

## **Use these HR/GL strategies to manage calendar year-end funding for grants** <sup>[1]</sup>



November 19, 2025 by [Employee Services](#) <sup>[2]</sup>

While many position funding considerations are connected to the fiscal year, there are also calendar year-end functions that affect pay. This is especially true for grant-funded positions.

### **Identifying overpayments with grant funding?**

Pay that posts to a SpeedType reflects effort allocated to that SpeedType. When pay posts to grants and contracts SpeedTypes, the effort must be certified through the electronic Personnel Effort Reporting System (ePERs). Sometimes, errors in HCM can result in overpayments to employees, and sometimes these overpayments are funded by grants and contracts.

There are two important things to consider when this happens:

1. Overpayments from grant-funded SpeedTypes now reflect effort on the affected grants that does not reflect actual effort. Move the overpayment portion of pay from grants and contracts SpeedTypes to a unit SpeedType where the liability can be held until the overpayment is returned by the employee.
2. If overpayments span multiple pay periods, and those pay periods cross ePERs terms, then the overpayment credits must be posted by term. For example, if an employee was overpaid in May and June, when the overpayment is returned, a credit for May must be processed in one manual check, and a credit for June must be processed in a separate manual check, reflecting the corresponding earnings periods separately.

The [Notice of Overpayment Adjustment \(NOPA\) form](#) <sup>[3]</sup> has been updated with a section pertaining to overpayments with grant funding. The form contains a link to a job aid created to assist with [sponsored project award overpayments](#) <sup>[4]</sup>.

### **Reconciling overpayments with grant funding**

Once the overpayment credit has been returned, ensure the funding for the overpayment and the credit for the return are aligned on the same SpeedType(s). This way, the pay will produce a “net zero” amount, and effort will not be reflected where there was no effort. Use this quick Payroll Expense Transfer (PET) strategy to align overpayments with credits.

1. Create a new PET for the employee. Use the earnings period(s) for the original check(s) where the overpayment occurred.
2. All the paychecks, including the original and returned credits, will display regardless of their pay period end dates (when the overpayment and the credit were posted).
3. Determine the overpayment portion of each check. In the PET Earnings tab, find the “New Check Distribution” section. Enter the same funding for the overpayment(s) and the credit(s) so they will post to the same SpeedType and create a net zero sum when the PET is completed.

## **Think ahead to prevent re-certifications**

Make the certification process a breeze for employees paid through grant funding by ensuring pay during each ePERS term is posted correctly before the employee certifies.

1. A new ePERS certification is required when a PET changes funding after an employee certifies their effort in ePERS.
2. If an employee paid with grant funding had an overpayment credit posted with earnings periods that crossed ePERS terms, or the incorrect earnings periods were used to post the overpayment, the effort reported in ePERS will be incorrect. The employee will not be able to certify or recertify. A manual check adjustment may be required to adjust the earnings periods before the employee can certify.

## **Neutralize negative ePERS amounts**

Any negative ePERS amounts will cause the certification to fail.

Any exception time (i.e., VAC, SCK) that posts to a paycheck generates a cost for the number of hours at the annualized hourly rate, and a “-RGS” line is created to offset the exception time. The exception time used to reduce the employee balance(s), and the annualized salary reduces the total exception time liability.

- The employee is paid exactly their regular monthly salary,
- the VAC and SCK balances are reduced,
- and at fiscal year-end, the remaining liability can be calculated.

Remember that we pay monthly salary in the current pay period, but we collect exception time from the former pay period and post it in the current paycheck. Current pay uses the current earnings period, but the exception time uses the former earnings period.

Negative RGS lines may occur when funding in the current pay period does not match funding from the previous earnings period of the exception time. The distribution for the current period RGS is calculated and the “-RGS” distribution is calculated according to the former period’s distribution. If a funding SpeedType in the current distribution was not available in the former periods, the “-RGS” line does not have an entry to “offset,” so it stands alone, orphaned.

A PET can be used to correct the issue by applying the same final distribution to each section of a position's funding in that paycheck.

1. In the PET Earnings tab, anytime the column values change in the "New Check Distribution," a new section is created where funding is calculated at 100%. For example, when a check has multiple positions, or multiple earn codes, or multiple funding end dates, a separate section calculates 100% of the funding for each of those cases.
2. This means that a separate section is created for the -RGS line at 100%.
3. Use the PET funding template to apply 100% distribution to the entire position's earnings, including RGS, leave (VAC, SCK), "-RGS", dock codes, etc.?
4. After applying the funding to all the position "sections" distributed at 100%, each section will reflect the same funding distribution and all the -RGS will offset consistently and proportionally.
5. Once the PET posts and there are no orphaned "-RGS" amounts remaining, ePERS can be certified.

## Handle effort reporting for employees whose effort overlaps the fall and spring terms

Worried about effort reporting for new employees hired during the overlapping bi-weekly pay period in January posting to both fall and spring terms? Here is a solution to ensure the right effort is posted to the right ePERs term.

1. ePERS uses the earnings begin and end dates rather than the pay period to track effort.
  1. If you upload the last bi-weekly timesheet from My Leave, it will post pay crossing the current year in December (fall term) through the new year in January (spring term) — and post to the ePERS in spring term only.
  2. If the effort in the last biweekly pay period should post separately to ePERs in fall or spring terms, use CU Time to enter the pay separately for each earnings period.
    1. Use earnings begin and end dates that are entirely in December to post to the ePERS fall term.
    2. Use earnings begin and end dates that are entirely in January to post to the ePERS spring term.
  3. **Example:** If a new hire only starts effort in the new year, use CU Time to create an earnings period beginning Jan. 1 to pay the employee for hours worked. The pay will post to the ePERS spring term only.

## Need extra help?

Learn more about payroll contracts for faculty on the [HCM website](#) [5]. You can also email [hcm\\_community@cu.edu](mailto:hcm_community@cu.edu) [6] or [System.HRGL.Team@cu.edu](mailto:System.HRGL.Team@cu.edu) [7].

Additionally, you can find HCM queries here:

1. Log into the [employee portal](#) [8].
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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