

# Chapter 9: E210 Vacation Credits

This chapter covers Payroll Cost Transfers and E210 Vacation Credits. In this chapter you will learn:

- How vacation credits post under normal circumstances.
- How previously posted vacation credits are redistributed when retroactive salary transfers are processed.
- How to generate a BW report summarizing all vacation credits by cost object.
- How to interpret vacation credit postings at fiscal year end.

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## E210 Vacation Credits

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### Overview of E210 Business Process

The Electronic Time and Leave System (E210) was created in 1998 following the University's fringe benefits agreement with the Department of Health and Human Services, where we agreed to pay vacation benefits from a single fringe benefit pool. That agreement was the driving force behind the development and implementation of the E210 timekeeping system. By recording vacation in the E210 system, we can easily identify the amount of vacation taken and transfer the vacation salary from individual accounts to the common fringe pool.

Questions frequently arise regarding the E210-related cost transfers on departments' revenue and expense statements. The following explains these entries, and will help you understand and reconcile the E210-related transactions on your reports.

How the system works:

- Vacation time is submitted and approved in the E210 system monthly.
- On the 20th of each month, a file is uploaded to SAP containing employee vacation days and hours for all vacation days submitted and approved during the previous month.
- When semi-monthly payroll runs at the end of the month, vacation credits are posted using the labor distribution, salary and fringe rates as of the day the vacation was taken.

- Vacation credits post to both salary and fringe codes using wage type 3102.

### Vacation Credit Posting and Reconciliation Example

In the following scenario, an employee took vacation during April, 2007. At the time, their salary was funded completely from a Non-sponsored cost center, so the entire credit posted to this cost center when April vacation credits were processed during the final May semi-monthly payroll. The employee's salary was subsequently redistributed during September, 2007 with 26% of salary being funded retroactively from a sponsored account.

Apr		X	X	X	X	V		V	X	X	X			X	X	X	X	X		X		Submitted 04/30/2007	Approved 04/30/2007
						V								S						S			

Display 9-1. Vacation Days in E210 System

In the examples below, we will explain the original salary and vacation credit postings, as well as the redistribution of salary, fringe and vacation credits as a result of the retroactive salary transfer. The examples will demonstrate how the vacation credits post, and also show how the credits *always* follow labor distribution for the pay period. This is different from the pre-SAP process when users could transfer vacation credits after the original posting. In SAP, any change in the labor distribution for prior periods results in a complete reposting of salary, fringe and vacation for the pay period.

#### Posting Initial Vacation Credits

As shown in Display 9-1, during the month of April, 2007 the employee took 2 1/2 days vacation during the first semi-monthly payroll period. The vacation was submitted and approved on 4/30/07, and was processed during May, 2007 when the E210 vacation information was interfaced to SAP. Note, if the vacation days had been submitted during April but not approved by a supervisor or timekeeper, the vacation time would not have been processed. Only approved vacation days are interfaced to SAP.

The posting of the vacation credits to the salary and fringe codes is shown in Display 9-2 and explained below.

- ① Using the *Summary of Gross Salary (Non-Sponsored)* report, we can isolate an employee's salary by pay period to review their salary, fringe and vacation credit postings.
- ② Note, in the display we have filtered the report to list only activity related to pay period ending 4/15/2007, which is the period the employee used vacation days. To include both April and May activity for the 4/15/2007 pay period, make sure you include both months on the initial BW query screen (10/2007 and 11/2007). Also, to filter the BW report on a specific field value,

users may highlight the field in the report, right-click to activate the dropdown menu, and select *Fix Filter Value to Axis*.

Summary of Gross Salary (Non-Sponsored) ①											
Toggle Nav Block Variable Screen Printing Bookmark No. of Rows No. of Columns Email New Window Exceptions/Conditions											
Rows						Business area		AICGS			
Commitment item						Fiscal year/period		April 2007		May 2007	
Cost Center											
End of Pay Period											
04/15/2007 ②											
G/L Account											
Posting date											
Wage Type											
Columns											
Business area											
Cost Center	Commitment item	End of Pay Period	Posting date	G/L Account	Wage Type	Pay Period Salary Amt	Fringe Amount	Pay Period Salary Amt	Fringe Amount		
2050010001	JHEN/612001	04/15/2007 ③	04/10/2007	612001	1000 Reg Sal	\$ 2,838.33					
			05/25/2007	612881	3102 E210SIOF			\$ (655.03) ④			
	JHEN/620001	04/15/2007	04/10/2007	620001	9FR4 UFrgFuIR		\$ 936.65				
			05/25/2007	620881	9FR6 UFrgFuIR					\$ (216.16)	
<b>Overall Result</b>						<b>\$ 2,838.33</b>	<b>\$ 936.65</b>	<b>\$ (655.03)</b>	<b>\$ (216.16)</b>		

### Display 9-2. Vacation Credit Initial Posting - Salary and Fringe

- ③ As you can see on the report, on 4/10/2007 salary of \$2,838.33 and fringe of \$936.65 posted to cost center 2050010001 for the 4/15/2007 pay period.
- ④ On 05/25/2007, credits for April vacation posted to the account, with a credit of \$(655.03) posting to the salary G/L and \$(216.16) posting to fringe. Note that salary credits can be identified using wage type 3102. In most situations, you may also identify the salary credit by the G/L Account, with salary credits always posting to the 61x881 G/L account. For example, if the salary posted to commitment item 612001, the vacation credit will post to G/L 612881. Vacation credits are not the only items that post to 61x881, however, as in some instances other payroll activity such as over-payments post using these 612881 G/Ls. Vacation credits for fringe will always post to 620881, regardless of the salary G/L (612001, 613001, etc.)

The example in Display 9-2 shows how vacation credits post under normal circumstances. If retroactive payroll cost transfers are processed, however, the vacation credit is redistributed as explained in the following sections.

### How Retroactive Salary Transfers Affect Vacation Credits ⑤

During September, 2007 an Eform was processed for this employee changing labor distribution so 26.73% of the salary for pay period ending 4/15/07 is charged to sponsored program 90003734. The payroll cost transfer was submitted early in September. The resulting postings occurred during September's first semi-monthly payroll run, and show on the reports with a posting date of 9/11/2007. We will look at the *Summary of Gross Salary* reports for both cost objects affected here, 2050010001 and 90003734, to show how the payroll cost transfer causes the vacation credit to be redistributed.

Base Pay Labor Distribution Period Review									
5 IV 04/01/2007 - 04/15/2007									
Cost distribution review									
Cost Ctr	Order	WBS Elem.	Name	Fund	Name	Grant	Wa...	Amount	Pct.
	90003734		DAAD FELLOWSH...	9100000000	PRIVATE FUND	902775	1000	758.65	26.73
2050010001			AICGS GENERAL	1320500000	AICGS DISCRTIO...	NOT-RELEV...	1000	2,079.68	73.27

Display 9-3. Salary Redistribution - 9027

**Retroactive Salary Adjustments and Related Vacation Credit Reductions (Debits)**

When the first semi-monthly payroll ran during September, 2007 the retroactive salary adjustment was processed. The related postings to cost center 2050010001 are shown in Display 9-4.

Summary of Gross Salary (Non-Sponsored)									
Toggle Nav Block Variable Screen Printing Bookmark No. of Rows No. of Columns EMail New Window Exceptions/Conditions									
Rows						Business area AICGS			
Commitment item						Fiscal year/period September 2007			
Cost Center									
End of Pay Period									
04/15/2007									
G/L Account									
Posting date									
Columns									
Business area									
Fiscal year/period									
Key Figures									
Pay Period Salary Amt, Fringe Amount									
Cost Center	Commitment item	End of Pay Period	Posting date	G/L Account		Pay Period Salary Amt	Fringe Amount		
2050010001	JHEN/612001	04/15/2007	09/11/2007	612001 SAL-ADM STAFF FT/PT		\$(758.65)			
				612881 SAL-A SF FT NON-PBC		\$175.08			
				Result		\$(583.57)		7	
	JHEN/620001	04/15/2007	09/11/2007	620001 FRINGE BEN EXP FT/PT			\$(250.36)		
				620881 FG BEN X FT NON-PBC			\$57.78		
				Result			\$(192.58)		
Overall Result						\$(583.57)	\$(192.58)		

Display 9-4. Retro Salary Transfer - Reduce Salary and Fringe Charges, Reduce Vacation Credits

- 6 As shown in the report, the posting date for the retroactive cost transfer is 09/11/2007, but the transfer applies to the 04/15/2007 pay period. Although the debits and credits post in the September fiscal period (0803), the employee’s salary and the fringe rates as of the pay period, April 15th, 2007, are used to calculate the posting amounts.
- 7 The salary postings are as follows:
  - As expected, cost center 2050010001 receives a \$(758.65) credit posted to salary commitment item 612001, and a \$(250.36) credit to fringe commitment item 620001 to reflect the change in labor distribution. Corresponding debits will post to cost object 90003734, effectively moving 26.73% of the salary and fringe from 2050010001.
  - Because vacation credits *always* follow labor distribution, the original vacation credit is reduced to reflect the change in labor distribution, and a percentage (26.73%) of the original credit is moved from cost object

2050010001 to 90003734. You can see this in the display, where the E210 salary and fringe G/L accounts are debited for \$175.08 and \$57.78, respectively.

Salary Debit: 655.03 \* 26.73% = \$175.08

Fringe Debit: 216.16 \* 26.73% = \$ 57.78

Reducing vacation credits in this manner is correct, as it ensures that credits are distributed in accordance with the labor distribution for the pay period.

### Retroactive Salary Adjustments and Related Vacation Credit Increases/Transfers

To reconcile the final step of the process, we will look at sponsored program 90003734, which is the cost object receiving a percentage of the salary costs for pay period 4/15/2007.

- ⑧ As shown in Display 9-5, the posting date for the salary transfer is 09/11/2007, and the transfer applies to the 04/15/2007 pay period. All debits and credits post to fiscal period 0803 (September, 2007).
- ⑨ As shown in Display 9-5, cost object 90003734 is debited for salary costs of \$758.65 and fringe costs of \$250.35. This represents 26.73% of the salary and fringe costs for this employee for pay period 4/15/2007. Note also that vacation credits of \$(175.08) and \$(57.78) were also transferred as part of the retroactive cost transfer. This is the correct posting, as vacation credits for the pay period are transferred when salary is moved, and both cost objects, 2050010001 and 90003734, receive vacation credits in the same percentages as the salary distribution for the pay period.

Summary of Gross Salary (Sponsored)								
Toggle Nav Block   Variable Screen   Printing   Bookmark   No. of Rows   No. of Columns   EMail   New Window   Exceptions/Conditions								
Rows							Fiscal year/period	September 2007
Commitment item							902775	
End of Pay Period							DA/AD FELLOWSHIP	
04/15/2007								
G/L Account							Pay Period	
Posting date							Salary	Fringe
Sprndr Pgm/Int Order							Amt	Amount
Columns								
Fiscal year/period								
Grant								
Key Figures								
Pay Period Salary Amt, Fringe Amount								
Sprndr Pgm/Int Order	Commitment item	End of Pay Period	Posting date	G/L Account	Pay Period Salary Amt	Fringe Amount		
90003734	JHEN/612001	04/15/2007	⑧ 09/11/2007	612001 SALARY-ADMINISTRATIVE STAFF FT/PT	\$ 758.65			
				612881 SALARY-ADMINISTRATIVE STAFF FT/PT NON-PBC 104	\$ -175.08		⑨	
				<b>Result</b>	<b>\$ 583.57</b>			
	JHEN/620001	04/15/2007	09/11/2007	620001 FRINGE BENEFITS EXPENSE FT/PT		\$ 250.35		
				620881 FRINGE BENEFITS EXPENSE FT/PT NON-PBC H015		\$ -57.78		
				<b>Result</b>		<b>\$ 192.57</b>		

Display 9-5. Retro Salary Transfer - Increase Salary and Fringe Charges, Increase Vacation Credits

### Summary of Vacation Credits For a Business Area

If you want a quick summary of all vacation credits for a given business area, cost object or employee over a specific time-period, you can use the *Labor Distribution - Total Dollars by Occupation BW* report. In Display 9-6, we have used this report to show vacation credit totals by cost object for business area 205. Note that the report has been filtered to show only E210 postings (wage type 3102) and also to only display regular dollars. This report covers sponsored and non-sponsored cost

objects, although WBS elements are currently not included. This report provides a usable format for review of vacation credit totals by cost object, and it can be used to create vacation credit sweeps by business area if a division wants to move their non-sponsored credits to a central cost center. For a saved report format that can be used to view E210 totals by cost object for a business area, please see the *Wage Report*.

**Labor Distribution - Total Dollars by Occupation**

Toggle Nav Block Variable Screen Printing Bookmark No. of Rows No. of Columns EMail New Window Exceptions/Conditions

Wage Type	Business area	Cost Center	Order	WBS Element	Regular Dollars
3102	205 AICGS	2050010001	#	#	\$ -29,792.86
3102	205 AICGS	2050020002	#	#	\$ -52.05
3102	205 AICGS	2050050005	90003732	#	\$ -401.15
3102	205 AICGS	2050050005	90003734	#	\$ -300.00
3102	205 AICGS	2050050005	90003736	#	\$ -277.64
3102	205 AICGS	2050050005	90022655	#	\$ -58.04
<b>Overall Result</b>					<b>\$ -30,881.74</b>

Rows: Business area, Cost Center, Order, WBS Element, Wage Type, 10/3102

Columns: Key Figures, Regular Dollars

Free Characteristics: DSM Code, Employee, Fiscal year, Fiscal year/period, G/L Account, Home Cost Center, Job, Job Group, Payment Date, Payroll Period Endate, Position, Posting date

Display 9-6. Labor Distribution Report - Vacation Credit Summary by Cost Object

### Overview of the FY08 Year-End Accrual

Because E210 vacation credits post to the fiscal period where payroll is posting, at the beginning of each fiscal year, the vacation credits for June post to the July fiscal period, resulting in the vacation credits posting to the wrong FY. For each fiscal year since the SAP conversion, this has been addressed by processing a journal voucher which moves vacation credits from the new FY to the previous FY. To accurately reconcile statements, users should understand this process, which is explained below for the period between FY2008 and FY2009 (calendar years June 2008 and July 2008)

**Original Posting**

As noted above, E210 vacation credits post to GL accounts 611881, 612881, 613881, 614881 and to 620881, the fringe benefits account. To reverse these credits and move them to the prior fiscal year, a journal voucher uses special general ledger accounts 611991, 612991, 613991, 614991 and the fringe benefits general ledger account 620991.

As shown in Display 9-7, when 7/31/2008 payroll was completed, vacation credits posted to fiscal period 001/2009 for vacation approved between June 20, 2008 and July 18, 2008 as per our usual process. These vacation credits are reflected in the BW HR/Payroll reports as wage type 3102 posting to GL's 6xx881 in period 001/2009).

Fiscal year/period		G/L Account		Pay Period Salary Amt	Fringe Amount
July 2008	001/2009	612881	SAL-A SF FT NON-PBC	\$ (4,036.19)	
		620881	FG BEN X FT NON-PBC		\$ (1,372.30)
		<b>Result</b>		<b>\$ (4,036.19)</b>	<b>\$ (1,372.30)</b>

*Display 9-7. Original Posting for Period 001/2009, BW Summary of Gross Salary-Combined*

**Moving Vacation Credits to Previous FY**

Display 9-8 shows that the vacation credits posted to FY09 (001/2009) are cleared by a journal voucher entry, and moved to FY08 (013/2008) on July 31, 2008. As noted, the vacation credits are cleared using the corresponding GLs 6xx991.

Fiscal Year/Period	Commitment Item	G/L Account	JUL 2008 Revenues/ Expenditures
			\$
July 2008	001/2009	612001 SAL-ADM STAFF FT/PT JHEN/612881 SAL-A SF FT NON-PBC	-4,036.19
		612991 E210 VAC ACCRL ADMIN JHEN/612991 E210 VAC ACCRL ADMIN	4,036.19
		620001 FRINGE BEN EXP FT/PT JHEN/620881 FG BEN X FT NON-PBC	-1,372.30
		620991 E210 BENEFIT ACCRUAL JHEN/620991 E210 BENEFIT ACCRUAL	1,372.30
		<b>Result</b>	<b>0.00</b>

*Display 9-8. Reversal of the Credits in Non Sponsored-Financial Summary*

Non Sponsored - Financial Summary				013 2008
				Revenues/ Expenditures
				\$
Period 13 2008	013/2008	612991 E210 VAC ACCRL ADMIN	JHEN/612991 E210 VAC ACCRL ADMIN	-4,036.19
		620991 E210 BENEFIT ACCRUAL	JHEN/620991 E210 BENEFIT ACCRUAL	-1,372.30
<b>Result</b>				<b>-5,408.49</b>

**Display 9-9.** Posting of Credits to Prior Fiscal Year Reflected in Non Sponsored Financial-Summary Report

As shown in Display 9-9, the credits have been re-posted into period 13/2008.

### Special Notes

- ❑ HR/Payroll reports will not show the reversal in period 001/2009 since the journal voucher was a finance posting, not a payroll posting. When running HR/Payroll reports for 001/2009, keep in mind that vacation credits in this period have been reversed.
- ❑ To simplify the posting, beginning FY08/09, the year-end vacation accrual posted at the cost object and GL level, which differed from the FY07/08 accrual, which moved the entries at the individual employee level. To view detail by employee, run HR/Payroll reports for period 001/2009 and identify wage type 3102.
- ❑ Due to rounding, there may be instances where fringe calculations differ by several cents.
- ❑ When salary was moved from a cost object during the posting of 7/31/2008 payroll, vacation credits were moved off the cost object. In these situations, the above entries will be reversed, with the original posting to 01/2009 being a debit and the clearing entry to 001/2009 is a credit, with the subsequent posting to 013/2008 as a debit.
- ❑ As of the transition from FY10 to FY11, E210 vacation credits are only moved to the prior fiscal year for non-sponsored cost objects. Effective FY11, vacation credits for all sponsored accounts remain in the fiscal period where the E210 credit originally posted, simplifying BW reporting for users.



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## Additional Resources

Links to other resources you may find helpful:

### E210 Login Portal

<https://e210.johnshopkins.edu>

