

Human Capital Management: Job Aid

Managing Funding and Suspense

In HCM, funding distributions are managed through a CU Funding Entry page that updates the Department Budget Table (DBT). All the transactions are stored in the system's DBT tables behind the scenes. As a user, you only need to update and manage the funding for earnings expenses. Whenever a user updates earnings distributions and SpeedTypes, the DBT transaction applies built-in logic to also update the deduction and tax SpeedTypes.

This document addresses the following questions:

- How is funding managed?
- What is suspense and how is suspense prevented and fixed?

How is Funding Managed?

All distributions are made and stored at the position level. You can distribute earnings based on amounts or percentages. If you distribute earnings based on amounts, the system calculates percentages that are then used in the actual distribution process. You select an effective date to be used for when the new funding distributions should go into effect. If you select a date that is not at the start of the pay period, then the system will split the pay period between the old and new funding distributions. It does this based on the number of total days in the pay period (not the number of work days). It will take the total number of days between the new funding effective date and the end of the pay period and divide it by the total number of days in the pay period. This will be the percentage the system will use to split the payroll expenses between the old and new funding distributions.

Example: Monthly pay for September. (There are 30 days in the pay period.)

- Funding for Sep 1 – Sep 10 is SpeedType 123
- Funding for Sep 11 – Sep 30 is SpeedType 456

If the employee has \$3,000 in salary, and 229.50 in employer-paid taxes, then the system makes the following calculations:

Payroll expenses will be calculated as follows:

- $20 \text{ days} / 30 \text{ days} = 66.67 \%$
- $10 \text{ days} / 30 \text{ days} = 33.33 \%$

Salary will be split as follows:

- 33.33% to SpeedType 123 or \$999.90
- 66.67% to SpeedType 456 or \$2,000.10

Taxes will be split as follows:

- 33.33% to SpeedType 123 or \$76.49
- 66.67% to SpeedType 456 or \$153.01

- **Pay period = September**
- The September pay period has 30 days.

New Funding Distribution

September 1-10 (10/30 days)

ST 123 = 100%

September 11-30 (20/30 days)

ST 456 = 100%

What is Suspense?

The Human Capital Management (HCM) System requires current and active funding for all expenses and charges related to payroll for each employee of the University of Colorado. If the system cannot find a current, active funding distribution to expense the charges related to payroll, the transactions will all be charged to a suspense FOPPS (SpeedType). These payroll transactions include wage payments, employer-contributions to the medical, dental, life, disability and retirement plans as well employer-contributions to FICA and Meditax or to a fringe contribution that is expensed through the payroll system. Currently, there is a single suspense FOPPS/SpeedType for each campus. Most of the transactions that are charged into the suspense FOPPS on a monthly basis are due to expired or missing funding.

What Causes Suspense?

The following actions cause suspense:

- **Expired funding end date**

In general, the funding distribution for a position should cover at least the length of the appointment. If an employee has an active appointment, but is in a position with funding that ends before the current pay period end date, the expenses related to that payroll between the funding end date and the end of the pay period will go into suspense (this includes wage payments, employer-contributions to the medical, dental, life, disability and retirement plans as well as employer-contributions to FICA and Meditax, and to a fringe contribution expensed through the payroll system).

Example: The September 2015 monthly pay period runs from September 1st through September 30th. Jane Doe has an active appointment paid monthly, with an Appointment End Date of May 31, 2016. Her position has funding that ends on September 15, 2015. If nothing is changed, a portion of the September payroll expenses associated with this position will go into suspense for the period of September with no funding (the 16th through the 30th).

If there is a funding end date for earnings distributions, but it is missing for deduction and tax distributions, earnings distributions will go to into suspense, but the deduction and tax distributions would not.

- **Funding includes an inactive SpeedType**

The current funding distributions for a position must all have active SpeedTypes. If a SpeedType has been inactivated in the Finance system at any time in a pay period, the expenses related to that payroll will go to suspense (this includes wage payments, employer-contributions to the medical, dental, life, disability and retirement plans as well as employer-contributions to FICA and Meditax and to a fringe contribution expensed through the payroll system).

- **The Department IDs do not match between Position and the DBT tables**

The department ID is a key field for position and DBT (where the funding is stored) tables. If these are not in sync, the system will write all of the payroll expenses to suspense (this includes wage payments, employer-contributions to the medical, dental, life, disability and retirement plans as well as employer-contributions to FICA and Meditax, and to a fringe contribution expensed through the payroll system).

- **A new position or current fiscal year department change dates do not match between Position and the DBT tables**

The first row the DBT must have the same date as the position in its current department. For example, if a position was created on October 1, 2017, there must be a DBT table in fiscal year 2018 with an

effective date of October 1, 2017 for the position in the new department. If these items are not in sync, the system **will write all of the payroll expenses** to suspense (this includes wage payments, employer-contributions to the medical, dental, life, disability and retirement plans as well as employer-contributions to FICA and Meditax, and to a fringe contribution expensed through the payroll system).

- **Funding does not exist**

If there are no funding rows for a position and department ID combination. If this combination doesn't exist in the DBT tables, the system will write all of the payroll expenses to suspense (this includes wage payments, employer-contributions to the medical, dental, life, disability and retirement plans as well as employer-contributions to FICA and Meditax, and to a fringe contribution expensed through the payroll system).

How Do You Prevent Suspense from Occurring?

You can identify the potential problems by running the following queries:

- CUES_HCM_FUNDING_DISTRIBUTION – This query returns job data and funding distribution details by Empl ID, Dept ID, Org, and/or position number. This reports helps you manage current and future funding needs.
- CUES_HCM_FUNDING_SUSPENSE – This query returns active employees who have a project end date or funding end date on their CURRENT funding row that falls in the past or up to 45 days in the future. It also checks for a funding end date that is greater than a project end date, or missing funding end date when there is a project end date.
- CUES_HCM_FUNDING_SUSPENSE_MAX – This query returns active employees who have a project end date or funding end date on their MAX funding row that falls in the past or up to 45 days in the future (includes future dated funding rows). It also checks for a funding end date that is greater than a project end date, or a missing funding end date when there is a project end date.
- CUES_HCM_FUNDING_SUSPENSE_OLD – This query returns active employees who have a project end date or funding end date, on their CURRENT funding row that falls on today's date or in the past. It also checks for a funding end date that is greater than a project end date, or a missing funding end date when there is a project end date.
- This report DOES NOT include any future dated rows.

Make sure that the funding exists, the funding is current and that department IDs match prior to the pay period cutoffs. Refer to the appropriate guide for more information:

- *Making a Funding Entry Step-by-Step Guide*
- *Creating a Position with Funding Step-by-Step Guide*
- *Updating a Position Step-by-Step Guide*

How Do You Fix Suspense?

The best way to fix suspense is to not let it happen. By running the queries in the HCM system queries listed above and updating the position and the funding distribution, you will be able to prevent most of the suspense transactions for your employees from ever occurring.

Otherwise, you have the following options:

- Run the CUES_HCM_PAYROLL_REGISTER_DTL. This query returns paycheck information with an earnings breakdown alongside accounting details by Pay Period End date. Filter by the suspense SpeedType to find all lines that went to suspense.
- Run a Compensation Summary report from CU-DATA to determine if payroll expenses went to suspense SpeedTypes.
- Run a Financial Detail report from CU-Data for your department's suspense SpeedType to identify employees in your departments with payroll in suspense.
- To correct payroll in suspense, create a Payroll Expense Transfer (PET). A PET must be created in HCM to payroll items from the suspense SpeedType to the correct funding SpeedTypes.

Troubleshooting Suspense Summary

The following table summarizes causes and corrections for suspense:

Causes	Queries to Identify Cause	To Fix Before Payroll Cutoff	To Fix Suspense After it Occurs
Expired funding end date, or funding end date is not equal to or less than project end date	CUES_HCM_FUNDING_SUSPENSE Check the position funding history: HCM> CU PETS and Funding> CU Position Funding History	Enter a CU Funding Entry.	1. Run Payroll Register with Accounting Details in HCM. 2. Run an Employee Compensation Summary Report in FIN.
Inactive Chartfields	Run the SpeedType Summary Report in CU Data to determine if a SpeedType is in active or inactive status, and any project end dates.	Enter a CU Funding Entry.	3. Create a PET to move funds from suspense to correct FOPPS and account combination.
Department IDs are not in sync between DBT and Position	Review the department in Position data: HCM> Organizational Development> Position Management> Maintain Positions/Budgets> Add/Update Position Info Compare it to the department in Position Funding History: HCM> CU PETS and Funding> CU Position Funding History	To correct Position data, add a row to position to change the department. An HRGL Request will be required, and will update the funding correctly when it posts.	
New position or current fiscal year department change date does not match the first row of the current fiscal year DBT	Review the department in Position data: HCM> Organizational Development> Position Management> Maintain Positions/Budgets> Add/Update Position Info Compare it to the department in Position Funding History: HCM> CU PETS and Funding> CU Position Funding History	If the new position or department change date do not match in the current fiscal year with the first DBT row, reach out to HCM_Community@cu.edu to make the correction.	
No funding	CUES_HCM_FUNDING_DISTRIBUTION Check the position funding history: HCM> CU PETS and Funding> CU Position Funding History	Enter a CU Funding Entry.	