

## **Understand how account codes impact payroll funding and the general ledger** <sup>[1]</sup>



September 22, 2023 by [Employee Services](#) <sup>[2]</sup>

There's more to payroll funding than position funding. Account codes classify the kind of earnings and benefits processed by payroll. They are crucial for encumbrances and budgeting.

### **Understand how account codes impact payroll funding and the general ledger**

Funding entries and payroll expense transfers (PETs) direct the distribution of payroll transactions to funding sources (SpeedTypes) before and after payroll, respectively. Account codes make it possible to budget and track specific kinds of pay and benefits.

#### **What is the purpose of account codes?**

Account codes are created and maintained in FIN. Account codes feed to HCM, and HCM uses them to differentiate between different kinds of pay and benefits based on a variety of factors:

- by job code for faculty, university staff, classified staff, students, stipends
- by regular or temporary status
- by full- or part-time status
- by earn codes for some kinds of pay

#### **How does HCM determine which FIN account code to use?**

Each account code used in HCM is mapped to a job code and a combination of regular and temporary status, full- and part-time status, and sometimes earnings type:

- Account codes map to a single job code or a range of job codes.
- Account codes capture full-time status when the total standard hours for an employee reach a threshold of at least 20 standard hours per week from all their positions in the same regular/temporary status.
- Account codes map general earnings by default but also capture specific earn codes, such as shift pay, overtime pay or leave payouts.

- Account codes map taxes and deductions by job code.

## **Payroll expenses post with account codes to SpeedTypes in FIN**

Based on their HCM setup, account codes are assigned to paycheck expenses during payroll post-processing.

- The Department Budget Table Funding stores the SpeedTypes for payroll. Funding is applied using the highest sequence of a funding row effective during the current pay period or using override SpeedType entries in CU Time and Additional Pay.
- Once the paychecks are confirmed, the post processing jobs look at the job codes, regular or temporary status, and the sum of standard hours and assign account codes.
- Accounting lines are created in HCM that include all the data that is sent to FIN.
- FIN receives the accounting lines and creates a payroll journal. The Journal ID is sent back to HCM.

**Note:** It is important that payroll funding is updated exclusively in HCM. Payroll allocations made in HCM are sent to FIN. If payroll is changed in FIN, it will not update HCM and payroll to be out of sync.

## **Account codes are used for posting fringe rates in FIN**

CU Denver (UCD) and the Anschutz Medical Campus (AMC) post taxes and deductions directly to the earnings SpeedTypes.

Boulder (UCB) and Colorado Springs (UCCS) post taxes and deductions to campus pooled SpeedTypes and FIN uses the earnings account codes to post fringe costs to earnings SpeedTypes. The fringe rates are applied strategically because they are different for different kinds of pay and benefits — such as benefit-eligible faculty and non-benefit eligible students.

## **Account Codes are used for Encumbrances**

Account codes not only track actual payroll expenses but are also used to post encumbrances to the same account codes as earnings and benefits.

The HCM encumbrance rates at UCB/UCCS parallel the preset fringe rates that are tied to specific earnings account codes in FIN and are updated each fiscal year. The encumbrance data is stored in HCM and reported on mFIN reports via CU-Data.

## **Account code adjustments**

If it appears that an account code posted incorrectly, check the employee's position data to ensure their job code, regular/temporary designation and total number of standard hours are correct. The designation of full- or part-time status is based on the total of all standard hours across all positions. Remember that contracts that end mid-month will use the position active on the pay period end date to assign account codes.

If you still have questions about the use of a payroll account code, reach out to your campus controller's office for guidance, or send an email to [system.hrgl.team@cu.edu](mailto:system.hrgl.team@cu.edu) [3].

If the job data used to process the pay is incorrect, use the [manual adjustment request](#) [4] form for changes (after adjusting job data) and reach out to [hcm\\_community@cu.edu](mailto:hcm_community@cu.edu) [5]. If manual check adjustments cannot correct the corresponding account codes, reach out to [System.HRGL.Team@cu.edu](mailto:System.HRGL.Team@cu.edu) [6] for assistance with correcting account codes on the paycheck.

## Need extra help?

A full listing of the account code setup can be found on the HCM Community's [HRGL page](#) [7]. Under the "Configuration Resources" find the following links: [Earning Account Mapping](#) [8], [Deduction Account Mapping](#) [9] and [Tax Account Mapping](#) [10].

You can find mFIN reports through the portal tile CU-DATA. Check out the [Office of the University Controller](#) [11] for additional information on account codes.

Additionally, you can find further information on the [Department Budget Table](#) [12], [payroll expense transfers](#) [13] and other HRGL resources through the HCM Community website.

As always, you can email [hcm\\_community@cu.edu](mailto:hcm_community@cu.edu) [5] or [System.HRGL.Team@cu.edu](mailto:System.HRGL.Team@cu.edu) [6] for additional help.

[HRGL](#) [14], [FIN](#) [15], [account codes](#) [16], [Job Codes](#) [17]

**Send email when Published:**

No

---

**Source URL:**<https://www.cu.edu/blog/hcm-community/understand-how-account-codes-impact-payroll-funding-and-general-ledger-2023>

## Links

[1] <https://www.cu.edu/blog/hcm-community/understand-how-account-codes-impact-payroll-funding-and-general-ledger-2023> [2] <https://www.cu.edu/blog/hcm-community/author/34887>  
[3] <mailto:system.hrgl.team@cu.edu> [4] <https://www.cu.edu/docs/hcm-manual-adjustment-request-form>  
[5] [mailto:hcm\\_community@cu.edu](mailto:hcm_community@cu.edu) [6] <mailto:System.HRGL.Team@cu.edu> [7] <https://www.cu.edu/hcm-community/hrgl> [8] <https://www.cu.edu/docs/earning-account-mapping> [9] <https://www.cu.edu/docs/deduction-account-mapping> [10] <https://www.cu.edu/docs/tax-account-mapping>  
[11] <https://www.cu.edu/controller/accounting-services-finance-system/chartfields-attributes>  
[12] <https://www.cu.edu/hcm-community/enter-funding-changes-department-budget-tables>  
[13] <https://www.cu.edu/hcm-community/pay-transactions/create-payroll-expense-transfers>  
[14] <https://www.cu.edu/blog/hcm-community/tag/hrgl> [15] <https://www.cu.edu/blog/hcm-community/tag/fin>  
[16] <https://www.cu.edu/blog/hcm-community/tag/account-codes> [17] <https://www.cu.edu/blog/hcm-community/tag/job-codes>