




Office of the State Controller

OFFICIAL MEMORANDUM

To: Chief Fiscal Officers, Vice Chancellors, and Business Managers

From: Anne Godwin 

Date: July 12, 2018

Subject: Special Annual Leave Bonus

The special annual leave bonus granted to state employees pursuant to Session Law 2018-5, Section 35.26, should be reported as a compensated absences liability beginning in fiscal year 2019. The outstanding balance at June 30, 2019 should be accrued as a liability similar to vacation leave. In the payroll systems, this special annual leave should be accounted for separately.

The special annual leave bonus granted to state employees pursuant to Session Law 2017-57, Section 35.18A, that remains outstanding at June 30, 2019, should also be accrued as a compensated absences liability in fiscal year 2019.

Refer to the attached compensated absences policy for more information. The policy is also available on the Office of the State Controller website: [Compensated Absences Policy](#)

If you have any questions, please contact Joy Darden at 919-707-0520 or joy.darden@osc.nc.gov.

Attachment

SA 19-03