

# Unemployment Compensation Process

## Overview

The unemployment compensation process provides a means to automate the expensing of unemployment compensation costs to individual departments.

## Parameters

To activate the unemployment compensation process, the following parameters on the Institutional Parameter table (PS9001) need to be defined by your college:

<b>Parameter Number</b>	0333
<b>Parameter ID</b>	UI-SOBJ
<b>Data Element Name</b>	Unemployment Insurance Subobject
<b>Parameter Value</b>	BF
<b>Definition</b>	The two-character subobject to be used when expensed to the employer for the unemployment insurance.

<b>Parameter Number</b>	1022
<b>Parameter ID</b>	UI-OPT
<b>Data Element Name</b>	Unemployment Insurance Option
<b>Parameter Value</b>	Y = Yes or N = No
<b>Definition</b>	A one-character field identifying whether or not to expense unemployment insurance costs.

<b>Parameter Number</b>	1023
<b>Parameter ID</b>	UI-PRGORG
<b>Data Element Name</b>	Unemployment Insurance Program/Organization
<b>Parameter Value</b>	xxxxxxx
<b>Definition</b>	The user-defined seven-character program/organization index combination to use when recalculating the total unemployment cost for a payroll by each appropriation index.

<b>Parameter Number</b>	1104
<b>Parameter ID</b>	UI-PCT
<b>Data Element Name</b>	Unemployment Insurance Percentage
<b>Parameter Value</b>	xxxx
<b>Definition</b>	A four-digit field identifying the percentage to use when expensing the unemployment insurance costs (for example, enter .5000 for 1/2 of 1%).

<b>Parameter Number</b>	1107
<b>Parameter ID</b>	UI-APPR-INDX
<b>Data Element Name</b>	Expenditure "Reversal" Fund
<b>Parameter Value</b>	xxx
<b>Definition</b>	The user-defined, three-character code identifying the fund to use when recalculating the total unemployment cost for a payroll.

<b>Parameter Number</b>	1108
<b>Parameter ID</b>	UI-TRNS-CD
<b>Data Element Name</b>	Expenditure "Reversal" Transaction Code
<b>Parameter Value</b>	xxxx
<b>Definition</b>	The three-character transaction code to use when recalculating the total unemployment cost for a payroll. Add an <b>R</b> after the entered transaction code to reverse the transaction.

## Examples

Once the parameters have been identified and the college implements the unemployment compensation process by setting the institutional parameter 1022 to **Y**, for each appropriation-program-organization combination, a summary expenditure is created in subobject BF to record the unemployment compensation based on the percentage defined in institutional parameter 1104. A reverse entry is also generated by appropriation index as an offset.

Example entries for fund 148:

	<b>TC</b>	<b>Account</b>	<b>Due To/From</b>	<b>GL's (+/-)</b>
All payrolls	002	148-xxx-xxxx-BF		6510/1110
	801	840-xxx-xxxx-BF		1110/5199

Example entries for fund 001:

	<b>TC</b>	<b>Account</b>	<b>Due To/From</b>	<b>GL's (+/-)</b>
All payrolls	503	101-xxx-xxxx-BF	840	6505/5150
	502	840-xxx-xxxx-BF	001	1350/1110
	801	840-xxx-xxxx-BF		1110/5199

The accrual entries for treasury funds (for example, 001) would be reversed in the next month and replaced with an expenditure or expenditures by processing a 504 transaction code or codes.

The liability in fund 840 and general ledger 5199 would be reversed or reduced when a payment is initiated to Employment Security.