



Understanding Leave (Vacation, Paid Time Off, Sick Leave, etc.)

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Vacation, Sick Time, Paid Time Off (PTO), etc. is all referred to as Leave in CenterPoint. Once the setup is complete, the available leave balances can easily be tracked. Below, we have summarized the tasks involved in managing leave and common leave terminology. Each step outlined below has a corresponding document that provides step-by-step instructions. The name of the document is noted in each step.

Tasks Involved in Managing Payroll Leave:

Step 1: [Setting Up Leave](#) - Setup how and when leave should be calculated.

Step 2: [Enter Beginning Leave Balances](#) - Record beginning leave balances (how many hours each employee has available right now).

Step 3: [Calculate Paid and Record Used](#) - Periodically award new leave to employees and record used leave hours.

Step 4: [Leave Adjustments](#) can be made at any time.

Payroll Leave Terminology:

Carryover: The number of available hours an employee can roll-over to the next year.

 **Note:** If a leave category is setup to limit carryover and the limit is set to zero, then NO hours will roll-over to the next year.

Maximum: The maximum number of hours of available leave an employee can have at any one time during the year. If the system is setup to use maximums, and they meet the maximum, the Calculate Paid Leave process will not add any additional hours until they again fall below the maximum.

Earned Leave: The number of leave hours that have been awarded to an employee. Accrued and earned leave are both terms that can be used when referring to leave that has been awarded to an employee.

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Used Leave: The number of leave hours that an employee has taken or used.

Available Leave: This is the amount of leave the employee has available to use. The formula used to calculate available leave is:
Accrued leave - taken/used leave + or - carryover + or - leave adjustments

Accumulated Leave: This is the same as Available Leave.

Unused Accrued Leave: This is the same as available leave.

Leave Category: A leave category is setup (Setup > Payroll Details > Leave Categories) to specify what date is used to see how long the employee has worked there (Calendar Year, Fiscal Year or Eligibility Date (normally that is hire date) and how often employees are awarded new leave (once yearly, once monthly, every pay period, etc.)

Leave Table: A leave table is setup (Setup > Payroll Details > Leave) to specify how many hours of leave will be awarded to employees when leave is processed.

Leave Earning: A leave earning is setup (Setup > Payroll Details > Earnings) so that during payroll processing, one can specify the leave hours an employee has used.

Calculate Paid Leave: The periodic process within CenterPoint that awards additional leave hours to employees. This adds hours to an employees accrued and available hours.

Wait Period: The length of time that an employee must be employed before they will start accruing (earning) or be awarded leave hours. Sometimes an employee may start accruing leave immediately but it won't be awarded (available to use) until they've worked their for a certain number of days (wait period). In other instances, the employee may not start accruing leave until after the wait period has passed.

Eligibility Date: This date may be representative of any date, for example it may be the employee hire date. Eligibility Date is an option that can be used on the Leave Category to decide how long an employee has been employed.