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Job changes can affect encumbrances in the general ledger [1]



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Job changes can trigger downstream affects to the general ledger and benefits.

The University of Colorado employs a wide array of people in a multitude of positions – temporary, permanent, full-time, part-time, contract-based – and a department's needs or an employee's circumstances may call for changes to their job data and subsequent changes to their payroll and benefits.

These changes affect how compensation encumbrances are calculated [3] in the general ledger. Below, we've collected a brief overview of relevant position changes and their individual effect on encumbrances.

Appointment End Date

An appointment end date in Job Data reflects the anticipated end of an employment relationship. It could reflect a scheduled termination date (i.e., max end date for a nine-month temporary appointment), or that an employment relationship will change (fall term teaching ends and a new letter of offer will apply to the spring term).

Appointment end dates do not stop pay, but they do stop encumbrances for earnings (i.e., encumber to end date only). Benefits and fringe rates continue to count toward the position's encumbrance.

An appointment end date is not used in the auto-term process – instead use **Expected Job End Date**.

Short Work Break

During a period between appointments, **Short Work Break** can be used to continue an employee relationship without pay.

Short Work Break does stop earnings, but benefits continue to post. Benefits and fringe rates will continue to count toward the position's encumbrance.

Compensation – Zero Pay

Sometimes departments will change job data to reflect zero compensation – for example, to keep the employee active with access to CU's systems, instead of entering a termination row and creating a POI relationship.

Zero pay creates no earnings, but benefits continue to post. Benefits and fringe rates will continue to count toward the position's encumbrance.

Leave of Absence – Paid

When using the paid Leave of Absence designation for a position, the employee's salary, offset by paid leave earnings or paid parental leave, is often used with Family Medical Leave (FMLA).

Earnings and benefits continue to post. Benefits and fringe rates will continue to count toward the position's encumbrance.

Leave of Absence – Unpaid

This feature stops pay but benefits continue to post. Benefits and fringe rates will continue to count toward the position's encumbrance.

A word on benefit eligibility

Temporary positions are generally not benefit-eligible. All positions are eligible for state sick leave [4].

Benefit-eligible positions that maintain standard hours equal to or greater than 20 hours per week make an employee eligible for benefits. For employees who hold multiple positions, standard hours are calculated as a sum of work hours in all positions.

When multiple positions exist:

Employees in multiple benefit eligible positions, each with standard hours less than 20 hours per week, may become benefit eligible if the total standard hours of all positions meet the 20 hour per week threshold.

Distributing benefit costs:

The cost of an employee's benefits will be distributed proportionally to department payroll across all positions in the paycheck – regardless of whether all the positions are benefits-eligible or not.

Taxes and retirement only follow for certain additional pay at the Denver and Anschutz Medical campuses.

The sum of standard hours affects benefit pools and fringe rate encumbrances.

Learn more about job and position changes on the HCM website [5].

As always, you can email hcm-community@cu.edu [6] or System.HRGL.Team@cu.edu [7] for additional help.

HRGL [8], funding [9], encumbrances [10]

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