

## Understand how job changes impact benefits and HCM encumbrances <sup>[1]</sup>



August 21, 2023 by [Employee Services](#) <sup>[2]</sup>

Job changes have downstream effects on payroll and the general ledger.

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 need or an employee's circumstances may call for changes to their job data that can impact their payroll and benefits.

### **Job Data and benefit eligibility**

Position data posts to job data and must remain in sync with job data for accurate pay, benefits, and funding. Generally, benefit eligibility is based on a total of at least 20 standard hours from one or more positions that include benefit-eligible job codes in regular status. Temporary positions are generally not eligible for benefits (with a few exceptions). All positions are eligible for state sick leave if not already eligible for other leave programs.

### **Earnings and Benefits**

Earnings and benefits post using position funding or CU Time and Additional Pay override SpeedTypes according to campus rules reflected in the department budget table and additional pay rules. While benefit expenses follow earnings at UCD/AMC, UCB and UCCS SpeedTypes post a fringe cost to earnings using a preset fringe rate. **If there are no earnings, then no corresponding fringe cost can post.**

### **Encumbrances**

HCM calculates encumbrances for anticipated earnings and benefits. HCM encumbrances for benefits parallel the actuals distribution and fringe costs. For UCB and UCCS SpeedTypes, if there are no earnings, then no corresponding fringe encumbrances can post.

### **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., nine-month temporary position), 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 earnings. Earnings continue to post.
- Appointment end dates stop encumbrances for earnings (i.e., encumber to appointment end date only).
- Benefits continue to post (so long as the employee remains benefit eligible) according to the Department Budget Table (DBT) rules.
- **For UCB & UCCS:** HCM encumbrances for fringe continue to post based on earnings that post to earnings SpeedTypes.

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 breaks do stop earnings.
- Benefits continue to post (so long as the employee remains benefit eligible) according to the Department Budget Table (DBT) rules.
- **For UCB & UCCS:** HCM fringe encumbrances do not continue to post, since there are zero earnings that post to earnings SpeedTypes.

### **Compensation – Zero Pay**

Sometimes departments will change job data to reflect zero compensation. It might be to designate a titled but unpaid position for the employee, or to establish an honorary position instead of creating a POI relationship.

- Zero compensation creates no earnings.
- Benefits continue to post (so long as the employee remains benefit eligible) according to the Department Budget Table (DBT) rules.
- **For UCB & UCCS:** HCM fringe encumbrances do not continue to post, since there are zero earnings that post to earnings SpeedTypes.

### **Leave of Absence – Paid**

When using the paid Leave of Absence designation for a position, the employee's salary is offset by paid leave which may reflect Family Medical Leave (FMLA) and paid parental leave.

- Since the employee is in paid status, earnings continue to post.
- Benefits continue to post (so long as the employee remains benefit eligible) according to the Department Budget Table (DBT) rules.
- **For UCB & UCCS:** HCM fringe encumbrances continue to post based on earnings that

post to earnings SpeedTypes.

## Leave of Absence – Unpaid

When using the unpaid Leave of Absence designation for a position, the employee's salary is not offset by paid leave. This feature stops pay.

- Since the employee is in an unpaid status, earnings do not post.
- Benefits continue to post (so long as the employee remains benefit eligible) according to the DBT.
- **For UCB & UCCS:** HCM fringe encumbrances do not continue to post, since there are zero earnings that post to earnings SpeedTypes.

## Need extra help?

Learn more about job and position changes on the [HCM website](#) [3]. You can also learn more about important HRGL topics such as [Department Budget Tables](#) [4] and [Payroll Expense Transfers \(PETs\)](#) [5] on the HCM website.

As always, you can email [hcm\\_community@cu.edu](mailto:hcm_community@cu.edu) [6] or [System.HRGL.Team@cu.edu](mailto:System.HRGL.Team@cu.edu) [7] for additional help.

[HRGL](#) [8], [funding](#) [9], [encumbrances](#) [10], [appointment end date](#) [11], [leave of absence](#) [12], [short work break](#) [13]

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