***Leave Management***

Prior to process any leave request the following PTO policy must be made.

PTO (Paid Time Off).

There are 3 kinds of tracking for each company:

Sick

Vacation

PTO

Some companies may use Sick & PTO only.

Calculation can be:

1. Per Hour
2. Per Pay Period
3. Per Month
4. Per Year

**PTO**

**Please add an active "regular" income type on the Employer > Pay Types screen. PTO uses "regular" income type rate.**

Track Time Off for this Employee

Rollover on    Calendar Year   Hire Date Anniversary (02/16/2007)   Fiscal Year (Enter Fiscal Year Date in ER > PTO Policy)

**Enter number of hours using 8 hours to equal 1 day.**

**Track Employee Paid Time Off**

When you set up employees in the system, you can configure the system to track each employee's accrued and used paid vacation, sick, and personal time off using the PTO tab on the Employee/Contractor Setup screen.

**Note**: Before you can set up an employee's paid time off (PTO), you must define the types of PTO the employer offers on the [Pay Types](https://www.payrollrelief.com/Help/Acct/Employer_PayTypes.htm) screen, and then set the employer's default policies governing PTO from the [PTO Policy](https://www.payrollrelief.com/Help/Acct/Set_Up_Paid-Time-Off_Policies.htm) screen.

When you first set up the employee in the system, you can enter the number of hours an existing employee has accrued and used up to that point, or start a new employee at 0. The system automatically updates PTO hours when you enter paid time off on a [Standard Payroll](https://www.payrollrelief.com/Help/Acct/Payroll_Entry_ListEntry.htm), and, depending on the PTO policies you set, carryover hours are updated either at the start of each calendar or fiscal year, or rolled over on the employee's anniversary date.

To track paid time off for an employee:

1.  Select **Setup** from the **Employee** drop-down menu to open the **Employer/Contractor Setup** screen.

The **Contact** tab is open by default. If you have already entered employees into the system, the screen displays the record of the employee whose last name is first, alphabetically.

If you are in the process of setting up a new employee record and have saved entries for the new employee on other tabs, the field displays the name of that employee.

You can select an employee from the Employee or Contractor list, using the **Show Inactive** option to include inactive employees in the list, to edit a previously-entered record. You can use the arrows to page through the names.

2.  Click the **PTO** tab heading to access the **PTO** tab fields, and ensure that the name of the employee whose paid time off you are configuring appears in the **Employee** field at the top of the interface.

**Note**: The PTO tab is not available for contractors.

The tab provides a table listing the types of PTO available (for example, Vacation, Sick, and Personal). Additional types of PTO must be added from the [PTO Policy](https://www.payrollrelief.com/Help/Acct/Set_Up_Paid-Time-Off_Policies.htm) screen, available from the Employer drop-down menu.

3.  Click the **Track Time Off for this Employee** option to begin tracking PTO.

The **Date Accrued** field appears beneath the table, displaying the current date to track the date on which the employee's PTO was set up.

4.  Verify that the correct option is selected in the **Rollover On** field to indicate the annual date on which the employee's leave rolls over.

Options include **Calendar Year**, **Hire Date Anniversary**, and **Fiscal Year**. The option is set on the PTO Policy screen available from the Employer drop-down menu and applied by default to all employees.

5.  Use the fields in the **Accrual Amount in Hours** and **Accrual Period** columns for each PTO type listed in the table to indicate the number of hours of PTO the employee accrues in the period you specify.

You can select **Per Pay Period**, **Per Month**, **Per Year**, **Per Hour Worked**, or **Per Regular Hour Worked** (excluding overtime or additional hours) from the drop-down list in the Accrual Period column to indicate how PTO is accrued.

PTO is accrued in the first payroll of the selected period, so that a monthly accrual is calculated in the first payroll of each month, while a yearly accrual is applied in the first payroll of the accrual year. For example:

.      If an employee earns one day of sick leave each pay period, enter 8 hours in the Accrual Amount in Hours column and select Per Pay Period in the Accrual Period column. One day of sick leave is then credited to the employee in each pay period.

.      If an employee earns 30 vacation days a year, enter 240 hours and select Per Year as the Accrual Period to credit the vacation days to the employee in the first payroll of the year. To spread the accrual out throughout the year, you can enter 20 hours and select Per Month to add 20 hours to the total accrued at the beginning of each month, or, if employees are paid bi-monthly, you can enter 10 hours and select Per Pay Period.

.      If an employee earns two hours of vacation for every 40 hours of regular (not overtime or compensatory) time worked, enter 0.05 in the Accrual Amt in Hours column and select Per Regular Hour in the Accrual Period column. The employee's vacation time is then calculated based on the number of hours of regular time worked in each pay period. If the employee works 80 hours of regular time, the system credits the employee with four hours of vacation earned. If the employee works 30 hours of regular time, the system credits the employee with 1.5 hours of vacation time.

You can update this information any time the employee's accrual changes.

6.  Enter the date the employee is to start accruing paid leave in the **Start Date** column.

If you leave this column blank, the employee begins accruing PTO immediately. Alternatively, you can specify an accrual start date if, for example, the employee must serve a probationary period before beginning to accrue PTO.

7.  Enter the number of hours the employee has accrued to this point, if any, in the **Accrued Hours** field when you first set up an existing employee in the system.

For new employees, you can leave this field blank. Once you have set up the employee's PTO, the system then updates this field and the read-only **Used Hours** field automatically each time you run a Standard Payroll, based on the PTO hours the employee accrued and has used in each pay period.

8.  Adjust the number of hours the system has calculated the employee has used in the **Used Hours Adjust** field, if necessary.

You can use this field to manually adjust an employee's displayed PTO.

9.  Enter or edit the maximum number of hours the employee can accrue before accrual is suspended in the **Max Accrual** column, and the maximum number of hours the employee can carry over from one year to the next in the **Max Carryover** column.

You can set these limits on the PTO Policy screen to apply by default to all employees.

However, if you set up the employee before you defined default limits, or if the specified employee is not subject to the default limitations, you can enter or adjust the limits for the specified employee using these fields.

10. Review the hours displayed in the read-only **Unused Hours** column to ensure that the number of hours listed is accurate.

The Unused Hours column displays the employee's available PTO. The system calculates this balance by subtracting the number of hours used, and any adjustments, from the number of hours accrued.

11. Click **Save** to save your entries.

Leave Process:

