



# DALHOUSIE UNIVERSITY SALARY ENCUMBRANCE

As of March 26, 2013

## What is Salary Encumbrance?

The salary encumbrance feature will record future salary commitments against a research account. These commitments will encumber or reduce the balance of funds available in the account.

## What are the Benefits?

The salary encumbrance feature will provide research account holders with up-to-date information on current salary commitments against their research grants and contracts. The University's financial system currently tracks non-salary (Purchasing/Facilities Management) commitments and when coupled with salary encumbrance functionality the principal investigator will know the balance of the uncommitted funding available for spending. This will aid the monitoring process and prevent time consuming follow up resulting from over expenditure.

## When will Salary Encumbrance be implemented?

Effective April 1<sup>st</sup>, 2007 the salary encumbrance feature will be activated and future commitments from the payroll system to be recorded in the financial system on research accounts.

## What salary commitments will be encumbered?

Salary commitments will be encumbered on Research accounts only. (accounts in the 40,000 and 50,000 series) All individuals charged to research accounts through the monthly payroll will be encumbered. Individuals paid via time sheet on either of the biweekly payrolls will not be encumbered. Salary overhead and fringe benefits are not included in the calculation of salary commitments.

## PAYROLL INFORMATION

## What payroll form changes have occurred due to salary encumbrance?

The only payroll form that has been changed is the **Associated Employer Payroll Form**. New e-classes have been added to the Employee Class drop down menu. The e-classes are as follows:

E-Class Code	E-Class Short Description	E-Class Long Description
RA	ResAdmn	Research Admin Support Staff
RB	ResSchol	Research Scholarship
RC	ResSSNU	Research Support Staff NU
RD	ResFacU	Research Faculty Full Time Union
RE	ResFacNU	Research Faculty Non Union
RF	ResSSUN	Research Support Staff Union
RG	ResCupe	Research CUPE
RM	Restrict	Restricted
RQ	ResFello	Research Fellows
RS	Res Stud	Research Student Salary
RT	RestCasl	Restricted Casual
RX	ResSM	Research Senior Management

The new classifications have also been added to the drop down menu Classification to correspond to the additional e-classes. The classifications must match the e-class chosen from the drop down menu.

The instruction sheet for the Associated Employer Payroll Form has been modified to accommodate the changes.

The payroll form, Associated Employer Payroll Form and Instruction Sheet can be found at [http://personnelservices.dal.ca/personne\\_4633.html](http://personnelservices.dal.ca/personne_4633.html).

## FINANCE INFORMATION

### **Where can I see how much has been committed for salaries against my research account?**

There are a few different places where you will be able to see the total amount of the salary encumbrance charge to your research account.

1. Finance Self Serve (FSS) (See Appendix A for screenshots):
  - a. Budget Queries – All of the budget queries will display the total salary encumbrance figure in the Commitments column for the specific salary account line.
  - b. Encumbrance Query – Due to the way payroll information is loaded into Finance (based on totals for a given organization code) you will only see the total salary encumbrance amount charged, adjusted and liquidated through this functionality. If you wish to see the detail information on who makes up this salary encumbrance, you will need to go to the Salary Encumbrance Query.
  - c. Salary Encumbrance Query – This query will allow you to see the detail around how much has been committed for a given individual. This query performs the same way as the Encumbrance Query but shows the details of individuals' salary commitments.
  
2. e~Print (See Appendix B for screenshots):
  - a. Revenue & Expense by Orgn – Research & Special Purpose (FWRPIRE) report, there is the Commitments column. The commitment that appears under the Salary & Payroll Related Exp. Section is related to the salary encumbrance. This will be a total of all employees' salary commitments that are committed to this account.
  - b. Unit Status Report – Research, Special Purpose & Endowment (FWRUNST) report, there is a Commitments column. This commitment column will display the total of salary encumbrance, capital encumbrances, purchase requisitions, purchase orders and blanket orders.
  - c. Transaction Detail – Research & Special Purpose (FWRODPI) report – the salary transactions that have been posted against a salary encumbrance will have a transaction type of HGRS.

### **How can I see the details that make up the salary encumbrance against my research account?**

The Salary Encumbrance Query will show the details of the commitment. See Appendix A for screenshots of this query plus others in Finance Self Service (FSS)

### **Who has access to the Salary Encumbrance Query?**

The Salary Encumbrance Query is available to everyone who has access to FSS and e~Print. However, only those who have security access to a specific research account that has had some salary encumbered will be able to retrieve information from this query.

The following people will automatically have access to this information:

- a. Dean/Director
- b. Chair/Department Head
- c. Principal Investigator

Who else will have access to this information?

- a. Security Administrator for the Faculty
- b. Security Administrator for the Department
- c. Anyone who has been delegated the Query/Reports (FSS & e-Print) role in Web for Administrators. The Security Administrator or the Principal Investigator could have done this.

## **OTHER COMMONLY ASKED QUESTIONS**

### **Will I be required to complete any additional paper work to set up or liquidate the encumbrance?**

No additional paper work will be necessary. Encumbrances will be calculated and liquidated by the system based on the pay rate and end date information in the normal paperwork that is submitted to payroll services.

### **Will I be able to make a Payroll Commitment beyond the End Date of the Grant or Contract?**

Payroll commitments beyond the end date of a research account are permitted if the agency has given a time extension or has an automatic time extension period such as the Tri-Council grants. (NSERC/SSHRC/CIHR)

### **Once a Payroll Commitment is made on a research account, will I be able to move the Payroll Commitment to another research account if necessary?**

Payroll commitments can be moved from one research account to another account if necessary. The Banner system can liquidate the original encumbrance and establish an encumbrance on the new account. When the regular paperwork is submitted to payroll to change the account the individual is charged to the system will update the encumbrances on both accounts the next time payroll is processed to Finance.

### **Who should I submit Payroll Changes to?**

All Payroll change forms should be submitted to Research Services as usual prior to being forwarded to the Payroll Department.

### **Due to unexpected expenditures, my research account will not have sufficient funds to cover my payroll commitments until the next installment arrives. Is it possible to continue to pay my students/employees from the research account?**

If researchers become overspent in their research account and have guaranteed funding in place (eg. 1<sup>st</sup> year of a 3 year grant), the researcher can request to draw on their next installment by submitting in writing a memo or e-mail to their account administrator (in Financial Services). The memo should acknowledge the account balance, explain why the account is in deficit (or going to reach a deficit position), and outline a budget plan to carry the account until the next installment arrives. The researcher should also have a long-term budget plan that will have the budget balanced in the next fiscal year. The account administrator will respond to the request.

### **A renewal application has been submitted for my research account. I would like to extend a payroll commitment pending the outcome of the application. Is this possible?**

The researcher can submit a request in writing to their account administrator requesting permission to extend their payroll commitments. Each request is reviewed on an individual basis taking into consideration the amount of the request, the date of the arrival of the installment, and how the over expenditure will be cleared if the renewal is not received.

### **An application has been submitted for a new research award. I would like to continue to employ a technician from a research project due to end in the near future. Is it possible**

**to extend my payroll commitment pending the outcome of this new application submission?**

The researcher should contact their account administrator to discuss what options are available to them as each situation differs depending on the time periods for the research awards etc.

**CONTACTS**

**Within Human Resources:**

Responsibilities	Contact Name	Telephone	Fax	Email Address
Payroll	Liz Publicover	494-1131	494-1480	Elizabeth.publicover@dal.ca

**Within Financial Services:**

Responsibilities	Contact Name	Telephone	Fax	Email Address
Manager	Lynn Burgess	494-1703	494-3131	lburgess@dal.ca
Contracts – all Faculties	Dawn Dean	494-1704	494-8367	dawn.dean@dal.ca
AIF Contracts – all Faculties	Bobbi Ciz	494-3040	494-2848	Bobbi.ciz@dal.ca
Grants – Faculties other than Medicine & Health Professions	Jeanette Hurlburt	494-8358	494-3131	jeanette.hurlburt@dal.ca
Special Purpose Funds, Internal Research Grants	Lan Nguyen	494-2293	494-3131	lan.nguyen@dal.ca
Grants – Faculties of Medicine & Health Professions	Jascinth Butterfield	494-2513	494-3131	jbutterf@dal.ca
CFI grants – all Faculties	Shelagh Wolfe	494-1501	494-8367	shelagh.wolfe@dal.ca

**APPENDIX A**  
**SCREENSHOTS OF SALARY ENCUMBRANCE IN FSS**

**APPENDIX B**  
**SCREENSHOTS OF SALARY ENCUMBRANCE IN e~PRINT**