

From: [Kelly-Scholle, Janet](#)
To:
Subject: Labor Encumbrances Update
Date: Tuesday, March 24, 2015 4:52:05 PM
Importance: High

To: [MOU Leads](#)
[Business Managers](#)
School/Division HR Officers and Secondary Contacts
ConnectCarolina HR/Payroll Liaisons
[ConnectCarolina Finance Liaisons](#)
[Research Administrator Support Group](#)

From: Brian Smith, Assistant Vice Chancellor for Finance and Accounting
Dennis Press, University Controller

Date: March 24, 2015

The purpose of this communication is to update you on the removal of labor encumbrances from the Financial component of ConnectCarolina and the planned availability of a Labor Projections Report as a tool to provide planning information.

Removal of Labor Encumbrances

As previously communicated, some salary and benefit expenses were inaccurately distributed among funds between the end of November and February. Correcting entries are being posted to the General Ledger this week and steps have been taken to prevent future miscalculations of the distribution of payroll expenses.

Since encumbrances were a contributing factor to the miscalculations, encumbrances for salaries and benefits were removed from HR to prevent misallocations of charges from March forward and are now being removed from the Finance modules as well. **The removal of the labor encumbrances from the Finance modules is planned for the evening of Tuesday, March 24 but this change will probably not appear in InfoPorte until Thursday, March 26, as the information needs to be loaded into the data warehouse before you will be able to see it on reports.**

Given that encumbrances provide critical information for budget management, information on actual and projected labor costs will soon be provided through InfoPorte.

Labor Projections Report in InfoPorte

The Enterprise Financial Reporting Team is developing a Salary Projection Report as part of InfoPorte Release 6.4.1. A requirements session will be conducted this week, and previous feedback will also be considered in the design. Final requirements will be determined this week, but based on feedback received so far, the Salary Projection Report will provide information for salary and fringe benefits Accounts by Ledger Group, Fund, Source, and Department and will report Budget, Actuals, and Projected Actuals for the remainder of the fiscal year, as well as Available Amount.

The report will provide information for the remainder of the fiscal year but will not provide information beyond June 30, 2015. The report can be converted to Excel to allow for needed calculations by campus departments, such as calculations to project labor costs for sponsored awards ending after June 30, 2015. The planned date for availability of the Salary Projection Report in InfoPorte will be communicated to you in the near term.

The Projected Actuals in the report will provide reasonable, although not exact, estimates of prospective payroll expenses and can be used by research administrators and business managers in their budget management duties.

Please contact Dennis at dennis_press@unc.edu or 919-962-7007 with questions. Thanks.