















































# GASB Statement 101, Compensated Absences

## Summary

---

- This Statement updates the recognition and measurement guidance for compensated absences to better meet the needs of financial statement users.
- Requires recognition of a liability for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means
- Liability should be recognized for leave attributable to services already rendered, if the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means
- Amends existing requirements to disclose the gross increases and decreases in a liability for compensated absences to allow disclosure of only the net change in the liability
- Effective for fiscal years beginning after December 15, 2023, with early application encouraged.

## Potential Impact

---

- This guidance will have a significant impact on the recognition of compensated absences. Universities should start early on to inventory all compensated absence programs, including the following examples:
    - vacation and sick leave
    - PTO
    - holidays
    - parental leave and
    - sabbatical leave
- These programs should be evaluated against the updated recognition criteria, exceptions to general recognition, and measurement provisions.