) on which all pertinent data regarding the accrued leave liability is recorded. After completion, it shows the percentage of actual liability funded through the organization's accrued leave liability accounts.

b. **Accrued Leave Liability Accounts.** The following accounts are presently grouped together in computing the organization's total funding posture:

<u>Description</u>	<u>Cost Account</u>	<u>General Ledger</u>
Labor & Payroll	RF9310	2211.00
Government Contributions	RF9320	2213.00
Annual Leave	RF9330	2210.10

c. **Unpaid Accrued Leave Liability Report.** Report No. P6675R01 is generated by the Civilian Pay Office approximately 7 to 10 days after the end of each pay period. The report summarizes each site's actual liability for Annual Leave, Restored Leave, and Compensatory Time. The Compensatory Time reflected on the report includes the value of Credit Hours. The report also reflects the related liability for Medicare (MDCR) and Old Age, Survivors and Disability Insurance (OASDI) for each category of leave.

4. **POLICIES**

a. Solvency of funding level is determined as of the last day of each Leave Year (not the fiscal year) by performing a reconciliation as prescribed herein. A copy of the analysis will be submitted in sufficient time to reach CEFC-QQ not later than the 1st workday of February.

b. A mid-year analysis will be performed each year for the pay period ending closest to 30 June. A copy of the analysis will be sent in time to reach CEFC-QQ not later than the 1st workday of August.

c. The over-all goal is to achieve a funding level of no less than one hundred percent or no more than one hundred fifteen percent as of the end of the leave year, i.e., 100% to 115% funded.

d. Total funding percentage is determined by combining the balances in the three CEFMS accounts.

e. At the end of the leave year, account balances should contain amounts equating to the following:

(1) Labor & Payroll Account - total liability for other leave, i.e., compensatory time and credit hours.

(2) Government Contributions Account - total liability for MDCR and OASDI on annual leave, restored leave, compensatory time, and credit hours.

(3) Annual Leave Account - total liability for annual leave and restored leave.

f. Each command should take appropriate actions (rate adjustments) to ensure that individual accounts contain sufficient balances to meet present and future liabilities.

5. **RESPONSIBILITIES**

a. The Resource Manager at each command is responsible for maintaining adequate balances in each of the three accounts and submitting the Accrued Leave Analysis Report (Attachment 1) to CEFC-QQ within the above prescribed time frames.

b. The Directorate of Accounting Quality (CEFC-Q) is responsible for providing guidance and assistance to each command regarding accrued leave analysis; ensuring the integrity of semi-annual reports; consolidating individual command reports; and providing the consolidated report to the Director of Resource Management, HQUSACE.

6. **GENERAL.**

a. Interim reconciliations and trend analysis should be performed at regular intervals throughout the fiscal year in order to determine sufficiency of rates.

b. Good financial management dictates that appropriate rates be established to fully fund each of the three liability accounts (Annual Leave, Other Leave, and Government Contributions). Enclosures 2, 3, and 4 are provided for local FOA use in analyzing these accounts.

c. Outstanding compensatory time earned and credit hours worked should be considered in performing the accrued leave reconciliation.

7. **PROCEDURES.**

a. **Trial Balance Reconciliation.**

1. The subsidiary accounts in paragraph 3.b. should be reconciled to the respective General Ledger accounts each month. Any variance should be investigated and resolved prior to performing the Accrued Leave Analysis.

2. The Payroll Trial Balance Screen (Screen 5.149) should be reviewed each pay period after the Actual Payroll has been posted. This screen will identify any discrepancies made in posting gross payroll, government contributions, and awards. To access this screen, select the following menu items in CEFMS:

Item 3 - Financial Management Functions	Press Return
Item 5 - Financial Management	Press Return
Item 9 - Labor/Payroll	Press Return
Item 9 - Agency Rates and Payroll Actions	Press Return
Item 9 - Payroll Trial Balance	Press Return
Payroll Trial Balance Screen	(Screen 5.149)

3. Adjustments to reconcile the CEFMS records to the Unpaid Accrued Leave Liability report furnished by DFAS-OM/P can be minimized significantly by immediately printing a trial balance of the Revolving Fund General Ledger after all labor for the pay period has been accepted in CEFMS. The Trial Balance report can only be pulled for the **current day** and the last day of the month. CEFMS will not generate a trial balance for 4 Jan 99 on any other day than 4 Jan 99. **THEREFORE, IT IS EXTREMELY IMPORTANT TO PRODUCE THE TRIAL BALANCE AFTER ALL LABOR HAS BEEN PROCESSED FOR THE PAY PERIOD.**

b. Labor Distribution Report.

1. The Labor Distribution Report is a useful tool that may be used to determine total labor (regular & overtime) and earnings for Government Contributions, Annual Leave, and Other Leave for various periods of time

2. To access the report screen, select the following menu items in CEFMS:

Item 3 - Financial Management Functions	Press Return
Item 5 - Financial Management	Press Return
Item 9 - Labor/Payroll	Press Return
Item 13 - Reports	Press Return
Submenu - Labor Distribution Reports	Press Return
Submenu - Labor Distribution Costs by FOA Code	(Screen 13.1)

3. Screen 13.1 contains the following data fields that require input:

Report Type	Enter (1) for a Specific FOA Code.
FOA Code	Enter your two digit FOA code.
Begin Date	Enter the first day of the Pay period you are reviewing.
End Date	Enter the last day of the Pay period you are reviewing.
Print/List when Produced	y (yes)
Copies	1
Printer	F4 for a list of printers (Select appropriate one).
Days to retain print file	1
OK to proceed?	yes

c. Annual Leave Account (CEFMS Screen 3.12).

1. Screen Location. To access Screen 3.12, select the following menu items in CEFMS:

Item 3 - Financial Management Functions	Press Return
Item 5 - Financial Management	Press Return
Item 9 - Labor/Payroll	Press Return
Item 11 - View Labor/Payroll Related Accounts	Press Return
Item 3 - View Annual Leave Account	Press Return
Annual Leave Account View Screen	(Screen 3.12)

2. Query Process. Screen 3.12 for the Annual Leave Account is available in CEFMS on a pay period basis, i.e., one screen for each pay period of the year. A specific screen can be accessed at any time during the fiscal year by performing a simple query. The query process is as follows:

(a) At Screen 3.12 Press the F2 Key.

(b) When in Query Mode,
Enter your two digit FOA code
Tab over to the Pay Period Ending Date
Enter date reconciling, i.e., 02-JAN-99.
Press F3 Key to initiate query.

(c) When the screen for PPE 02-JAN-99 appears, Press the Shift-Print Screen keys to obtain a hard copy of the screen.

3. Worksheet. Record the Summary Balance on Line 1A of the Accrued Leave Analysis Report (Encl 1).

4. Screen Contents. Screen 3.12 contains information regarding prior fiscal year carryover, current fiscal year (CFY) expenses, CFY income, and leave balances transferred in/out of the FOA.

(a) The Expense Amount on Screen 3.12 represents all annual leave taken or paid in the CFY. This amount should agree with the CFY Annual Leave Offset portion of the Labor and Payroll Account (Screen 3.51).

(b) The Income Amount represents CFY regular labor multiplied by the percentage established in CEFMS for the Annual Leave Rate.

(c) The Transfer Amount represents the net amount of leave transferred to and from other installations.

(d) The Summary Balance on Screen 3.12 should equal the Current Balance of the General Ledger Summary View Screen (screen 3.63) (General Ledger 2210.10).

d. Labor & Payroll Account (CEFMS Screen 3.51).

1. Screen Location. To access Screen 3.51 select the following menu items in CEFMS:

Item 3 - Financial Management Functions	Press Return
Item 5 - Financial Management	Press Return
Item 9 - Labor/Payroll	Press Return
Item 11 - View Labor/Payroll Related Accounts	Press Return
Item 7 - View Labor and Payroll Account	Press Return
View Labor and Payroll Account	(Screen 3.51)

Screen 3.51.1 is accessed by pressing the Page Down Key after you have accessed Screen 3.51. Screens 3.51 and 3.51.1 are available in CEFMS on a transaction basis, i.e., one set of screens for each day that transactions affected this account.

2. Goal. The goal is to find the screen that has the last entry (for the pay period being reconciled) in the **TRANSACTION AMOUNT FIELD** for either the **OTHER LEAVE INCOME FIELD** or the **LABOR DISTRIBUTION FIELD**.

3. Identification of Last Screen with income for the Pay Period. Two methods of determining which screen to use are as follows:

(a) You could simply ask your Customer Service Representative to inform you of the date the next pay period is opened. The last screen with income would then be the screen before the new pay period is opened if all labor distributions have been processed.

(b) Run the Standard Query Language query contained in paragraph 14b to identify the effective date on which the first income is produced for the **next** pay period (for the government contributions account). The dates are the same for both the government contributions account and the labor and payroll account.

4. Worksheet. When the last screen for PPE 2 Jan 99 has been identified, print screens 3.51 and 3.51.1. Record the Summary Amount from Screen 3.51.1 on Line 2A of the Accrued Leave Analysis Report.

5. Screen Contents. Screen 3.51 contains information regarding Gross Payrolls, Severance Pay Entitlements, Death Gratuity Payments, Other Leave Income, Annual Leave Offset, and Labor Distributions. Screen 3.51.1 contains data regarding collection income, prior fiscal year carryover amounts, and the current summary account balance.

(a) The Gross Payroll Amount (CFY) includes total gross payroll plus Lump Sum Leave payments . It does **not** include Awards, Separation Incentives, or Government Contributions.

This amount should agree with the “payroll for the pay period ending _____” amount on the "Voucher and Schedule of Payments" (SF 1166) issued by Defense Civilian Payroll.

(b) The balance in the Severance Pay Entitlement field should be either zero or a positive amount (debit) representing the initial expense (positive amount) recorded from the SF50 less any actual severance payments made (negative amounts) to date.

(c) Death Gratuity Payments are separate offline DFAS transactions (TFO Disbursements) issued to the personal representative of a former employee whose death resulted from injuries sustained in the line of duty.

(d) Annual Leave Offset is a dollar for dollar offset to the Annual Leave Expense (Screen 3.12). It represents a negative expense (credit).

(e) Labor Distribution is a credit representing income for labor distributed to the various work items.

(f) Other Leave Income is a credit representing income derived from the other leave rate applied to regular labor charged to the various work items.

(g) Collection Income represents actual collections made.

e. Government Contributions Account (CEFMS Screen 3.22)

1. Screen Location. Screen 3.22 contains data regarding the Government Contributions account. To retrieve this screen select the following menu items in CEFMS:

Item 3 - Financial Management Functions	Press Return
Item 5 - Financial Management	Press Return
Item 9 - Labor/Payroll	Press Return
Item 11- View Labor/Payroll Related Accounts	Press Return
Item 6 - View Government Contributions Summary	Press Return
Government Contributions Summary View Screen	(Screen 3.22)

2. Query Process. Screen 3.22 for the Government Contribution account is available in CEFMS on a transaction basis; i.e., one screen for each day that transactions were posted to this account. Income **transaction amounts** are included on the **LABOR REVENUE AMT** line. Press the F2/F3 keys to retrieve the screen identified from the query in paragraph 14b.

3. Worksheet. Print the appropriate screen 3.22 and record the **SUMMARY BALANCE AMOUNT** on Line 3A of the Accrued Leave Analysis Report.

4. Screen Contents. Screen 3.22 contains information regarding Government Contribution expenses and income.

(a) The Contribution Amount is the actual **transaction** total for expenses posted on the date of the screen. The expense is updated when the SF 1166 from Defense Civilian Payroll is recorded.

(b) The Labor Revenue Amount is the actual **transaction** total for income posted on the date of the screen.

(c) The expense portion of Screen 3.22 shows cumulative costs incurred by the government for benefits (CSRS, FICA, etc).

(d) The income portion of Screen 3.22 shows cumulative income received based on the percentage established for Government Contributions.

(e) The Summary Balance on Screen 3.22 should equal the current balance of General Ledger Account 2213.00 (Screen 3.63).

f. **Adjustments to the Accrued Leave Analysis Report**. The Voucher and Schedule of Payments (SF 1166) for the Pay Period being reconciled will normally not be available until the Friday after the end of the pay period. When this information is recorded in CEFMS, labor will probably have already been recorded for part of the next pay period. If this is the case, manual adjustments must be made to the worksheet for Payroll, Lump Sum Leave, and Government Contributions. **Note: make sure all previous payrolls have been recorded.**

1. **Payroll Adjustment**. The amount for "Payroll for pay period ending: _____" on the SF 1166 should be recorded on Line 2B of the Accrued Leave Analysis Report as a Debit adjustment to the "Labor and Payroll Account" (Screen 3.51).

2. **Lump Sum Leave Adjustment**. Any Lump Sum Leave payments included on the unrecorded SF 1166 should be recorded on Line 1B of the Accrued Leave Analysis Report as a Debit adjustment to the Annual Leave Account (Screen 3.12).

3. **Annual Leave Offset**. A credit adjustment offsetting the above Lump Sum Leave Adjustment should be recorded on line 2C of the Accrued Leave Analysis Report as a Credit adjustment to the "Labor and Payroll Account" (Screen 3.51).

4. **Government Contributions Adjustment**. Total Government Contributions included on the unrecorded SF 1166 should be recorded on the worksheet as a Debit adjustment on Line 3B of the Accrued Leave Analysis Report. This amount includes the total retirement contributions as well as health benefits, life insurance, Medicare, and OASDI .

g. **Worksheets for Local FOA Use.** The following worksheets are provided for local FOA use in analyzing individual account balances:

1. Annual Leave Analysis (Attachment 2).
2. Other Leave Analysis (Attachment 3).
3. Government Contributions Analysis (Attachment 4).

h. **Additional Information.**

1. **General Ledgers.** There are several ways to obtain balances in the general ledger accounts. The method used will be based on the level of account detail desired. Here are two typical methods.

(a) **Query on the General Ledger Account.**

Select Item 3 - Financial Management Functions	Press Return
Select Item 5 - Financial Management	Press Return
Select Item 9 - Labor/Payroll	Press Return
Select Item 11 -View Labor/Payroll Related Account	Press Return
Select Item 12 - View General Ledger Summary	Press Return
General Ledger Summary View	(Screen 3.63)

This screen will give you a summary of a particular General Ledger account by allotment codes. Arrow up or down for each record. The total General Ledger account balance is computed by adding the individual balances together.

(b) **Trial Balance Report.**

Select Item 3 - Financial Management Functions	Press Return
Select Item 5 - Financial Management	Press Return
Select Item 19 - Reports	Press Return

Under the reports screen you can request the trial balance for the month-end or you can request GL reports and select various GL view screens to obtain the most current balance. The trial balance will normally be more useful for performing the accrued leave analysis.

2. **Sample Query – Last Screen.** In order to determine the last CEFMS screen (3.22, 3.51, and 3.51.1) updating the government contributions account and the labor and payroll account with income for the pay period ending 02-JAN-99 you could use the following SQL Plus query. Since income is generated to both accounts at the same time when labor is distributed, the same last effective_date is used for both accounts. You may copy this query (lastscreen.sql). It is located on WPC29 under ID t0rmfjcr.

```
SQL> column sum(trans_amt) format 999,999,999.99
```

```

SQL> break on pay_prd_end_date
SQLl> compute sum of trans_amt on pay_prd_end_date
1> select effective_date, pay_prd_end_date, sum(trans_amt)
2> from govt_contrib_acct
3> where work_cat_code like 'INCOME'
4>    and work_cat_elem_code not like 'BFY'
5> and pay_prd_end_date >= '02-JAN-99'
6> group by pay_prd_end_date, effective_date
7> order by pay_prd_end_date;

```

In the example below of typical query results, you should arrive at a conclusion to use CEFMS screens 3.22 and 3.51 that have an effective date before 15-JAN-99, since substantially all income for the PPE 02-JAN-99 is accounted for by 11-JAN-99. The income of \$144.56 on 20-JAN-99 could be entered as an adjustment, but do NOT use that screen for the report.

EFFECTIVE_DATE	PAY_PRD_END_DATE	SUM(TRANS_AMT)
30-DEC-98	02-JAN 99	1,425,115.77
04-JAN-99	02-JAN-99	11,615.88
05-JAN-99	02-JAN-99	11.55
06-JAN-99	02-JAN-99	-1,122.66
11-JAN-99	16-JAN-99	631,511.34
15-JAN-99	16-JAN-99	467,814.42
20-JAN-99	02-JAN-99	144.56

i. **Reference.** ER 37-2-10, paragraph 17-14, Labor Costs by Effective Time Method.

FOR THE DIRECTOR:

BETH KRAUS
Deputy Director, Administration

ACCRUED LEAVE ANALYSIS REPORT

Reporting Entity Name _____ PPE Date _____

P.O.C. & Tel # _____

Total Effective Rate (Attach Screen 3.84) _____

1. ANNUAL LEAVE (RF9330)

A. Ending Balance (Attach Screen 3.12) _____
(Specify date _____)

B. Lump Sum Leave Payments not recorded
in CEFMS (Debit) (Attach SF 1166) _____

C. Other (Specify) _____

D. Total Adjusted CEFMS Balance (RF9330) _____

2. LABOR & PAYROLL (RF9310)

A. Ending Balance (Attach Screen 3.51.1) _____
(Specify Date _____)

B. Actual Payroll not in CEFMS (Attach copies of
SF 1166(s) Specify date(s) _____ (debit) _____

C. Annual Leave Offset not recorded in CEFMS
(Credit) (Attach SF 1166) _____

D. Other (Specify) _____

E. Total Adjusted CEFMS Balance (RF9310) _____

3. GOVERNMENT CONTRIBUTIONS (RF9320)

A. Ending Balance (Attach Screen 3.22) _____
(Specify Date _____)

B. Actual Gvt Contribution Expenses not in CEFMS
for PPE ended _____. (Debit) _____

C. Other (Specify) _____

D. Total Adjusted CEFMS Balance (RF9320) _____

4. ADJUSTED LIABILITY PER CEFMS (Lines 1D + 2E + 3D) _____

5. LEAVE BALANCE PER DFAS

Annual Leave (include Restored Lv) _____

Comp Time (includes Credit Hours) _____

MDCR & OASDI for above leave _____

Total Adjusted Leave Liability per DFAS _____

6. AMOUNT OF LEAVE OVER/UNDER FUNDED _____

(Line 4 minus Line 5)

7. PERCENT FUNDED (Line 4 divided by Line 5) _____

Enclosures:

1. Screen 3.84
2. Screen 3.12
3. Screen 3.51 & 3.51.1

4. Screen 3.22
5. Unpaid Accrued Leave Liability Report (No. P6675R01)
6. Voucher and Schedule of Payments (SF 1166)

ATTACHMENT 1

ANNUAL LEAVE (RF9330) ANALYSIS

(For Local FOA Use Only)

Annual Leave Rate (Screen 5.95.1) _____ PPE Date _____

1. Ending Balance (Screen 3.12) (Specify date _____) _____

2. Adjustments to Annual Leave Balance

(a) Unrecorded Annual Leave Expense for
A/L Taken During Pay Period (Debit) _____

(b) Unrecorded Annual Leave Expense for
Lump Sum Leave Payments not entered in
CEFMS for PPE _____ (Debit) _____

(c) Unrecorded A/L Transfers (in/out) not entered
in CEFMS as of report date (Credit/Debit) _____

(d) Other (Specify _____) _____

3. Adjusted CEFMS Balance for Annual Leave _____

4. Leave Balance Per DFAS

a. Annual Leave (Extended Cost Only) _____

b. Restored Leave (Extended Cost Only) _____

c. Total Liability Per DFAS _____

5. Amount Over <Under> Funded (Line 3 Less Line 4c) _____

6. Percent Funded (Line 3 divided by Line 4c) _____

ATTACHMENT 2

OTHER LEAVE (RF9310) ANALYSIS
(For Local FOA Use Only)

Other Leave Rate (Screen 5.111) _____ PPE Date _____

1. Ending Balance (Screen 3.51.1) (Specify Date _____) _____

2. Payroll Adjustments

(a) Gross Payroll not in the system for
PPE _____ (Debit) _____

(b) Lump Sum Leave Payments not entered
in CEFMS (Debit) _____

(c) Annual Leave Offset not recorded in
system (Credit) _____

(d) Other (Specify _____) _____

3. Adjusted Balance of Labor & Payroll _____

4. Other Leave Balance Per DFAS

Comp Time (Includes Credit Hours) (Extended Cost Only) _____

5. Amount Over <Under> Funded _____
(Line 3 less Line 4)

7. Percent Over <Under> Funded _____
(Line 3 divided by Line 4)

GOVERNMENT CONTRIBUTIONS (RF9330) ANALYSIS
(For Local FOA Use Only)

Government Contributions Rate (Screen 5.96) _____ PPE Date _____

1. Ending Balance (Screen 3.22) _____

2. Gvt Contribution Expense not in the system
for PPE _____ (Debit) _____

3. Other (Specify) _____

4. Adjusted Balance for Gvt. Contributions _____

5. Government Contribution Liability Per DFAS:

Annual Leave _____

Restored Leave _____

Comp. Time _____

Total Liability for MDCR & OASDI _____

6. Amount Over<Under> Funded _____

(Line 4 less Line 5)

7. Percent Over<Under> Funded _____
(Line 4 divided by Line 5)