



# **Multi Year Encumbrance**

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Sue Jennings**

**09:30 to 10:30  
August 6, 2009**



## **Meeting Goals**

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- Introductions
- Things to Know Before you get Started
- Functions of Multi-year Encumbrance
- Finance Set-Up
- Human Resource Set-Up
- Questions

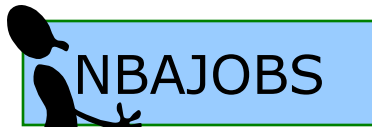
# Introductions



# Things to know before you get started

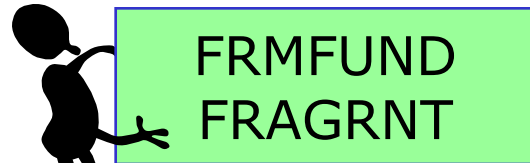
- Dependent on the Grants module
- Only uses the system calculated method of salary encumbrances
- Only uses encumbrance recasting - does not work with the payroll liquidation method
- The encumbrance value will be updated on the NBAJOBS record, not the NBAPBUD record
- Only active jobs in the active fiscal year will be included in the calculation

# What it Does



NBAJOBS

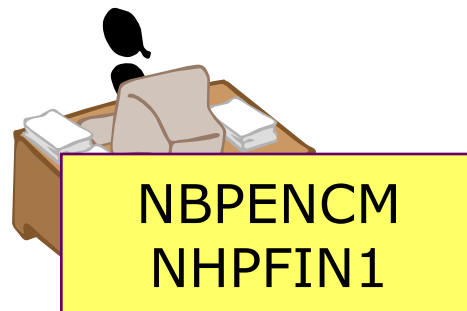
1. Grabs information



FRMFUND  
FRAGRNT

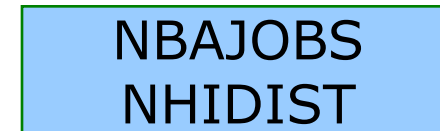
2. Checks out dates

3. Calculates with information  
from rule forms

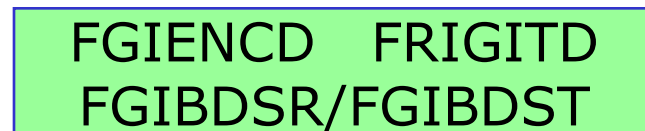


NBPENCM  
NHPPFIN1

4. Posts Results



NBAJOBS  
NHIDIST



FGIENCD FRIGITD  
FGIBDSR/FGIBDST

# How it Does it

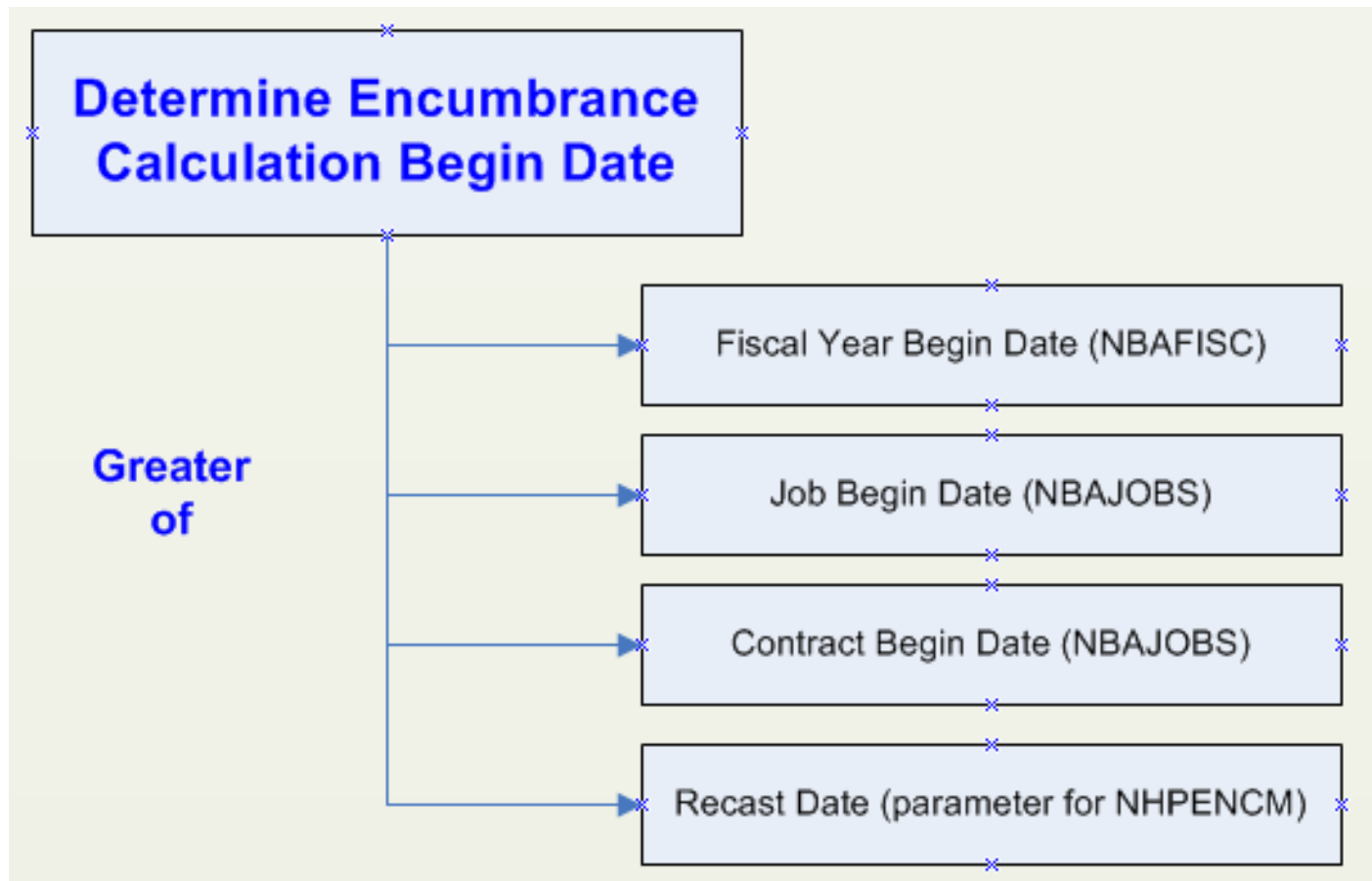
- For active jobs as of the date used in NBPENCM for the recast date
- Current encumbrance = assigned salary \* number of pays left in current fiscal year
- Future encumbrance = assigned salary \* number of pays left in future fiscal year(s)
- Future fiscal year =
  - fiscal years have been created on FTMFSYR and NBAFISC with
    - an end date equal to or after the grant period end date and
    - a begin date equal to or before the grant period start date
  - pay periods on PTRCALN have been created with
    - an end date equal to or after the grant period end date and a begin date equal to or before the grant period start date
- The future fiscal year can be ended early with the Encumbrance Override end date on NBAJOBS

# NBPENCM: Encumbrance Maintenance Process

Looks at:

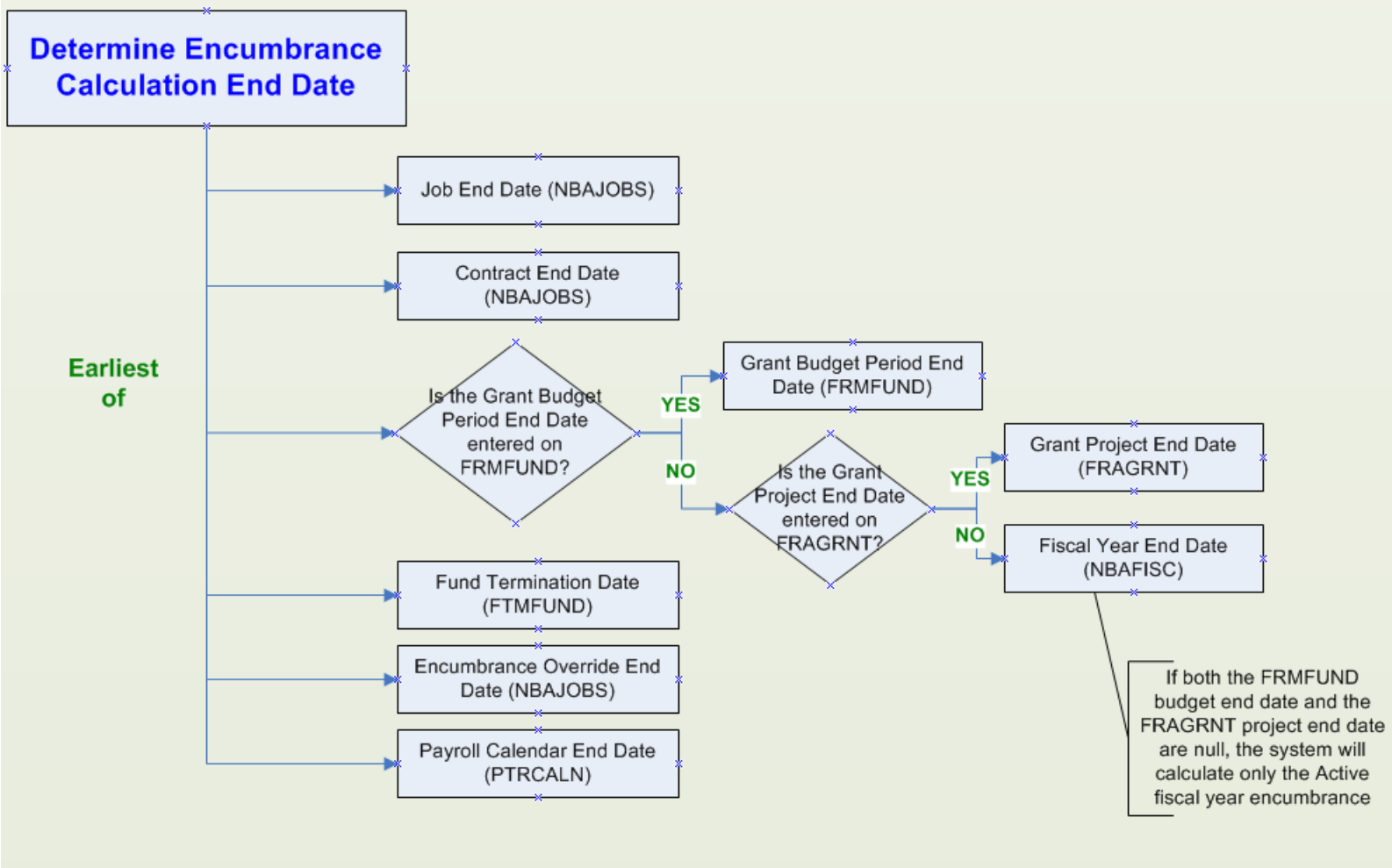
- Recast Date (NPBENCM)
- Job end Date (NBAJOBS)
- Contract End Date (NBAJOBS)
- Grant Budget Period End Date (FRMFUND)
- Grant Project Period End Date (FRAGRNT)
- Fund Termination Date (FTMFUND)
- Encumbrance Override End Date (NBAJOBS)
- Fiscal Year End Date (NBAFISC)
- Payroll Calendar (PTRCALN)
- Position Control Installation Rules (NTRINST)

# NBPENCM: Encumbrance Maintenance Process





# NBPENCM: Encumbrance Maintenance Process



# Finance Extract Process

## NHPFIN1

- Does it's normal stuff and adds items numbers:
  - 0 current salary
  - 1 Current fringe
  - 2 Current residual
  - 3 Future salary
  - 4 Future fringe
  - 5 Future residual

# Example 1: Simple

Job start date: 07/01/2009  
Pay Periods: Monthly payroll/12  
Paid per month \$5000  
Distribution: 07/01/09 100% grant

Grant Period: 07/01/09 to 9/30/2012

NBPENCM/Recast Date: **07/01/2009**

Current fiscal year encumbrance: 12 pay periods \* \$5,000 = \$60,000

Future fiscal year encumbrance: 27 pay periods \* \$5,000 = \$135,000

# Example 2: Change in FOAPAL

Job start date: 07/01/2009  
Pay Periods: Monthly payroll/12  
Paid per month \$5000  
Distribution: 07/01/09 100% department  
03/01/10 100% grant  
08/01/10 100% department  
  
Grant Period: 10/01/09 to 9/30/2012  
  
NBPENCM Recast Date: **10/01/2009**

## Current Fiscal Year Encumbrance:

\$25,000 to department FOAPAL  
10/01 to 02/28 = 5 pay periods \* \$5000  
  
\$20,000 to grant  
03/01 to 06/30 = 4 pay periods \* \$5000

## Future Year Encumbrance:

\$5,000 to grant  
  
07/01 to 07/30  
1 pay periods \* \$5000

# Example 3 – Override End date

Job start date: 07/01/2009  
Pay Periods: Monthly payroll/12  
Paid per month \$5000  
Distribution: 07/01/09 100% department  
10/01/09 100% grant  
Grant Period: 10/01/09 to 9/30/2012.  
NBPENCM Recast Date: **10/01/2009**

Encumbrance override date : 09/30/2010

Current Fiscal Year Encumbrance:

\$45,000 to department FOAPAL  
10/01 to 06/30  
9 pay periods \* \$5000

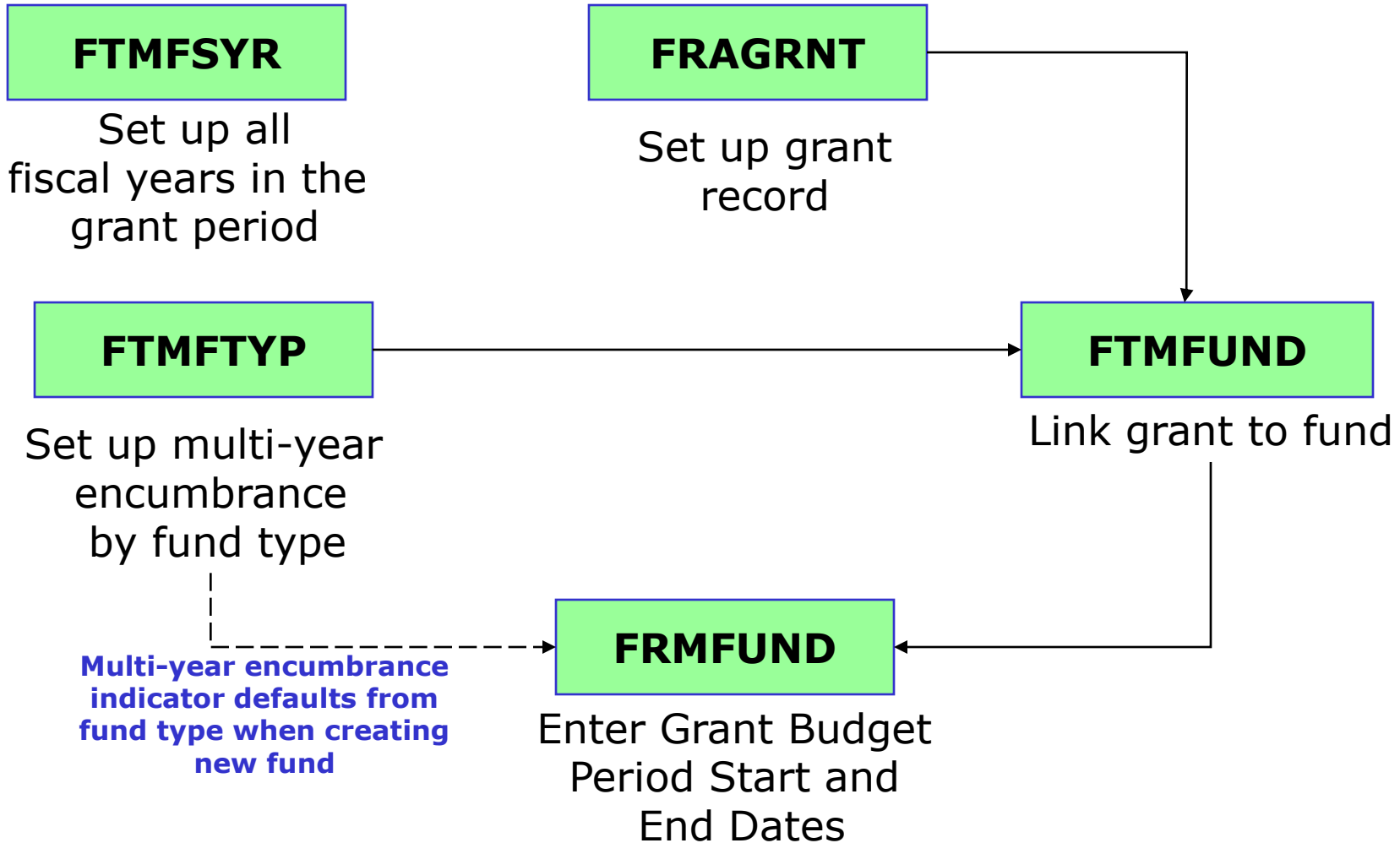
Future Fiscal Year Encumbrance:

\$15,000 to grant  
07/01 to 09/30  
3 pay periods \* \$5000

# Special Features

- Deferred Pay
- What happens with missing values on fiscal year or calendars
- Included in Salary Planner
- Included in EPAF processing
- Impacted by Faculty Load and Compensation

# Finance Set Up



# Finance Form Changes

New field: Encumber Multi Year Labor

- FTMFTYP: Fund Type Maintenance Form
  - Script included with 8.0 release to update existing fund type records
- FTVFTYP: Fund Type Validation Form
- FRMFUND: Research Accounting Fund Maintenance
  - Script included with 8.0 release to update existing fund records

New fields: Grant Code and Grant Title

- FTVFUND: Fund Code Validation Form

New field: Roll HR Labor Encumbrance Process (FGRLENC)

- FGAYRLM: Year End Maintenance Form



# Finance Form/Process Changes - continued

New edits: Project Date Changes on FRAGRNT

- FRPGINF: Grant Interface Process
- FRAGRNT: Grant Maintenance Form
  - Notified that similar changes may be needed on FRMFUND

New fields: Encumber Multi Year Labor,  
Encumbrance Period, and Status

- FGIENCD: Detail Encumbrance Activity Form
- FXIENCD: Archive-Detail Encumbrance Activity

# New Finance Form

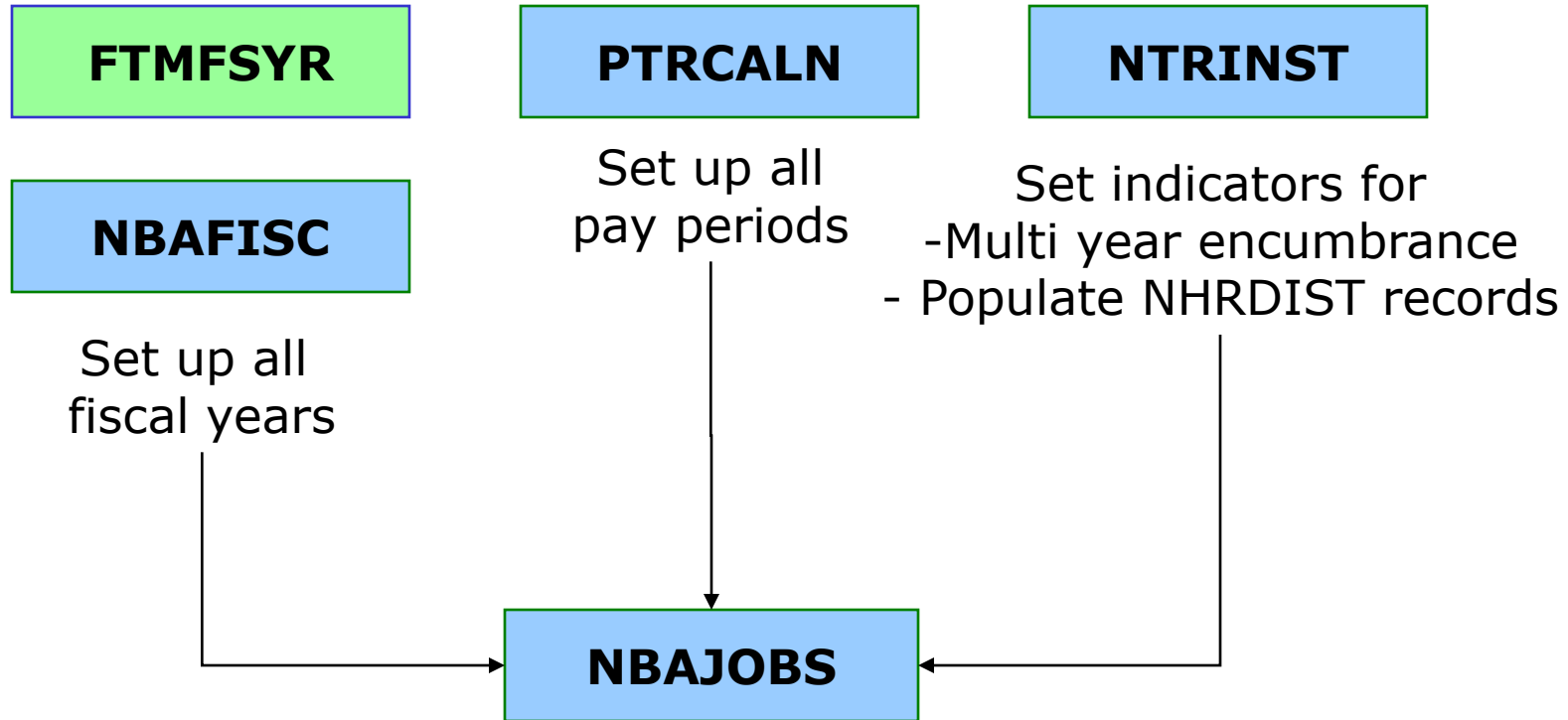
- FRIFUND: Research Fund Inquiry Form
  - Based on FRMFUND records
    - Some FTMFUND future-dated records may not display
  - Intended for users that do not otherwise have access to Banner Finance maintenance forms
  - Includes data from FRMFUND, FTMFUND and FRAGRNT

FRMFUND	FTMFUND	FRAGRNT
Chart	Fund Title	Grant Title
Fund Code	Effective Date	Project Start Date
Encumber Multi Year Labor	Termination Date	Project End Date
Effective Date	Expenditure End Date	
Termination Date	Grant Code	
Budget Period Start Date		
Budget Period End Date		

# New/Revised Finance Processes

- New Process
  - Roll Labor Encumbrances Process (FGRLENC)
    - Can be run anytime after last day of old fiscal year
    - Not dependent on other Finance year end processes
    - Ignores roll parameters on FTMCOAS (except rule code)
    - Does not roll budget with encumbrance
    - Starting document number on FGAYRLM must begin with *PR*
    - Processes only HR labor encumbrances
      - Identified by *PR* encumbrance number
    - Process is optional if Multi-Year Labor Encumbering is not used
    - Performs various tasks
      - Close current HR labor encumbrances in current year
      - Roll forward open future HR labor encumbrances to new fiscal year
      - Close rolled HR labor encumbrances in new fiscal year

# Human Resource Set Up



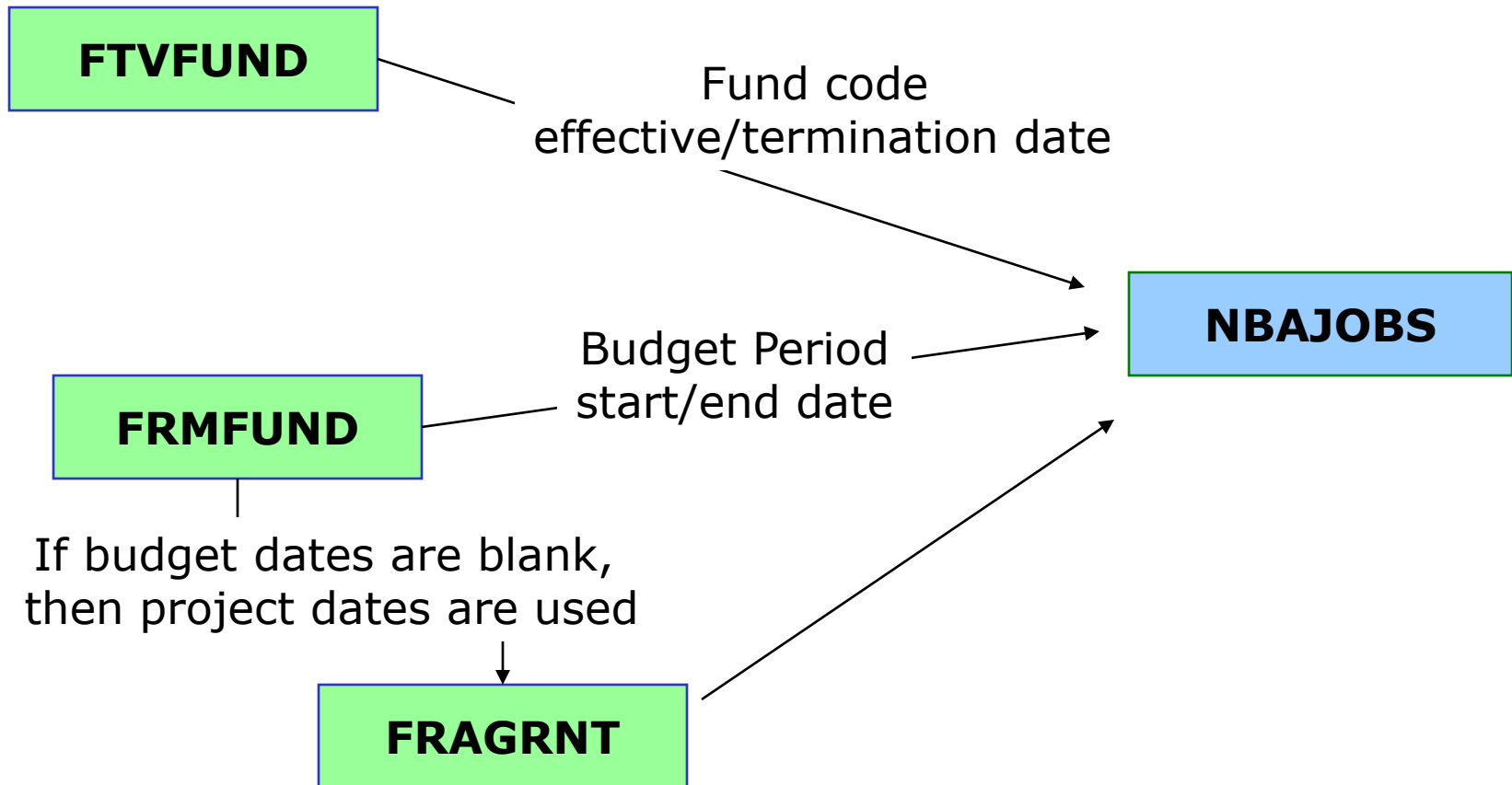
**Note: If the Feed Future encumbrances indicator on NTRINST is not checked, future encumbrances that are calculated will not be fed to Finance**

# NBAJOBS detail

- Base Job Record
  - Current encumbrance
  - Future encumbrance
- Job Labor Distribution
  - Encumbrance number
  - Encumbrance sequence
  - Latest recast date
  - Last calculate date
  - Grant/Fund (from FRAGRNT or FTMFUND)
  - Budget start/end date
  - Encumbrance override end date



# Finance Interface Points with Job Form



# Human Resource Form Changes

Multi-Year Encumbrance fields have been added:

- NBAJOBS: Employee Jobs Form
- PEAESCH: Employee Status Change Form
- NBIJLHS: Labor Distribution Change History Form
- PEIJHIS: Employee Job History Form



# NBIJLHS

## Job Labor Distribution Changes

Effective Date

Change Reason

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## Job Labor Distribution Detail

Percent	COA	Fund	Orgn	Account	Program	Activity	Location	Project	Cost
<input type="text" value="100"/>	<input type="text" value="1"/>	<input type="text" value="10001"/>	<input type="text" value="1050"/>	<input type="text" value="2111"/>	<input type="text" value="675000"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Capture Date and Time:**   
**Encumbrance Number:**   
**Encumbrance Sequence:**   
**Latest Recast Date:**

**Fund:**  Current Unrestricted-Chanc Ofc  
 **Encumber Multi Year Labor**  
**Encumbrance Override End Date:**

Encumbrance To Post

Salary Transaction Detail

	Current Encumbrance	Current Encumbrance to Post	Future Encumbrance	Future Encumbrance to Post
Salary:	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
Fringe:	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
Residual:	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>

# Human Resource Process Changes

- New process:
  - NBPENCM: Encumbrance Maintenance Process
    - To calculate encumbrances separate from budgets
- Modified process:
  - NBPBUDM: Maintenance Process
    - Removed encumbrance calculations
  - NHPPFIN1: Finance Extract Process
    - Added logic for the future year calculations

# Human Resource Query/Report Changes

Query/reporting capability by grant has been added to:

- NHIEDST: Employee Distribution Inquiry Form
- NHIDIST: Labor Distribution Data Inquiry Form
- NHRDIST: The Organization Payroll Distribution Report.

# Implementation Tip

Start multi year encumbrance with a new fiscal year encumbrances.

If you implement during a fiscal year, there is a chance that the new encumbrance calculation logic will create a variation in the original encumbrance amount due to rounding differences. This would create a new "to be posted amount".

For example:

an original encumbrance may have been 19,999.99 and the new encumbrance would be 20,000.01. This would post a two cent encumbrance adjustment amount.

Questions?



## **Contact Information**

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