

July 3, 2007

Dear Colleague:

As you know, last month Harvard implemented a new process and online tool in PeopleSoft to track paid time off for staff. This change will help Harvard improve its recordkeeping practices for this valuable benefit (vacation alone accounts for \$58 million annually.)

You are receiving this letter because our records indicate that at least a portion of your salary is paid from sponsored funds. As a result, it is very important that you go online in PeopleSoft to **request vacation in advance (when possible) or to promptly report vacation time actually taken.**

Late reporting of absences can result in accounting errors if the funding source for your salary changes in the meantime. The failure to record vacation as it is taken increases Harvard's compliance risk, since we are obligated under the terms of our agreements with federal research sponsors to make sure that our record-keeping for paid time off is timely and accurate. In addition, late reporting results in unnecessary additional work for those responsible for the financial management of the grant that is funding your salary.

We are also writing to urge you to take all the vacation you earn in a year. It is a valuable part of your total Harvard compensation, intended to help you maintain your health and well-being, and balance your work and personal responsibilities. Taking less time than you earn may also result in the grant that funds your salary being overspent or over budget for the year, since, beginning July 1, the grant will be assessed when you *earn* vacation time, and reimbursed when you *take and report* vacation in PeopleSoft. If you take as much time as you earn in a year, this change will have no financial impact on the grant.

We are writing directly to you to request your cooperation with this new practice. If you have any questions about these changes, please speak your local Finance or Human Resources office. Or, contact your school's sponsored programs office. Additional information can be obtained at: http://vpf-web.harvard.edu/osr/support/absence_mgmt.shtml.

With best regards,

Marilyn Hausammann, Vice President for Human Resources
Elizabeth Mora, Vice President for Finance and Chief Financial Officer

CC: Administrative Deans, Absence Administrators, OSP