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EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

August 12, 2019

FINANCE MEMORANDUM

MEMO NO. 19-10

TO: All Department Heads

FROM: Neal H. Miyahira *Neal Miyahira*
Director of Finance

SUBJECT: Vacation Payout Reimbursements for General Fund Employees

Pursuant to Section 8 of Act 5, SLH 2019, the Legislature appropriated a total of \$9,700,000 to the Department of Budget and Finance (B&F) for FY 20 to reimburse departments for vacation payouts they make for general-funded employees who leave the Executive Branch of the State of Hawai'i. Reimbursements to departments will be made on a first-come, first-served basis. Any additional expenses incurred above \$9,700,000 will be the responsibility of the individual departments and agencies.

Appropriation account G-20-013-O may be used for purposes of reimbursing departments for qualifying vacation payouts in FY 20. Reimbursements should only be made for vacation paid to employees in general-funded budgeted positions; reimbursements for split-funded positions should only be made for the general-funded portion.

After the vacation payout is made to a terminating employee, a Journal Voucher (JV) should be prepared to charge the above account (transaction code 561; object code 2031) and reimburse your department's general fund account (transaction code 562) used to pay the vacation payout. The explanation section of the JV should also indicate the pay date of the vacation payout. A sample JV is attached.

A copy of Form G-2, Application for Transfer of Vacation and Sick Leave Credit or Payment in Lieu of Vacation, and a worksheet reflecting the vacation payout amount should be attached to the JV. Departments may process reimbursements for multiple employees and programs at the same time, given the appropriate supporting documentation is provided. All JVs shall be submitted to the Department of Accounting and General Services for processing.

A monthly report indicating the use of this appropriation shall be submitted electronically using the attached Excel format to the B&F budget analyst assigned to your department within 10 days after the end of the preceding month. The Excel file will be e-mailed to your department's budget staff for their use.

In future fiscal years, provided that the Legislature continues to provide the necessary funding and authority to reimburse departments for this purpose, departments may charge the same appropriation account G-##-013-O, replacing "##" with the appropriate fiscal year code. Departments should refer to the appropriate budget Act to ensure there is an appropriation and transfer provision under BUF 103, Vacation Payout - Statewide, before submitting any JVs for reimbursement. Reimbursements will be limited to the available appropriation amount in the respective fiscal year. All other policies and procedures shall remain the same.

Should you have any questions, please contact the budget analyst assigned to your department.

Attachments

c: Ms. Lenora Fisher
Mr. Tracy Ban

Summary of Vacation Payout Reimbursements for: *Month/Year*
 Department of _____

Posn #	Position Title	Pay Date	Amount	Department		DAGS	
				JV Date	JV#	JV Date	JV#

Total -

STATE OF HAWAII JOURNAL VOUCHER

VACATION PAYOUT SAMPLE JV
(Change fields only as indicated)

Department No: _____

Comptroller No: _____

Department Date: _____

General

Comptroller Date: _____

														FUND						MM/DD/YY		
SFX	TC	F	YR	APP	D	ALLOT CAT	SOURCE/ OBJECT	COST CENTER	PROJECT		DEPT ACT	G/L ACCT	S/L ACCT	REFERENCE DOC		AMOUNT		M O D	R E V	OPTIONAL DEPARTMENTAL DATA	REMARKS	
XX	XXX	X	XX	XXX	XX	XX	XXXX	XXXX	XXXXXX	XX	XXX	XXX	XXXXXX	XXXXXXXX	XX	XXXXXXXXXX	XX	X	X	x (22)		
	561	G	##	013	O		2031							BUF103							Vac Payout - AAA	
	562	G	##	###	X		####							AAA###							Vac Payout - AAA###	AAA - Replace with your dept. acronym

Repeat this line, with applicable changes, for each program ID being reimbursed.

- Replace with appropriate fiscal year.

- Replace with appropriation symbol.

X - Replace with department code.

- Indicate the object code used by your dept for vacation payouts.

AAA### - Replace with program ID that is being reimbursed for the vacation payout.

Indicate the total amount (for all program IDs) of vacation payouts being reimbursed via this JV.

AAA### - Replace with program ID that is being reimbursed for the vacation payout.

Indicate the respective portion of vacation payout reimbursement for the specified program ID.

EXPLANATION: To reimburse general funded vacation payout made on <date of payment> pursuant to <Act 5, SLH 2019, Section 8>.

Indicate current budget act and authorizing proviso section.

Indicate payment date of vacation payout.

Attachments: Form G-2, Vacation Payout Worksheet

DEPARTMENTAL CERTIFICATION:

 for HEAD OF DEPARTMENT

COMPTROLLER APPROVAL:

 for COMPTROLLER