

Job Aid: Unpaid Cap Gap Processing

Purpose

Use this job aid to properly enter unpaid gaps between a capped sponsored fund source and an employee's salary that exceeds the cap while maintaining existing FTE.

Scenario

There are scenarios where an employee paid on sponsored funds (for example, researchers, professors and so on) may have a salary above the sponsor's rate cap, the difference cannot be charged to the capped fund and there are no discretionary funds available to pay for the over-the-cap (OTC) portion.

The employee is exerting 100% effort to the project work that is paid by the sponsored fund, so it is important to capture the 1.0 FTE for service credits and other benefits.

These scenarios happen more often in the payment of additional summer salary (additional 1/12, 1/11 or 1/9 pay) when employees paid on capped funds decline the full OTC supplement. In these cases the full discretionary OTC funds are either not available or are often reserved for annual salary during the academic or fiscal year.

Process Steps

To handle these scenarios, Locations can maintain the 1.0 FTE by reducing the employee's salary so they are paid at either the exact cap rate if there are no funds available to pay for the OTC amount or at a rate between the cap rate and the full salary rate if funds are available to partially fund the OTC portion.

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Job Data

To update **Job Data**, navigate to the **PayPath Actions** page, **Job Data** tab and update the **Earnings Distribution** (JED) section. For step-by-step instructions, refer to the **Initiate Job Earnings Distribution PayPath Transaction – Academic** simulation in the **UCPath Online** site.

- ◆ The earn code **GAP**, or Unpaid Cap Gap, functions similar to ERIT or Phased Retirement, where you can specify the percent or amount to pay on the base salary and the percent by which to reduce the overall salary. The **GAP** earn code does not add to gross.
- ◆ Set the **Earnings Distribution Type** to **By Amount** or **By Percent**.
- ◆ Add or update existing rows to reflect the amount or percent for the portion of the employee's salary that has funding sources to support the pay using the earnings code(s) tied to the employee's base salary.
- ◆ Add a new row to reflect the amount or percent for the portion of the employee's salary that does not have funding sources to support the pay using the earnings code of **GAP**.
 - ◆ **Note:** If there are funds to partially fund the OTC portion, the amount or percent entered for **GAP** may be less than the full OTC amount.

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- ◆ Example of the JED set up for a fiscal-year employee within the **PayPath Actions** page, **Job Data** tab:

Oracle UCPath PayPath Actions - Job Data tab

Employee Information:
 Employee: [Redacted] Empl ID: [Redacted] Empl Record: 1
 Academic: Non Faculty HR Status: Active Payroll Status: Active

Job Data Summary:
 Effective Date: 03/01/2019
 Effective Sequence: 5
 Current Effective Date: 03/01/2019
 Current Eff Sequence: 4
 Current Action: JED
 Current Action Reason: RET

Job Details:
 Position Number: [Redacted] RES-FY
 Business Unit: [Redacted]
 Department: [Redacted]
 Location Code: [Redacted]
 Job Code: 003200 RES-FY
 Union Code: FX Non-Senate Academic Research
 Reports To Position Number: [Redacted] PROF IN RES-AY
 FLSA Status: Exempt
 Salary Administration Plan: TD13
 Salary Grade: 1
 FTE: 1.000000
 Appointment End Date: 09/30/2020
 Establishment ID: [Redacted]
 Step: [Redacted]
 Employee Class: 10 Academic: Non Faculty
 End Job Automatically:

Earnings Distribution Type: **By Amount** (highlighted)

Comp Rate: 16,175.000000 Standard Hours: 40.00 Pay Frequency: UC_FY UC 12/12 - FY

Pay Components			
Rate Code	Comp Rate	Compensation Frequency	
1 UCANNL	194,100.000000	Annual	

Earnings Distribution			
*Earnings Code	Comp Rate	Distribution %	
1 REG Regular Pay	15,800.000000	97.680	
2 GAP Unpaid Cap Gap	375.000000	2.320	

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- ◆ Example of the JED, with the GAP pay component set up, **Job Data** component, **Job Earnings Distribution** link:

The screenshot displays the Oracle HR system interface for Job Earnings Distribution (JED). The top navigation bar includes 'Favorites', 'Main Menu', 'Workforce Administration', 'Job Information', and 'Job Data'. The Oracle logo is visible in the top left. The main content area is titled 'Job Earnings Distribution' and shows details for an employee with 'Empl ID 10036298' and 'Empl Record 3'. The 'Earnings Distribution Type' section includes fields for 'Effective Date' (08/01/2019), 'Effective Sequence' (5), 'HR Status' (Active), 'Payroll Status' (Active), 'Action' (Earnings Distribution Change), 'Reason' (Negotiated Comp/Summer Salary), 'Job Indicator' (Secondary Job), 'Compensation Rate' (USD), 'Standard Hours', '*Earnings Distribution Type' (By Percent), 'Work Period' (Weekly), and 'Compensation Frequency' (UC_9M). The 'Job Earnings Distribution' section includes fields for 'Position Number', 'Department', 'Regular Shift' (Not Applicable), '*Earnings Code' (ACR), 'Compensation Rate', 'Percent of Distribution' (90.140), 'Business Unit', 'Job Code', 'General Ledger Pay Type', and 'Standard Hours'. The 'Earnings Chartfields' section includes a 'Combination Code' field and an 'Edit ChartFields' link. A second 'Earnings Chartfields' section is visible at the bottom, with the '*Earnings Code' field highlighted in a red box and containing the value 'GAP'. Other fields in this section include 'Position Number', 'Department', 'Regular Shift' (Not Applicable), 'Compensation Rate', 'Percent of Distribution' (9.880), 'Business Unit', 'Job Code', 'General Ledger Pay Type', and 'Standard Hours'.

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Funding

To update funding, navigate to the **Funding Entry** page to fund the up-to-the-cap portion of the employee's salary with the sponsoring funding source or the portion of the employee's salary that has funding sources to support the pay. For step-by-step instructions, refer to the **Submit New Position Funding Entry Request – MCOP** simulation in the **UCPath Help** site.

- ◆ Within the **Salary Cap/MCOP Worksheet**, the **Compensation Data Snapshot** section displays only the paid component. The GAP component is not displayed on the compensation data snapshot. Keep in mind that the Funding Distribution will be processed only for amount displayed on the compensation data snapshot.
- ◆ Update the **Funding Distribution Worksheet** section to reflect that only the up-to-the-cap earnings are distributed to the sponsored funding source, or the portion of the employee's salary that has funding sources to support the pay.
- ◆ There is validation built into the **Salary Cap/MCOP Worksheet** to ensure that various up-to-the-cap and OTC rules are adhered to.

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- ◆ On the **Funding Entry** page (**Compensation Data Snapshot**), the **ACR** pay component is setup:

Oracle HR System - Funding Entry Page

Navigation: Favorites > Main Menu > Set Up HCM > Product Related > Commitment Accounting > UC Customizations > Funding Entry

Search: All Search [Advanced Search] [Last Search Results]

Salary Cap/MCOP Funding Worksheet

Empl ID: [Redacted] Empl Rod: 3 [Redacted]
 Position Number: [Redacted] RES-LR SCL-AY-1/9
 Fiscal Year: 2020 Budget Begin Date: 07/01/2019 Budget End Date: 06/30/2020

Compensation Data Snapshot Find | View All First 1 of 1 Last

As of Date: 08/01/2019 Eff Seq: 5
 Salary Plan: T012 Comp Freq: UC 1/9th Rate
 Salary Grade: 1 FTE: 0.578900
 Step: 3

Pay Component	Em Cd	Monthly	Annual	Percentage
ACR		\$9,276.81	\$83,491.27	100.000000
Total UC Salary		\$9,276.81	\$83,491.27	100.000000

Default Funding Profile Find | View All First 1 of 1 Last

Effective Date: 08/01/2019 Eff Seq: 0

Em Cd	OTC Indicator	Combo Code	Location	Account	F S Dept	Fund	Dept Project	Sub Override	GL Bus Unit	Dept Cost Type	Dept CostCenter	Work Study Cd	Distribution %
1	No	000154545	8	444012									100.000
2	Yes	000154545	8	444012									100.000