

## **Entering contracts or making pay rate changes? Use these resources as your guide** <sup>[1]</sup>

February 3, 2016 by [\(not verified\)](#) <sup>[2]</sup>


With many of you setting up contracts or entering contract pay rate changes for the spring semester, please use this roundup of contract pay resources to assist you.

1. [Hiring/Rehiring contract employees](#)
  2. [Prorate Options](#)
  3. [Known Issues?Hiring/Rehiring](#)
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### **If you are hiring a new contract employee**

Please refer to the step-by-step guides on [Hiring an Employee Recruited through CU Careers](#) <sup>[3]</sup> and [Hiring an Employee NOT Recruited through CU Careers](#) <sup>[4]</sup>.

In these guides, if you answer “yes” to “Is this employee on a contract?” the page allows you to enter the parameters of the new contract.

\*Effective Date:  

Is this employee on a contract?:  Yes  No

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### **If you are rehiring a contract employee**

Please refer to the step-by-step guide [Rehiring an Employee](#) <sup>[5]</sup>. As with the hiring guides, if you answer “yes” to “Is this employee on a contract?” the page allows you to fill in the new contract parameters.

\*Effective Date:  

Is this employee on a contract?:  Yes  No

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### **Watch a webinar**

The [Contract Pay webinar](#) <sup>[6]</sup> walks through all the steps to set up contract pay as well as how to read the [Contract Payment Details](#) page. Prorate options

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### **A few tips on using contract change prorate options**

As you do enter contract pay, we wanted to give you a few scenarios and examples of how "Contract Change Prorate Options" can affect the ways a contract pays an employee.

### **Scenario 1: An adjustment for the entire year**

If you are making a pay rate adjustment on the base salary for an existing 9/9 or 9/12 contract and the increase is for the entire academic year, be sure the default radio button of "No Proration of Change Amt" stays active. This indicates the employee should get the entire amount of the new compensation.

**Example:** An employee was originally coded to make \$100,000 for the academic 2015-2016 year. As of January, the compensation is increased to \$120,000 with the intent that the employee receives a total salary of \$120,000. Be sure the default radio button of "No Proration of Change Amt" stays active so the employee is paid the correct amount.

### Contract Change Prorate Optio

**Prorate Change**

No Proration of Change Amt.

Prorate Over Contract Period

Prorate Over Payment Period

Prorate Using Effective Date

Lump Sum Retro Payment

OK Cancel Refresh

### **Scenario 2: Pay rate changes effective for spring semester only**

Let's say there is a percent of time change just for spring semester. In this scenario, check "Prorate Using Effective Date" the radio button.

Important: In order for the system to correctly calculate the pay, an effective date of 01/15/16 needs to be entered. Each semester is 4 ½ months long and this will pro-rate the final 4 ½ months correctly.

### **Examples:**

1. An employee paid \$100,000 at 100% pay is going on 50% pay for spring. In the compensation field, change contract amount to \$50,000, with an effective date of 01/15/2016 and check the "Prorate Using Effective Date" button.

2. An employee paid \$50,000 at 50% pay for fall semester is going back to \$100,000 at 100% for spring. Please enter an amount of \$100,000 with an effective date of 01/15/2016 and check the “Prorate Using Effective Date” button.

## Contract Change Prorate Options

**Prorate Change**

No Proration of Change Amt.

Prorate Over Contract Period

Prorate Over Payment Period

Prorate Using Effective Date

Lump Sum Retro Payment

OK

Cancel

Refresh

KK

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## Contract pay: Known issues

Employee Services is exploring ways to provide more flexibility in contract pay processing. We are currently exploring a technical solution to resolve this before the next semesters' contracts need to be entered. For now, ePAR transaction forms enforce HCM rules. Please review these known issues as you enter contracts:

- **HCM Contract Pay Rules:** HCM has built-in rules for contracts. A contract cannot be set to pay before the job effective date – both the job and the contract start must be the same date.
- **ePAR Contract Pay:** Once a payroll is confirmed, an existing contract cannot have its “Contract End Date” updated if the end date was part of, or before, the confirmed payroll. If you need to make a retroactive change to a contract pay date, we ask that you email [HCM\\_Community@cu.edu](mailto:HCM_Community@cu.edu) [7] and we will make adjustments.
- **Setting up a new contract on a job that is still active:** We are working to add a Pay Rate Change Reappointment transaction page, which will allow you to change the pay, FTE and set up a new contract on an existing, active employee. We will announce when this page has debuted.

[Contract pay](#) [8], [pay](#) [9], [new employees](#) [10]

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