

A prior memo provided 10/13/14 regarding Departmental Suspense is copied below. The prior memo explains the different types of departmental default/suspense. After hearing a new question from campus this week, we now see a need to go into further detail about **why** transactions post to suspense. There are 3 reasons:

- 1) Funding End Date: For OSR projects, the funding end date is the project end date. A funding end date can also be used on non-OSR funds. If a funding end date approaches and a new funding source is not identified, that portion of salary will be charged to suspense.
- 2) Inactivated Combo Code: If a chartfield value is inactivated, all combo codes that use that chartfield are also inactivated. If a replacement combo code is not identified within an employee's funding sources, that portion of salary will be charged to suspense.
- 3) Exceeds Budget in the Department Budget Table: Each appointment and position has an entry in the Department Budget Table (this table resides in the HR/Payroll system). That budget entry is based on the annual salary for salaried employees, and is based on a calculation of hourly rate * FTE for the year for hourly employees. If this budget is exceeded at any point during the fiscal year, the excess amount is charged to the department's suspense funds. *The budget referenced here is NOT the budget in Commitment Control (which resides in Finance). See example below:*

SPA Student Assistant is hired at an hourly rate of \$12/hour. The FTE assigned is 0.05, or 2 hours/week. The budget amount for the fiscal year is \$1,248. At the point the employee's earnings exceed \$1,248, the excess is charged to the home department's suspense combo code. For this reason, having the correct FTE assigned to the appointment/position is key in determining where an employee's pay gets charged.

Please direct any questions to Robin Burke at robin_burke@unc.edu