

WASHINGTON STATE UNIVERSITY
EXECUTIVE POLICY MANUAL

Executive Policy #3
Revision Approved March 10, 2017

Salary Accrual and Allocation Adjustment Policy

POLICY

This policy governs how accruals and allocations interact with central or area/department reserves. All units of the institution are to adhere to the WSU Salary Accruals and Allocation Adjustment Policy, except WSU Vancouver, WSU Tri-Cities, WSU Extension, and Agricultural Research. These units manage their own accruals.

This policy and the related advisory guidelines apply to all positions assigned to funds included in the planning budget level (PBL). The funds accumulated from implementation of this policy provide for pooling of turnover costs, sick and annual leave payouts, and adjustments due to periodic increment dates (PIDs) for most types of positions, while providing flexibility for deans, chancellors, and vice presidents to manage salary allocations for those positions where staffing options are most variable.

A. ACCRUALS

Definition: An accrual is the difference between the allocation and the expense for a position. A positive accrual represents an allocation greater than expense; a negative accrual represents an expense greater than allocation. "Accruals" refers to positive accruals except where noted.

Area accruals interact with the relative area reserve account (99XX- XXXX). An area may choose to have accruals transferred to a departmental reserve account (XXXX- 8889). To exercise this option the areas should contact the Budget Office.

1. Areas retain all accruals from faculty and graduate assistant positions in WSU programs 05 (libraries) and 06 (instruction). These are processed automatically.
2. Accruals resulting from transfers of expenditures to grants (programs 11A-14Y) are returned to the areas regardless of employee type. These are processed automatically.
3. Negative accruals interact with area reserves and are processed automatically.
4. Accruals from all other positions, except as noted, revert to a central pool automatically.
5. New positions may be created with area reserve funds that are ultimately funded from central sources once the positions are filled (new PBL allocations). Accruals from these new positions are returned to the areas. Similarly, accruals from new positions funded solely by area reserve funds are returned to the areas. These are processed manually and are returned by the Budget Office. On a quarterly basis, areas should request any accruals that have not been returned.
6. Accruals resulting from employees on area/departmentally-approved leave without pay of more than ten consecutive working days are returned to areas upon request to the Budget Office.
7. Accruals resulting from employees on leave ratified by HRS (e.g. family medical leave, military leave, emergency leave, etc.) are returned, regardless of the number of days without pay, upon request to the Budget Office.

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8. Accruals for vacant classified, administrative professional, and non-instructional faculty positions are captured centrally for the first four months. Subsequent accruals are returned to the areas upon request to the Budget Office. These requests are honored at any time during the fiscal year. Accruals are returned from the beginning of the fifth month of vacancy, or July 1st, whichever is later. To reduce the loss of vacant position accruals, temporary replacements may be appointed to vacant positions subject to WSU employment rules. Accruals are not returned to pay for time-slip replacements.
9. For abolished positions, areas pay for sick and annual leave payouts net of any accruals captured centrally.
10. Retroactive and position configuration change actions may be subject to Budget Office collection of central accruals. (For example, position changes from permanent to temporary or reduction of position base values.) Retroactive actions may be processed within the current fiscal year and may not be used to circumvent the Salary Accrual and Allocation Adjustment Policy. The Budget Office makes adjustments as necessary to apply the policy to retroactive transactions.
11. Exceptions are generally not allowed. If unusual circumstances exist, an exception may be requested by contacting the Budget Office. Provide the amount requested net of any leave payouts. Approved exception requests, corrections, or other adjustments are considered and/or processed within the current fiscal year.

B. ALLOCATION

Definition: Allocation adjustments are changes in the allocation for positions assigned to funds included in the planning budget level (PBL).

Position changes that affect the amount allocated to operating accounts for the current fiscal year generate allocation adjustments. Generally, position changes that generate allocation adjustments also generate base adjustments. Base adjustments reflect the amount needed for a full fiscal year to fund the change.

Both central and area reserves can be impacted by allocation and base changes. Please refer to WSU Accrual and Allocation Adjustment Advisory Guidelines at:

budget.wsu.edu/budget-policies/WSU%20Accrual%20Policy%20Advisory%20Guidelines.pdf