

Calculating Contract Balance

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The contract balance on the Account Distribution Journal represents that portion of the contract yet to be paid to the employee or expensed to the general ledger. If the employee is not accruing, it is the amount of the contract balance from the Job Info tab. Absence deductions and refunds do not affect the calculated contract balance, earned pay, and accrued pay for an employee that accrues. However, they do affect the number of days earned that are reported for the employee during the current payroll.



Some of the images and/or examples provided in this document are for informational purposes only and may not completely represent your LEA's process.

If the employee is accruing, the calculations are performed as follows:

Single Accruing Job

1. Determine how many days are to be accrued for the pay period. This can be found on the Accrual Calendar.

e.g., 20 days

2. Multiply the employee's Accrual Rate by the number of days to be accrued.

Accrual Rate x Nbr of Days = **Accrued Pay**

Example:

$205.83 Accrual Rate x 20 Days = **$4,116.60 Accrued Pay**

3. Subtract the Pay Rate on the Job Info tab from the calculated accrued amount. This represents the amount of accrual that is added (or if negative - subtracted) from the Accrued Pay located on the School YTD tab. The resulting figure represents the total accrued pay through that pay period.

Accrued Pay - Pay Rate = Accrued Pay + School YTD Accrued = **Total Accrued**

Example:

$4,116.60 Accrued Pay - $3,207.50 Pay Rate = $909.10 Accrued Pay + $5,694.70 School YTD Accrued = **$6,603.80 Total Accrued**

4. Take the Contract Balance from the Job Info tab and subtract the Pay Rate (in this case, Gross Pay) and the Accrued Pay calculated in the previous step.

Job Info Contract Balance - Pay Rate - Total Accrued = **Contract Balance**

Example:

$25,660.00 Job Info Contract Balance - $3,207.50 Pay Rate - $6,603.80 Total Accrued = **$15,848.70 Contract Balance**

The contract balance represents the amount of the contract yet to be expensed.

Multiple Accruing Jobs

The following steps must be performed for each accruing job:

1. Determine how many days are to be accrued for the pay period. This can be found on the Accrual Calendar.

e.g., 20 days

2. For each accruing job that an employee has, multiply the job's Accrual Rate by the number of days to be accrued.

Accrual Rate x Nbr of Days = **Accrued Pay**

Example:

$205.83 Accrual Rate x 20 Days = **$4,116.60 Accrued Pay**

If the employee has multiple jobs that are being accrued, the school YTD accrual amounts that are used throughout the accrual process need to be adjusted by the ratio of the percent assigned from the Job Info tab of the current accruing job to the total percent assigned of all accruing jobs.

Example:

An employee has:

Job	Percent Assigned	Accrued	Accrual Adjusted Percent
Job 1	30%	Y	50%
Job 2	30%	Y	50%
Job 3	40%	N	0%

The Total Percent Assigned for all accruing jobs = 60%. % Assigned/Total % Assigned for All Accruing Jobs = Accrual Adjusted % (30%/60% = 50%).

3. Subtract the Pay Rate on the Job Info tab from the calculated accrued amount. This represents the amount of accrual that is added (or if negative - subtracted) from the Accrued Pay located on the School YTD tab. The resulting figure represents the total accrued pay through that pay period.

Accrued Pay - Pay Rate = Accrued Pay + (School YTD Accrued x Accrual Adjusted Percent) = **Total Accrued for the job**

Example:

$4,116.60 Accrued Pay - $3,207.50 Pay Rate = $909.10 Accrued Pay + ($5,694.70 School YTD Accrued x 0.50 Accrual Adjusted Percent) = $3,756.45 Total Accrued for the job

4. Take the Contract Balance from the Job Info tab and subtract the Pay Rate and the Accrued Pay calculated in the previous step.

Job Info Contract Balance - Pay Rate - Total Accrued for the job = **Contract Balance**

Example:

$25,660.00 Job Info Contract Balance - $3,207.50 Pay Rate - $3,756.45 Total Accrued for the job = **$18,696.05 Contract Balance**

The contract balance represents the amount of the contract yet to be expensed.


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