



THE UNIVERSITY  
of NORTH CAROLINA  
at CHAPEL HILL

Office of the Controller T 919-962-1370  
CB# 1270, 104 Airport Drive, Suite 3200 F 919-962-4140  
Chapel Hill, NC 27599-1270

## MEMORANDUM

To: Deans, Directors, and Department Chairs

From: Dennis Press  
University Controller

Re: Compiling Leave Information for Fiscal Year-End June 30, 2007

Date: April 17, 2007

This memorandum is the annual reminder that we will be requesting your assistance again this year in providing information on leave for each permanent employee (EPA and SPA, full and part-time). The information that you provide is a required component of the University's Comprehensive Annual Financial Report (CAFR).

It is imperative that we receive this information for each permanent employee to compute and report accrued leave hours accurately and timely. The Payroll Services department, in coordination with your departmental Human Resources Facilitators, compiles the leave reporting information. I write asking that you request your departments to submit their leave information as of June 30, 2007, in advance, to your department Human Resources Facilitator, so that they have the information readily available.

This year marks the beginning of the University's use of its new Time Information Management (TIM) system. Consequently, there will be more preparation required by the Human Resources Facilitators than in prior years. Since some employees may be on vacation or out of the office during the leave reporting cycle, submitting the information in advance will help ensure accurate and timely reporting.

The N.C. Office of the State Auditor performs an annual financial audit of the University and for the fiscal years ending June 30, 2003 and 2004 cited a non-reportable audit finding regarding data inaccuracies and internal control issues in the leave reporting process. There was no audit finding for the years ended June 30, 2005 and 2006. **Your assistance in reporting leave information accurately, maintaining supporting documentation for the leave information reported, and performing timely reconciliations of employee leave balances is appreciated.**

As in prior years, Human Resources Facilitators will have access to the leave liability update screen through Payroll Services to report this information. The specific procedures for

reporting the accrued leave hours will be provided to you in advance again this year, including recommended practices for accurate reporting and reconciliation of employee leave records. Since the information captured for this reporting period will be exported to TIM, it will be necessary to input actual amounts (to tenths of hours) for sick, vacation and bonus leave. Other leave balances will be entered directly into the TIM system once the Annual Leave process is completed. Human Resources Facilitators can expect to attend training during the month of June 2007 in preparation for the fiscal year-end. Further communications will be provided to coordinate this training effort.

Payroll Services will notify departments of the availability of the leave liability update screen, which is expected to be in early July 2007. July 1, 2006 balances for **vacation and bonus leave** will be provided. The **vacation and bonus leave hours earned** and **vacation and bonus leave hours taken**, including any **adjustments**, will be entered and calculated to reflect balances as of June 30, 2007. Only the June 30, 2007 **sick leave balance** will need to be entered into the leave liability update screen. Sick leave information is not used for financial reporting in the CAFR.

Thank you in advance for your assistance in this important matter.

cc: Business Managers  
Human Resources Facilitators