

PURPOSE AND FLOW OF THE ANNUAL/SICK LEAVE TERMINATION POOL

The purpose of the Annual/Sick Leave Termination Pool is to provide a mechanism for ensuring no contract and grant (C&G) awarded project is charged for a terminating employee's earnings from accumulated annual and sick leave. It is inappropriate to charge a current funding agency for the leave accumulated since inception of a person's employment with the university.

As of 7/1/92 UCF has been accumulating funds in the Termination Pool account (02504401) from which the appropriate amount of accumulated leave earnings can be charged. To accumulate these funds each C&G account is charged a percentage of the salaried gross pay incurred in the account. The percentage amount is subject to change annually as part of the estimated fringe benefit rate calculations prepared by Finance & Accounting.

Computer Services wrote a program that delineates annual and sick leave available balances and reports under which account number (department or project numbers) these balances were earned. When leave time is utilized the available leave balances are reduced, per account number, using a "first-in-first-out" basis. A subprogram was also written that indicates how much of an employee's leave balance should be paid from the termination pool if the employee were to terminate. Each payperiod a report is generated from these programs and distributed to the pertinent administrative offices.

When employees are terminated Human Resources personnel use these reports to determine how much, if any, of the accumulated leave earnings amount should be charged to the pool and how much, if any, should be charged to the department.