



augustaccrualshomepage

Table of Contents

augustaccrualshomepage i
DRAFT - Address August Accruals 1

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The purpose of this document is to calculate and post accrued pay and related benefits for employees that work in one fiscal year but do not get paid until the next fiscal year. For example, any employee who works days in August 2018 for the 2018-2019 school year but does not get paid their first check for these days until September 2018 would need to be included in the End of Year payroll accruals.

Reminder: If you do not accrue during the year, use the [Human Resources > Payroll Processing > EOY Payroll Accruals > Reversal for Non-Accrual](#) tab to reverse accruals if you have not previously addressed.

(Discuss District of Innovation (DOI) & accrual calendars.)

IMPORTANT:

- Each LEA will have unique situations (e.g., 11-month employees that do not accrue monthly, new employees who receive 13 payments in the first year, etc.) that may need to be individually addressed.
- This process is not designed for 11-month employees as they are already accruing when this process begins IF they accrue monthly.
- Some of the images and examples provided in this document are for informational purposes and may not completely represent your LEA's process.

Accrual background

Why do we accrue?

TEA Finance Accountability System Resource Guide:

Monthly Accruals: "Expenditures should be recorded and reported in the period in which they are incurred. Therefore, unpaid salaries and related benefits that have been earned, but not yet paid should be recorded as accrued expenditures."

EOY Accruals: "Effective August 31, 1994, school districts were no longer allowed to defer the recognition of those expenditures incurred during one fiscal year that relates primarily to the next fiscal year."

- The process of accruing salaries enables an LEA to accurately reflect expenses after each payday.
- This process enables LEAs to maintain earned but unpaid salary amounts for each employee in School YTD.

Non Standard Employee Accruals

If the **TRS Year** field is selected for an employee on the [Payroll > Maintenance > Staff Job/Pay Data > Job Info](#) tab (non-standard employee) and the employee is accrued, a school YTD record is

created for the new school year when payroll is calculated for July and August. The program determines whether a new school YTD record should be created if the **TRS Year** is selected and the contract begin date year is equal to the pay date year.

Before You Begin

Review the

EOY Flowchart for September Start LEAs

Review the [Accrual Overview](#).

Use the [End-of-Year Payroll Verification](#) document to verify that the necessary steps are addressed prior to performing the August Accruals Process.

Perform the Accrual Process