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Get a head start on contracts that terminate early in May [1]



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One payroll option at CU is the academic year contract. An employee is paid an annual fixed amount spread over the academic year, often from mid-August to mid-May. The contract falls within the academic and fiscal year when it is also paid in full to the employee over this period. In this model, pay is not disbursed during the summer. Employees with this payroll option may opt to reduce their monthly take home pay during the academic year and extend the contract payment period over the summer.

How do nine-pay-twelve contracts work? Regardless of the option to be paid fully during the academic year, or extended through the summer, the entire contract will post to the general ledger during the academic year. Thus, it can be paid in full by CU before the end of the fiscal year.

The full monthly amount of the academic year portion of the contract posts to the funding sources each pay period. For those employees who extend their pay through the summer, they receive a reduced amount of the full monthly portion, and the “held back” portion of the pay posts as a liability in “Earnings Not Paid” (ENP). ENP posts to a default campus pool SpeedType, and the balance is paid out to the employee over the summer months from this campus pooled SpeedType.

What happens if a faculty member terminates at the end of a term, before the ENP is paid out over the summer months?

- The remaining ENP must be paid out to the employee upon termination, preferably with the last pay period of the contract.

What are the steps to process an early ENP payout?

If the updated termination date is entered **before** the payroll deadline for the last pay period of the contract:

- Confirm the remaining ENP payout amount from the **Contract Payment Details** page.
- Add a termination row in Job Data with an effective date **the day after** the contract ends. This will allow HCM to update the payment end date to match the last pay period for the contract.
- If the final month of the contract is in May, approve the job data row before the May

payroll deadline at 5 p.m. on Monday, May 20, 2024. The final contract pay and any unpaid ENP will both be included in the May paycheck.
- No additional funding entries are required. HCM knows how to pay out the ENP and how to post it to the correct SpeedType. ENP is paid from a default campus SpeedType that is stored in the Department Budget Table.

If the updated termination date is entered **after** the payroll deadline for the last pay period of the contract, ENP must be manually entered into CU Time to pay out to the employee.

- From the **Contract Payment Details** page, verify the remaining ENP to pay out.
- Enter the final ENP payout into CU Time and approve the entry by the payroll deadline.
- **Do not enter an override SpeedType in CU Time**. HCM knows how to pay out the ENP and how to post it to the correct SpeedType. ENP is paid from default campus SpeedType that is stored in the Department Budget Table.

After the final ENP payment processes using one of the methods above, use the HCM query "**Payroll Register Acct Detail**" to confirm the accuracy of the ENP payment.

- Download the query results to Excel to easily filter for ENP earn codes.
- Match the ENP amount paid to the amount due in the **Contract Payment Details**.
- Confirm that the ENP was funded by the default campus pooled SpeedType.

ENP is a restricted earn code. If ENP did not post to the correct campus pool SpeedType, reach out to your campus controller's office for a PET (Payroll Expense Transfer).

Need extra help?

For specific HR/GL questions, email: System.HRGL.Team@cu.edu [3] or hcm_community@cu.edu [4].

Check out the HRGL training materials [5] from the Training link on the HR/GL webpage.

- Once you navigate to the Webinars page, choose "Paying People."
- Find the Faculty Contracts webinar and materials. The HR/GL section begins at 34:50, and the HR/GL slides are posted separately.

Find additional contract resources in the Payroll section of the Employee Services website [6].

Find HCM queries from here:

1. Log into the **employee portal** [7].
2. Open the **CU Resources** dropdown menu and click **Business Tools**.
3. Select the **HCM** tile and choose **HCM Community Users** from the drop-down menu.
4. Click the **HCM WorkCenter** tile.
5. Select the **Resources** tab and click the query you desire.

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