



PeopleSoft 8.8

Human Resources PeopleBook: Manage Variable Compensation

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About This PeopleBook

PeopleBooks provide you with the information that you need to implement and use PeopleSoft applications.

This preface discusses:

- PeopleSoft application prerequisites.
- PeopleSoft application fundamentals.
- Related documentation.
- Typographical elements and visual cues.
- Comments and suggestions.
- Common elements in PeopleBooks.

Note. PeopleBooks document only page elements that require additional explanation. If a page element is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common elements for the section, chapter, PeopleBook, or product line. Elements that are common to all PeopleSoft applications are defined in this preface.

PeopleSoft Application Prerequisites

To benefit fully from the information that is covered in these books, you should have a basic understanding of how to use PeopleSoft applications.

See *Using PeopleSoft Applications*.

You might also want to complete at least one PeopleSoft introductory training course.

You should be familiar with navigating the system and adding, updating, and deleting information by using PeopleSoft windows, menus, and pages. You should also be comfortable using the World Wide Web and the Microsoft Windows or Windows NT graphical user interface.

These books do not review navigation and other basics. They present the information that you need to use the system and implement your PeopleSoft applications most effectively.

PeopleSoft Application Fundamentals

Each application PeopleBook provides implementation and processing information for your PeopleSoft database. However, additional, essential information describing the setup and design of your system appears in a companion volume of documentation called the application fundamentals PeopleBook. Each PeopleSoft product line has its own version of this documentation.

The application fundamentals PeopleBook consists of important topics that apply to many or all PeopleSoft applications across a product line. Whether you are implementing a single application, some combination of applications within the product line, or the entire product line, you should be familiar with the contents of this central PeopleBook. It is the starting point for fundamentals, such as setting up control tables and administering security.

Related Documentation

This section discusses how to:

- Obtain documentation updates.
- Order printed documentation.

Obtaining Documentation Updates

You can find updates and additional documentation for this release, as well as previous releases, on the PeopleSoft Customer Connection Website. Through the Documentation section of PeopleSoft Customer Connection, you can download files to add to your PeopleBook Library. You'll find a variety of useful and timely materials, including updates to the full PeopleSoft documentation that is delivered on your PeopleBooks CD-ROM.

Important! Before you upgrade, you must check PeopleSoft Customer Connection for updates to the upgrade instructions. PeopleSoft continually posts updates as the upgrade process is refined.

See Also

PeopleSoft Customer Connection Website, <http://www.peoplesoft.com/corp/en/login.asp>

Ordering Printed Documentation

You can order printed, bound volumes of the complete PeopleSoft documentation that is delivered on your PeopleBooks CD-ROM. PeopleSoft makes printed documentation available for each major release shortly after the software is shipped. Customers and partners can order printed PeopleSoft documentation by using any of these methods:

- Web
- Telephone
- Email

Web

From the Documentation section of the PeopleSoft Customer Connection Website, access the PeopleSoft Press Website under the Ordering PeopleBooks topic. The PeopleSoft Press Website is a joint venture between PeopleSoft and Consolidated Publications Incorporated (CPI), the book print vendor. Use a credit card, money order, cashier's check, or purchase order to place your order.

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Contact CPI at 800 888 3559.

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Send email to CPI at psoftpress@cc.larwood.com.

See Also

PeopleSoft Customer Connection Website, <http://www.peoplesoft.com/corp/en/login.asp>

Typographical Conventions and Visual Cues

This section discusses:

- Typographical conventions.
- Visual cues.

Typographical Conventions

The following table contains the typographical conventions that are used in PeopleBooks:

Typographical Convention or Visual Cue	Description
Bold	Indicates PeopleCode function names, method names, language constructs, and PeopleCode reserved words that must be included literally in the function call.
<i>Italics</i>	Indicates field values, emphasis, and PeopleSoft or other book-length publication titles. In PeopleCode syntax, italic items are placeholders for arguments that your program must supply. We also use italics when we refer to words as words or letters as letters, as in the following: Enter the number <i>O</i> , not the letter <i>O</i> .
KEY+KEY	Indicates a key combination action. For example, a plus sign (+) between keys means that you must hold down the first key while you press the second key. For ALT+W, hold down the ALT key while you press W.
Monospace font	Indicates a PeopleCode program or other code example.
(quotation marks)	Indicate chapter titles in cross-references and words that are used differently from their intended meanings.

Typographical Convention or Visual Cue	Description
. . . (ellipses)	Indicate that the preceding item or series can be repeated any number of times in PeopleCode syntax.
{ } (curly braces)	Indicate a choice between two options in PeopleCode syntax. Options are separated by a pipe ().
[] (square brackets)	Indicate optional items in PeopleCode syntax.
& (ampersand)	When placed before a parameter in PeopleCode syntax, an ampersand indicates that the parameter is an already instantiated object. Ampersands also precede all PeopleCode variables.
(ISO)	Information that applies to a specific country, to the U.S. federal government, or to the education and government market, is preceded by a three-letter code in parentheses. The code for the U.S. federal government is USF; the code for education and government is E&G, and the country codes from the International Standards Organization are used for specific countries. Here is an example: (DEU) If you're administering German employees, German law requires you to indicate special nationality and citizenship information for German workers using nationality codes established by the German DEUEV Directive.
Cross-references	PeopleBooks provide cross-references either below the heading See Also or on a separate line preceded by the word <i>See</i> . Cross-references lead to other documentation that is pertinent to the immediately preceding documentation.

Visual Cues

PeopleBooks contain the following visual cues.

Notes

Notes indicate information that you should pay particular attention to as you work with the PeopleSoft system.

Note. Example of a note.

A note that is preceded by *Important!* is crucial and includes information that concerns what you must do for the system to function properly.

Important! Example of an important note.

Warnings

Warnings indicate crucial configuration considerations. Pay close attention to warning messages.

Warning! Example of a warning.

Comments and Suggestions

Your comments are important to us. We encourage you to tell us what you like, or what you would like to see changed about PeopleBooks and other PeopleSoft reference and training materials. Please send your suggestions to:

PeopleSoft Product Documentation Manager PeopleSoft, Inc. 4460 Hacienda Drive Pleasanton, CA 94588

Or send email comments to doc@peoplesoft.com.

While we cannot guarantee to answer every email message, we will pay careful attention to your comments and suggestions.

Common Elements in These PeopleBooks

As of Date	The last date for which a report or process includes data.
Business Unit	An ID that represents a high-level organization of business information. You can use a business unit to define regional or departmental units within a larger organization.
Description	Enter up to 30 characters of text.
Effective Date	The date on which a table row becomes effective; the date that an action begins. For example, to close out a ledger on June 30, the effective date for the ledger closing would be July 1. This date also determines when you can view and change the information. Pages or panels and batch processes that use the information use the current row.
Once, Always, and Don't Run	Select Once to run the request the next time the batch process runs. After the batch process runs, the process frequency is automatically set to Don't Run. Select Always to run the request every time the batch process runs. Select Don't Run to ignore the request when the batch process runs.

Report Manager	Click to access the Report List page, where you can view report content, check the status of a report, and see content detail messages (which show you a description of the report and the distribution list).
Process Monitor	Click to access the Process List page, where you can view the status of submitted process requests.
Run	Click to access the Process Scheduler request page, where you can specify the location where a process or job runs and the process output format.
Request ID	An ID that represents a set of selection criteria for a report or process.
User ID	An ID that represents the person who generates a transaction.
SetID	An ID that represents a set of control table information, or TableSets. TableSets enable you to share control table information and processing options among business units. The goal is to minimize redundant data and system maintenance tasks. When you assign a setID to a record group in a business unit, you indicate that all of the tables in the record group are shared between that business unit and any other business unit that also assigns that setID to that record group. For example, you can define a group of common job codes that are shared between several business units. Each business unit that shares the job codes is assigned the same setID for that record group.
Short Description	Enter up to 15 characters of text.

See Also

Using PeopleSoft Applications

PeopleSoft Process Scheduler

PeopleSoft Human Resources Manage Variable Compensation Preface

This preface discusses:

- PeopleSoft application fundamentals.
- PeopleBook structure.
- Common elements used in this PeopleBook.

Note. This PeopleBook documents only page elements that require additional explanation. If a page element is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common elements for the section, chapter, PeopleBook, or product line.

PeopleSoft Application Fundamentals

The *PeopleSoft Human Resources PeopleBook: Manage Variable Compensation* provides you with implementation and processing information for your PeopleSoft HRMS system. Additionally, essential information describing the setup and design of your system appears in a companion volume of documentation called *PeopleSoft Application Fundamentals for HRMS PeopleBook*. Each PeopleSoft product line has its own version of this documentation.

PeopleSoft Application Fundamentals for HRMS PeopleBook consists of important topics that apply to many or all PeopleSoft applications across the PeopleSoft HRMS product line. No matter which PeopleSoft HRMS products you are implementing, you should be familiar with the contents of this central PeopleBook. It is the starting point for fundamentals, such as setting up control tables and administering security.

See Also

PeopleSoft Application Fundamentals for HRMS PeopleBook

PeopleBook Structure

PeopleSoft PeopleBooks follow a common structure. By understanding this structure, you can use this PeopleBook more efficiently.

Chapters	Description
Preface	This is the chapter you're reading now. It explains: • How to use the Application Fundamentals book. • How PeopleBooks are structured.
Getting Started With...	This chapter discusses product implementation guidelines. It explains: • The business processes documented within the book. • Integrations between the product and other products. • A high-level guide to how our documentation maps to the overall implementation process; it doesn't offer step-by-step guidance on how to perform an actual implementation.
Understanding...	This is an introductory chapter that broadly explains the product and the functionality within the product.
Setup and Implementation	This can be one or more chapters. These chapters contain documentation to assist you in setting up and implementing the product. For example, if functionality X is part of a product, this chapter would be devoted to explaining how to set up functionality X, not necessarily how to use functionality X. You would look to the corresponding business process chapter to learn how to use the functionality. Note. There may be times when a small amount of business process information is included in a setup chapter if the amount of business process documentation was insufficient to create a separate section in the book.
Business Process	This can be one or more chapters. These chapters contain documentation that addresses specific business processes with each chapter generally devoted to a specific functional area. For example, if functionality X is part of a product, this chapter would be devoted to explain how the functionality works, not necessarily how to set up functionality X. You would look to the corresponding setup and implementation chapter to learn how to set up the functionality. Note. There may be times when a small amount of setup and implementation information is included in a business process chapter if the amount of setup and implementation documentation was insufficient to create a separate chapter in the book.

Chapters	Description
Appendixes	(optional) If the book requires it, one or more appendixes might be included in the book. Appendixes contain information considered supplemental to the primary documentation.
Reports Appendix	(optional) This appendix contains an abbreviated list of all of the product's reports. The detailed documentation on the use of these reports is usually included in the related business process chapter.

CHAPTER 1

Getting Started With PeopleSoft Human Resources Manage Variable Compensation

This chapter provides an overview of PeopleSoft Human Resources Manage Variable Compensation business processes and discusses PeopleSoft Human Resources Manage Variable Compensation implementation tasks.

Manage Variable Compensation Business Processes

PeopleSoft Human Resources Manage Variable Compensation manages the following business processes:

- Manage eligibility and proration.
- Manage plans with weighted goals.
- Manage plans with matrix goals.
- Calculate allocations and awards.
- Fund variable compensation plans and groups.
- Manage awards approval and payouts.

We cover these business processes in the business process chapters in this PeopleBook.

Implementing PeopleSoft Human Resources Manage Variable Compensation

The Manage Variable Compensation table-loading implementation includes setting up the following:

- PeopleSoft HRMS fundamental tables.
- Manage Variable Compensation application tables.
- Additional Manage Variable Compensation application tables.

In the planning phases of your implementation, take advantage of all PeopleSoft sources of information, including the installation guides, table-loading sequences, data models, and business process maps.

Important! The order in which you set up tables required to implement PeopleSoft Human Resources Manage Variable Compensation may vary; each individual application isn't necessarily set up in sequence. For example, you may set up HRMS tables, then tables for the Manage Variable Compensation core business process, then several tables specific to the country or industry you operate in, followed by additional Manage Variable Compensation core tables. In addition, the order in which you set up tables may also depend on the features you want to use. The information provided in this chapter offers a high-level guide of how our documentation maps to the overall implementation process; it doesn't offer step-by-step guidance on how to perform an actual implementation.

Setting Up PeopleSoft HRMS Fundamental Tables

The Manage Variable Compensation business process requires the setup of fundamental HRMS tables, common to multiple HRMS applications. The information that you define on these tables lays the foundation for the Manage Variable Compensation business process setup.

Step	Reference
1. Set up PeopleSoft HRMS fundamental tables.	<i>PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook, "Getting Started With PeopleSoft HRMS"</i>
2. Set up PeopleSoft Human Resources fundamental tables.	<i>PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook, "Getting Started With PeopleSoft HRMS"</i>

Setting Up Core PeopleSoft Human Resources Manage Variable Compensation Tables

The steps discussed in this section suggest an order in which you define the information in your core Manage Variable Compensation tables. The information that you defined in your fundamental tables lays the foundation for this setup.

The steps laid out here assume that you have hired people into your PeopleSoft Human Resources system.

Setting up these core tables prepares your system to support these business processes:

- Manage eligibility and proration.
- Manage plans with weighted goals.
- Manage plans with matrix goals.
- Funding variable compensation plans and groups.
- Calculation allocations and awards.
- Managing awards approval and payout.

Step	Reference
1. Define payout formulas for all plans except those with Ad Hoc Award as the plan member rule.	Chapter 5, "Setting Up Variable Compensation Control Tables," Defining Payout Formulas, page 22
2. Define valuations for non-monetary and stock plans only.	Chapter 5, "Setting Up Variable Compensation Control Tables," Creating a Valuation Definition, page 25

Step	Reference
3. Define goals for any plan that you administer using goals.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Defining Goals, page 26
4. Define a variable compensation plan.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Defining a Variable Compensation Plan, page 29
5. Assign payout formulas for Empl VC Record Plans.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Assigning Payout Formulas, page 37
6. Create groups using group build.	Chapter 6, “Setting Up Plan Membership,” page 49
7. Assign payout formulas to plans with groups.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Assigning Payout Formulas for Plans with Groups, page 40
8. Set up the VC security tree if the plan uses groups.	Chapter 6, “Setting Up Plan Membership,” Establishing Tree Security, page 57
9. Define workday rules for the Workday Schedule method of calculating eligibility proration.	Chapter 6, “Setting Up Plan Membership,” Establishing Tree Security, page 57
10. Define proration percentage rules for the Proration Percentage method of calculating eligibility proration.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Proration Percentage Rules, page 43
11. Define proration periods for plans that specify Calculate Proration as a plan business rule.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Proration Percentage Rules, page 43
12. (Optional) Assign weighted goals to the plan at the organization level.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Weighted Goals, page 27
13. (Optional) Assign weighted goals to the plan at the group level.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Weighted Goals, page 27
14. (Optional) Assign default weighted goals to the plan at the individual level.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Weighted Goals, page 27
15. (Optional) Assign default individual weighted goals to each group in the plan.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Weighted Goals, page 27
16. Allocate funds to a variable compensation plan.	Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Variable Compensation Funding, page 46

CHAPTER 2

Understanding PeopleSoft Human Resources Manage Variable Compensation

Use the Manage Variable Compensation plan functionality to create flexible compensation plans.

Overview of Manage Variable Compensation

With the flexible Manage Variable Compensation business process in PeopleSoft Human Resources, you can create and manage multiple variable compensation plans that encompass everything from one-time ad hoc awards to stock options, bonus plans, non-cash incentives, and holiday gifts or bonuses, to list just a few possibilities.

You can create anything from a simple, direct payout plan to a complex plan with prorated eligibility, three possible goal levels, funding allocation, smoothing mechanisms, and approval processing. You define any number of payout formulas that you can assign to employees individually or through groups.

Manage Variable Compensation Business Processes

PeopleSoft Human Resources Manage Variable Compensation supports the following business processes:

- Manage eligibility and proration.

Determine the factors that will calculate an employee's eligibility for a plan and the proration factors that will apply considering the payout period start and finish dates.

See [Chapter 7, “Understanding Eligibility and Proration,” page 63.](#)

- Manage plans with weighted goals.

Determine the plan goal weight, indicating the relative value of each goal level.

See [Chapter 8, “Managing Plans With Weighted and Matrix Goals,” page 81.](#)

- Manage plans with matrix goals.

Determine a goal matrix that will calculate goal attainment based on goals, performance levels, and payout schedules at the organization or group level.

See [Chapter 8, “Managing Plans With Weighted and Matrix Goals,” page 81.](#)

- Calculate allocations and awards.

Determine monetary and non-monetary variable compensation awards and the rules governing how they should be allocated.

See [Chapter 10, “Calculating Allocations and Awards,” page 117](#).

- Fund variable compensation plans and groups.

Set up caps on payouts under variable compensation plans.

See [Chapter 9, “Funding Variable Compensation Plans and Groups,” page 99](#).

- Manage awards approval and payouts.

Approve awards for final payout.

See [Chapter 9, “Funding Variable Compensation Plans and Groups,” page 99](#).

PeopleSoft Human Resources Manage Variable Compensation Integrations

PeopleSoft Human Resources integrates with all the PeopleSoft HRMS applications, with other PeopleSoft applications, and with third-party applications.

PeopleSoft Human Resources shared tables are available to many PeopleSoft HRMS applications. In addition, data in many HR tables is available to any PeopleSoft application that is set up to subscribe to the published messages.

The Manage Variable Compensation business process integrates with the following PeopleSoft HRMS applications: PeopleSoft eCompensation.

We cover integration considerations in this PeopleBook.

See Also

PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook, “Understanding Enterprise Integration Points in HRMS”

Setting Up Manage Variable Compensation

To set up PeopleSoft Human Resources Manage Variable Compensation:

1. Set up variable compensation control tables.

See [Chapter 5, “Setting Up Variable Compensation Control Tables,” page 21](#).

2. Set up plan memberships and security.

See [Chapter 6, “Setting Up Plan Membership,” page 49](#).

See Also

Chapter 1, “Getting Started With PeopleSoft Human Resources Manage Variable Compensation,” page 1

CHAPTER 3

Using Variable Compensation

This chapter provides a brief overview of:

- Variable compensation plan definition.
- Eligibility and awards processing.
- Award payout.
- Reporting.
- Sample business process diagrams.

Defining a Plan

The Manage Variable Compensation business process in PeopleSoft Human Resources offers flexibility in designing variable compensation plans. Select from a variety of methods of setting up:

- Plan types.
- Plan membership.
- Goals.
- Other plan business rules and options.

Selecting Plan Type

Select from ten plan types in three major categories:

1. Monetary

Plan types are Discretionary Bonus, Profit Sharing, and Goal Sharing.

2. Non-Monetary

- Calculate awards in units.
- Define a valuation amount per unit to report the monetary value of the award.

3. Stock

- Plan types include ISO, NQ, NSAR, RSA, and ISAR.
- Integrates with PeopleSoft Stock Administration.

See Also

Chapter 4, “Understanding Variable Compensation Plan Types,” Monetary Plan Types, page 17

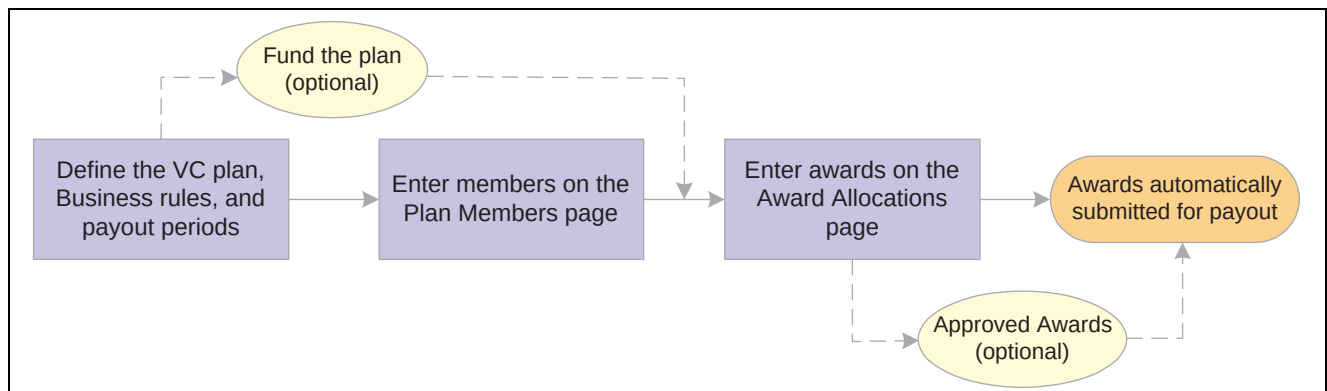
Determining Plan Membership

Select from four methods of administering plan membership:

- Ad Hoc Awards.
 - Enter employees and their award amounts directly.
 - No formulas or calculation processes required.
 - Optional funding and approval process.
- Employee Variable Compensation Record.
 - Determine membership and target payout at the individual employee level.
 - Maintain membership and payout continuously when an employee’s job changes.
 - Associate each employee with one or more variable compensation plans.
- Employee Variable Compensation Record with Groups.
 - Define and maintain target payouts at an individual level.
 - Define and maintain membership through groups.
 - Define groups in Group Build and assign them to hierarchical variable compensation trees.
- Define Tree/Group.
 - Define payouts and membership through groups.
 - Define groups in Group Build and assign them to hierarchical Variable Compensation trees.

Ad Hoc Plan Sample Process Flow

The following diagram illustrates an Ad Hoc plan.



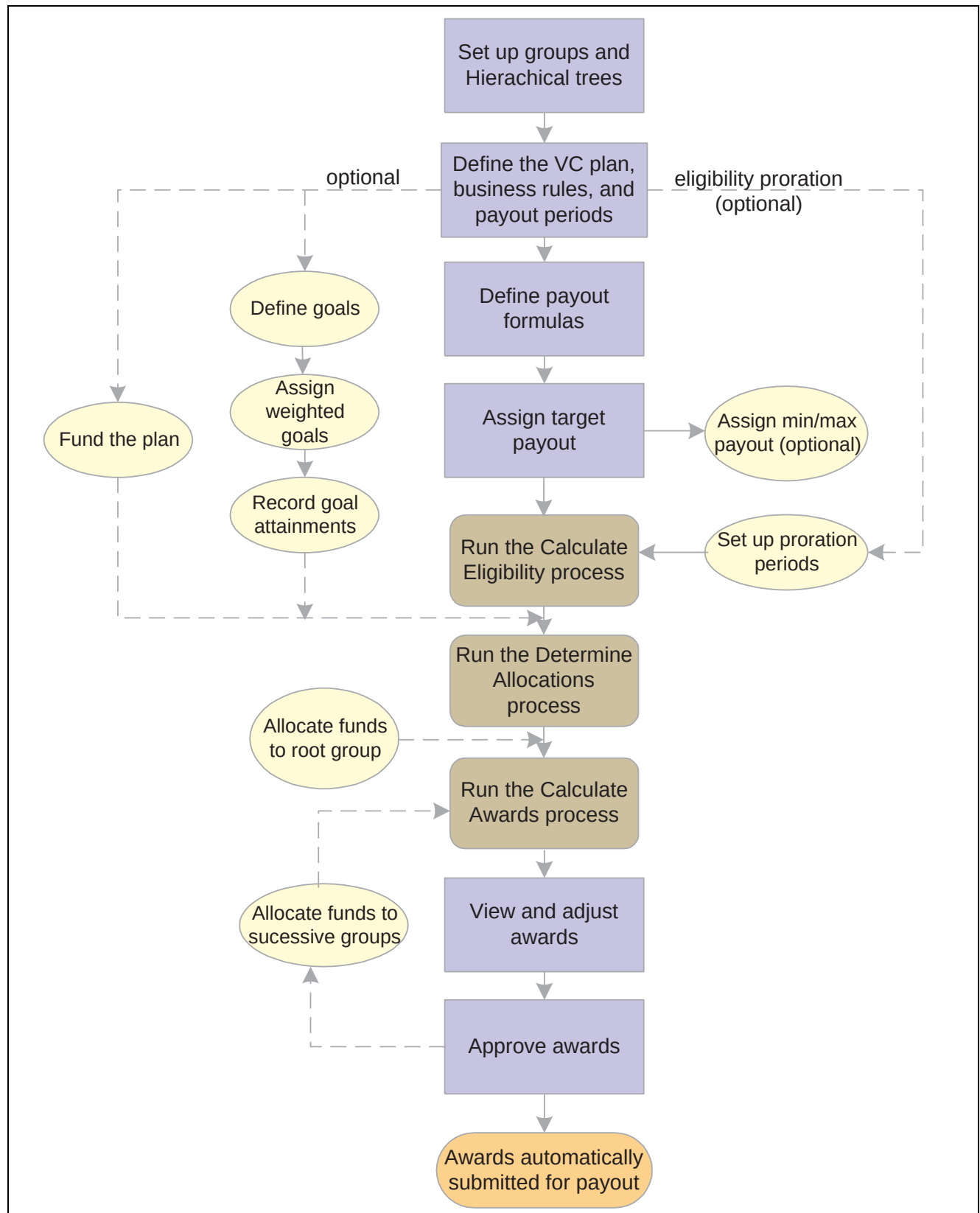
Ad Hoc Awards business process with optional funding and approval

Plan Definition

Plan Variables	Value
Plan Member Rule	Ad Hoc Award
Plan Type	Any monetary type except Goal Sharing
Goals	Not allowed
Funding	Plan Funding
Proration	Not allowed
Approval	Manual approval
Payout Formulas	Not applicable

Define Tree/Groups Plan Sample Process Flow

This section illustrates a sample Define Tree/Groups plan.



Sample Define Tree/Groups plan with goals, proration, and funding

Plan Definition

Plan Variable	Value
Plan Member Rule	Define Tree/Groups
Plan Type	Any monetary plan type that uses goals
Goals	Weighted goals
Funding	Yes, with group allocation
Proration	Yes, monthly
Approval	Approval process
Payout Formulas	Target, minimum, and maximum

See Also

[Chapter 7, “Understanding Eligibility and Proration,” page 63](#)

Using Goals

For performance-based plans, select from two methods of administering goals:

- Weighted goals

Set up weighted goals at the organizational, individual, and/or group level and enter attainment percentages. The system calculates a performance factor for each level of goals and applies the factor when calculating the employee's award.

- Goals Matrix

Set up an organization or group level goals matrix. Associate payout formulas with the performance levels on the matrix. The organization or group performance score determines the payout formula used to calculate the employees' awards.

See Also

[Chapter 6, “Setting Up Plan Membership,” page 49](#)

[Chapter 8, “Managing Plans With Weighted and Matrix Goals,” page 81](#)

Selecting Other Plan Business Rules and Options

After determining plan membership and selecting the variable compensation plan type, you can select additional plan business rules and options. Some options are restricted or required according to the plan type and membership rule. Choose from the following options:

- Plan Payouts

Assign target payouts at the individual or group level, depending on the plan member rule. Minimum and Maximum payouts are optional.

- Eligibility Proration (optional)

Calculate in daily, weekly, or monthly frequency. Select from three methods of calculating daily frequency.

- Calculate a Budget (optional)

Run the Budget Report to estimate the total outlay under the plan, considering 100% eligibility and your estimated goal attainments.

- Funding (optional)

- Allocate funds (currency or units) to a plan and monitor the balance as you distribute awards.
- After funding the plan, managers allocate plan funding to the various groups on the tree if the plan uses groups.
- If funds are insufficient to pay out awards as calculated, the system calculates and applies an adjustment factor to each employee's award that is above the minimum payout.

- Reserves (optional)

Maintain a reserve balance from the funded amount by not allocating the full amount of available funds. You can maintain a reserve at any level of the tree, including the root level, if the plan uses groups.

- Carryover Balances (optional)

- Use carry over balances at the individual employee level as a smoothing mechanism.
- The balance can be carried over for the life of the plan.
- Select carryover on the VC Plan - Plan Business Rules page.
- Administer carryover on the Award Allocation page.
- Monitor carryover using the Carryover report.

- Guarantees (optional)

- If you establish the target payout at the employee level, you can also specify a guarantee for the employee and adjust the calculated award based on the guarantee.
- Set guarantees on the Empl Var Comp page.
- Adjust awards on the Award Allocation page.
- Monitor guarantees using the Guarantee report.

- Award Approval (optional)

Approve awards manually or use the batch approval process. For security purposes, identify the authorized approver at the plan or group level.

See Also

[Chapter 4, “Understanding Variable Compensation Plan Types,” page 17](#)

[Chapter 5, “Setting Up Variable Compensation Control Tables,” page 21](#)

[Chapter 9, “Funding Variable Compensation Plans and Groups,” page 99](#)

[Chapter 11, “Managing Awards Approval and Payout,” page 139](#)

Processing Eligibility and Awards

For all but Ad Hoc Award plans, use three calculation processes to administer variable compensation plans:

1. Calculate Eligibility/Proration process.
Calculates eligibility status and proration factors.
2. Determine Allocations process.
 - Calculates target awards.
 - Calculates organization and group level performance factors for weighted goal plans.
3. Calculate Awards process.
 - Calculates awards using the target payout formula, to which it applies performance factors (if goals are used), a proration factor (if the plan is prorated), and an adjustment factor (if the plan is funded).
 - If the employee was eligible for the entire period, the process adjusts the award if it is under the minimum payout or over the maximum payout.
 - Calculates the monetary value of non-monetary awards and applies rounding and decimal rules.
 - After running the calculation process, the system provides full details of all calculations on the Award Allocation page, where you can manually adjust awards before approving them.

See Also

[Chapter 5, “Setting Up Variable Compensation Control Tables,” page 21](#)

[Chapter 10, “Calculating Allocations and Awards,” page 117](#)

Managing Award Payout

The system uses application messaging to automatically publish awards to PeopleSoft Payroll for North America, PeopleSoft Global Payroll, or PeopleSoft Stock Administration. If the employee is paid through PeopleSoft Payroll Interface, the system automatically generates a flat file.

See Also

[Chapter 11, “Managing Awards Approval and Payout,” page 139](#)

Reporting on Variable Compensation

Reports help you make decisions as you progress through the variable compensation business process and summarize your variable compensation results.

Most of the reports use the same run control page. The fields available on RUNCTL_VC_REP vary slightly depending upon the report you're generating. In some cases you can select to run either a summary or detail report.

See Also

PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook, "PeopleSoft Application Fundamentals for HRMS Reports," Manage Variable Compensation Reports

CHAPTER 4

Understanding Variable Compensation Plan Types

When you define a variable compensation (VC) plan, you must specify its type. The system provides 10 plan types. The topics in this section describe the unique steps required to set up plans in each of these categories. Additional setup options and procedures common to all plan types are in the discussion of the VC Plan setup pages.

Monetary Plan Types

Monetary plan types are as follows:

Discretionary Bonus	Select this type to label a plan for your own tracking. No special plan setup steps apply. Plan options are available according to the plan member rule.
Goal Sharing	Select either <i>Weighted Goals</i> or <i>Matrix Goals</i> and specify weighted goal percents or matrix columns on the VC Plan - Plan Definition page. For additional setup steps for using goals, see “Managing Plans With Goals.”
Profit Sharing	Select this type to label a plan for your own tracking. No special plan setup steps apply. Plan options are available according to the plan member rule.

See Also

[Chapter 5, “Setting Up Variable Compensation Control Tables,” Specifying the VC Plan Definition, page 30](#)

[Chapter 6, “Setting Up Plan Membership,” page 49](#)

[Chapter 8, “Managing Plans With Weighted and Matrix Goals,” page 81](#)

Creating Non-Monetary Plans

A non-monetary plan generates awards in terms of units rather than money. Use this plan type to manage the award of various kinds of gifts and merchandise to employees. The plan is administered in terms of units. Set up of valuation of units for reporting purposes.

Setting Up Non-Monetary Plans

To set up non-monetary plans:

1. Define units of non-monetary awards and the value per unit on the Valuations Page.
2. Identify the number of units to be distributed to an employee on the Payout Formula Page.

Select *Constant* as the Operand and enter the number of units in the Value/Rec/Rate Code column.

3. Set up a plan with *Non-Monetary* plan type and select a Valuation ID on the VC Plan - Plan Definition Page.
4. Assign the payout formula to an employee, group, or plan.

Use the Non-Monetary report to track the number of units awarded under a plan and the value to employees.

See [Chapter 5, “Setting Up Variable Compensation Control Tables,” page 21.](#)

Running the Non Monetary Report

Use the Non-Monetary report to track the units awarded to employees in non monetary plans.

Page Used to Run the Non Monetary Report

Page Name	Object Name	Navigation	Usage
Non Monetary Report	RUNCTL_VC_REP	Compensation, Variable Compensation, Award Reports, Non Monetary, Non Monetary Report	Run the Non Monetary Report (VC008). This report tracks the number of units awarded under a plan and the value to employees. The report lists only awards that are beyond the status of Initial Calculation. The detailed report lists all employees in a plan by group, their target values, their calculated awards, their actual award in non-monetary units, and their actual awards as a monetary value. The summary report lists the total non-monetary units for each group, as well as the totals for the plan.

Stock-Type Variable Compensation Plans

Stock-type variable compensation (VC) plans require setup of valuation and funding. Use goals and other optional plan rules. The system uses valuation only for variable compensation reporting purposes, because stock prices can change so rapidly.

The variable compensation system provides five stock plan types for your organization's tracking purposes. Within the Manage Variable Compensation business process, the system treats them all the same. Select one of the following stock plan types:

Stock ISO	Incentive Stock Option
Stock NQ	Nonqualified Stock Option

Stock NSAR	Stock Appreciation Rights in tandem with a Nonqualified Stock Option
Stock RSA	Restricted Stock Award
Stock ISAR	Stock Appreciation Rights in tandem with an Incentive Stock Option

The system provides some specific functionality to support the integration of PeopleSoft Stock Administration with the Manage Variable Compensation business process. The specific functionality is explained in this documentation wherever it occurs in the variable compensation business process.

If your organization does not use PeopleSoft Stock Administration, you can still select any of the stock plan types for your own tracking purposes, but some of the functionality related to stock-type plans isn't functional for your plans. The system treats your stock-type plans like a non-monetary plan in everything but the reporting of valuation.

Summary of Setting Up Stock-Type Plans

To set up stock-type plans:

1. Define valuation of stock units on the Valuations Page.
2. Specify a Stock ID and Stock Plan on the VC Plan - Plan Definition Page.
 - If you use PeopleSoft Stock Administration, the Stock administrator sets up stock IDs on the and stock plans on the Stock Plan Table page.
 - If you do not use PeopleSoft Stock Administration to administer your stock plans, the Stock Plan and Stock ID fields won't appear on the Plan Definition page.
3. Specify a Valuation ID on the VC Plan - Plan Definition page.
4. Set up Plan Funding on the Plan Funding Page.

See [Chapter 5, "Setting Up Variable Compensation Control Tables," page 21.](#)

See Also

PeopleSoft 8.8 Stock Administration PeopleBook, "Defining Stock Administration Business Rules," Creating a Stock ID

PeopleSoft 8.8 Stock Administration PeopleBook, "Setting Up Stock Purchase Plans," Defining Stock Purchase Plans

Other Plans Types

Most plans fit into one of the named plan types. If you have a plan that is not described by one of these plan types, use the plan type *Other*. The Manage Variable Compensation business process provides no specific functionality to support plans labeled *Other*, so we recommend selecting one of the remaining nine plan types whenever possible.

CHAPTER 5

Setting Up Variable Compensation Control Tables

This chapter provides overviews of control table setup and variable compensation plan types and describes how to:

- Define payout formulas.
- Define valuation.
- Set up variable compensation plans.
- Assign payout formulas.

Overview of Control Table Setup

Before you set up your variable compensation plans, you must define some of the data elements that you'll use to define the specifics of each plan. Some of the variable compensation control tables are optional and some are required, depending on the plan type, options, and business rules that you define for the plan.

Control Table	Which Plans Use This Control Table
Payout Formula	Required for all plans except those with Ad Hoc Award as the plan member rule.
Valuations	Required for non-monetary and stock plans only.
Goals	Required when the plan type is Goal Sharing and for any other plan that you administer using goals.
Proration periods	Required for plans that specify Calculate Proration as a plan business rule.
Workday Rules	Required for the Workday Schedule method of calculating eligibility proration.
Proration Percentage Rule	Required for the Proration Percentage method of calculating eligibility proration.

See Also

Chapter 5, "Setting Up Variable Compensation Control Tables," Setting Up Proration Tables, page 41

Defining Payout Formulas

Construct Structured Query Language (SQL) statements and assign them a Payout Formula ID on the Payout Formulas page. Select from the Payout Formula IDs when you set up target, minimum, and maximum payouts for employees, groups, or plans, or when you set up a matrix goal payout schedule.

The payout formula that you define can be a flat amount or a complex SQL statement based primarily on the employee's Job record.

Page Used to Define Payout Formulas

Page Name	Object Name	Navigation	Usage
Payout Formula	VC_PAYFORM_TBL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Payout Formulas - Compensation, Variable Compensation, Maintain Plan, Payout Formulas	Define a formula that the Determine Allocation process and Calculate Award process will use to calculate funding and award allocations. The payout formula is a Structured Query Language (SQL) statement that you define on this page.

Creating a Payout Formula

Access the Payout Formula page.

Payout Formula

Payout Formula ID: EPAY1

Payout Formula Criteria Find | View All First 1 of 1 Last

*Effective Date: 01/01/1990 *Status: Active

*Description: Formula 1

Short Description: Formula 1

Pay Formula SQL: 500.45

Rounding Rule: Down Decimal Places: 3

Payout Formula Details Find | View All First 1 of 1 Last

Sequence	Operand	Value/Rec/Rate Code	Field Name
0	Constant	500.45	

Payout Formula page

Payout Formula Criteria

Pay Formula SQL When you save the record, the system displays the payout formula SQL statement that you define using the fields below. The system checks the syntax of the SQL statement and lists any errors.

Rounding Rule The rule to apply to award calculations that use this payout formula. Select from:

Down: Round the value down to the number of significant digits indicated in the Decimal Places field.

Standard: Use the standard IEEE rounding rules.

Up: Round the value up to the number of significant digits indicated in the Decimal Places field.

If the plan is a stock-type plan, the system uses the rounding rules established on the Stock Option Plan table (ST_OPTION_PLAN) when rounding award calculations.

Decimal Places Enter the number of decimal places to which you want the system to round the payout formula.

Payout Formula Details

Sequence (Required) This number determines the order in which the SQL generator builds the formula. Entering sequence numbers in increments of five or 10 gives you room to add a component to the formula without renumbering all the existing components. When you save the page, the system sorts your components according to their sequence numbers.

Insert a new row and enter a sequence number for each component of the SQL statement as you build it.

Operand Enter an operand for the component. The Operand that you select determines the other fields that are hidden or displayed on the page. The following table lists the valid operand values and the additional fields displayed for each:

Operand	Definition	Additional Fields That Display
(none)	Use this value to clear the field of an unwanted value.	None
-	Subtract	None
(	Open Bracket	None
)	Close Bracket	None
*	Multiply	None

Operand	Definition	Additional Fields That Display
/	Divide	None
+	Add	None
<i>Constant</i>	Fixed value	Value/Rec/Rate Code
<i>Rate Code</i>	Refers to a Rate Code that you specify from the Rate Code table.	Value/Rec/Rate Code
<i>Rec. Field</i>	Refers to a field that you specify from a record.	Value/Rec/Rate Code and Field Name

Value/Rec/Rate Code The value that you enter here depends on the Operand that you select. The following is a summary of the relationships between the Operand and the Value/Rec/Rate Code:

Operand Selected	Value/Rec/Rate Code
<i>Constant</i>	Enter a fixed amount. This Value can be a percent or other fixed value to be used in the calculation. For non-monetary plans, enter the number of units to be awarded to each plan member.
<i>Rate Code</i>	Enter a Rate Code from the Rate Code table.
<i>Rec. Field</i>	Select a Record from the following available options: <i>EMPLOYMENT</i> , <i>JOB</i> , <i>PERSONAL_DATA</i> , and <i>SAL_GRADE_TBL</i> .

Field Name Select from the available options for the Record that you selected. When the system executes the SQL statement, it uses the value of the selected field in the plan member's record.

See Also

Chapter 4, "Understanding Variable Compensation Plan Types," Running the Non Monetary Report, page 18

Payout Formula Example

To define a payout formula of 1 percent of the employee's job annual rate, select the Job record, the Annual Rate field name (on the Job record), the operator *, and the constant .01. Place the formula in parentheses, so the final formula in the Pay Formula SQL field is: (JOB.ANNUAL_RT * 0.01).

Defining Valuation

For non-monetary plans and stock plans, set up a valuation ID on the Valuations page. Assign a value to the valuation ID, which represents the value of one unit of the award under the plan (expressed in the currency that you specify). If you change the value of a valuation ID, the system uses the value on the Valuation ID maximum effective-dated row that is equal to or less than the payout period end date.

When the system reports the value of awards under a non-monetary plan or stock plan, the value is calculated by multiplying the number of units awarded to the member (determined by the payout formula and other factors) by the value per unit as defined by the valuation ID. Depending on the plan's business rules, the award value attributed to the employee's compensation package might be reduced by a proration factor, performance factor, or adjustment factor.

Because of the nature of stock prices, the stock value calculated in this way is used for variable compensation reporting only, because it might not reflect the true value of the stock options at a particular time.

For non-monetary-type plans, the value calculated with the valuation ID is used for payroll tax reporting, as well as data reporting through the Manage Variable Compensation and Report Total Compensation business processes.

See Also

[Chapter 4, "Understanding Variable Compensation Plan Types," Monetary Plan Types, page 17](#)

Page Used to Define Valuation

Page Name	Object Name	Navigation	Usage
Valuation	VC_VALUATION	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Valuations - Compensation, Variable Compensation, Maintain Plan, Valuations	Define units of non-monetary and stock awards and assign a currency value for one unit. This page is required only if you set up non-monetary or stock variable compensation (VC) plans.

Creating a Valuation Definition

Access the Valuation page.

Valuation	
Valuation ID:	HXVCVL01
Valuation Details Find View All First 1 of 1 Last	
*Effective Date:	01/01/2000  *Status: Active   
*Description:	VC ISO Stock Option 01
Short Desc:	VC ISO Sto
*Amount:	20.00
*Currency Code:	USD US Dollar

Valuation page

- Effective Date** Enter the effective date of the value that you are entering for the Valuation ID.
- If you change the value of the Valuation ID, the system uses the monetary value associated with the Valuation ID on the maximum effective-dated row that is equal to or less than the payout period end date.
- Amount** Enter the monetary value of one unit of the non-monetary award represented by this Valuation ID. For example, enter the monetary value of one holiday turkey. For stock-type plans, one unit is one option/share.
- Currency Code** Select the code for the currency in which to administer an award for this Valuation ID. When you assign the valuation ID to a VC plan, the currency code of the valuation ID must match the currency code of the plan.
- You can override the default value that the system enters.

Defining Goals

Use goals that you name and describe on the VC Goal Tbl (variable compensation goal table) page to set up a plan with either weighted goals or a goals matrix.

Goals are not an option if the plan member rule is Ad Hoc Award.

Page Used To Define Goals

Page Name	Object Name	Navigation	Usage
Vc Goal Tbl (variable compensation goal table)	VC_GOAL_TBL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Goals - Compensation, Variable Compensation, Maintain Plan, Goals	Name and describe generic goals to use with variable compensation (VC) plans. Use the goals that you define here when you set up weighted goals or matrix goals for a VC plan. You do not need this page if you do not administer plans with goals.

See Also

[Chapter 6, “Setting Up Plan Membership,” page 49](#)

[Chapter 8, “Managing Plans With Weighted and Matrix Goals,” page 81](#)

Setting Up Weighted Goals

Set up goals only at levels for which the Plan Goal Weight is above 0% on the VC Plan — Plan Definition page. You can set up any number of goals at each level, as long as the total weighting percent at each level is 100%.

Example of One Goal at One Level

<i>Goal</i>	ROI (return on investment)
<i>Weighting Percent</i>	100 percent
<i>Comments</i>	ROI goal of 18 percent

Example of Three Goals at One Level

<i>Goal</i>	ROI	EPS	TSR
<i>Weighting Percent</i>	50 percent	25 percent	25 percent
<i>Comments</i>	ROI goal of 18 percent	EPS of \$2.35	11 percent of TSR

See Also

[Chapter 1, “Getting Started With PeopleSoft Human Resources Manage Variable Compensation,” page 1](#)

Pages Used to Set Up Weighted Goals

Page Name	Object Name	Navigation	Usage
Plan Goals - Organization Goals	VC_ORG_GOAL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Plan Goals, Organization Goals - Set Up HRMS, Product Related, Compensation, Variable Compensation, Plan Goals with Groups, Organization Goals - Compensation, Variable Compensation, Maintain Plan, Plan Goals, Organization Goals - Compensation, Variable Compensation, Maintain Plan, Plan Goals w/ Groups, Organization Goals	Assign goals to the plan at the organization level and indicate their relative weighting. The sum of all organization goals must be 100 percent.
Group Goals	VC_GRP_GOAL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Plan Goals, Group Goals - Compensation, Variable Compensation, Maintain Plan, Plan Goals w/ Groups, Group Goals	Assign goals to the plan at the group level and indicate their relative weighting. The sum of all group goals must be 100 percent. The search dialog for the component lists only plans that use groups.
Default Individual Goals	VC_IND_GOAL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Plan Goals, Default Individual Goals - Compensation, Variable Compensation, Maintain Plan, Plan Goals, Default Individual Goals	For plans that do not use groups. Assign default goals to the plan at the individual level and indicate their relative weighting. The sum of all individual goals must equal 100 percent. The system enters the goals that you set up on the Default Individual Goals setup page as the default goals on the Individual Goal Attainments page, where you can modify them for individual employees.

Page Name	Object Name	Navigation	Usage
Default Individual Goals	VC_IND_GOAL_WG	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Plan Goals with Groups, Default Individual Goals - Compensation, Variable Compensation, Maintain Plan, Plan Goals w/ Groups, Default Individual Goals	For plans that use groups. Assign default individual goals to each group in the plan and indicate their relative weighting. The sum of all individual goals must equal 100 percent. The system enters the goals that you set up on the Default Individual Goals setup page as the default goals on the Individual Goal Attainments page, where you can modify them for individual employees.

Defining a Variable Compensation Plan

Use the three VC Plan setup pages to define a variable compensation plan as well as its options, business rules, and payout periods. Use some of the data that you defined in the variable compensation control tables in these pages.

Common Elements Used in This Section

VC Plan ID (variable compensation plan ID)

The unique identifier used to access many of the variable compensation pages. Once you open a page, the system displays the ID that you entered to access the page.

Payout Period ID

An identifier for the payout period, such as *Q1* for the first quarter. This is a key for many of the variable compensation pages.

Pages Used to Define a Variable Compensation Plan

Page Name	Object Name	Navigation	Usage
VC Plan - Plan Definition	VC_PLAN_TBL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Define Variable Comp Plan, Plan Definition - Compensation, Variable Compensation, Maintain Plan, Define Variable Comp Plan, Plan Definition	Define a variable compensation plan, plan dates, earnings code, plan type, and specifics related to the plan type.
VC Plan - Plan Business Rules	VC_PLAN_BUS_RULE	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Define Variable Comp Plan, Plan Business Rules - Compensation, Variable Compensation, Maintain Plan, Define Variable Comp Plan, Plan Business Rules	Specify the method of administering plan membership and select optional business rules for the plan.
VC Termination Status	VC_EE_TERM_STAT	Click the EE Term Status link on the VC Plan - Plan Business Rules page.	Select the termination status codes that exclude employees from payment under a plan that has Empl VC Record as the plan member rule.
Plan Payout Periods	VC_PAYPRD_TBL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Define Variable Comp Plan, Plan Payout Periods - Compensation, Variable Compensation, Maintain Plan, Define Variable Comp Plan, Plan Payout Periods	Define or change the beginning and ending dates of a variable compensation plan's payout periods.

Specifying the VC Plan Definition

Access the Plan Definition page.

Plan Definition		Plan Business Rules		Plan Payout Periods	
VC Plan ID:	HXVC01				
*Description:	VC ISO Weighted Goals				
Short Desc:	VC ISO Wei				
*Plan Start Date:	01/01/1999	*Plan End Date:	01/31/2002	*Currency:	USD
*Plan Type:	Stock - ISO	Stock ID:	HXVCSTK	HX VC Stock Integration	
Plan Goals:	Weighted Goals	Stock Plan:	HXVCPLN	VC Stock Plan	

Plan Details		Find View All		First	1 of 1	Last
*Effective Date:	01/01/1999	*Status:	Active			
Earnings Code:	B14	Regular Earnings				
GP Earnings:						
Valuation ID:	HXVCVL01	VC ISO Sto				

Goal Weights	
Org Weight:	100.00
Group Weight:	0.00
Ind Weight:	0.00
Total Weight:	100.00

Plan Definition page

Plan Start Date

Enter the date on which you want the plan to begin. Once you save the plan definition, you cannot change this date.

For stock-type plans, this date cannot be earlier than the stock plan's approval date.

Plan End Date

Enter the date on which you want the plan to end. Once you save the plan definition, change the Plan End Date only to a later date if you want to extend the plan.

For stock-type plans, this date cannot be later than the stock plan's expiration date.

Currency

Select the currency in which you want the system to calculate, display, and report allocations. For roll up purposes, you must select one currency for the plan. Payout is in the appropriate currency for the employee.

For stock-type plans, the default value is the currency code for the stock ID on the Stock Exchange table. The currency of the VC plan must match the currency of the Stock plan.

Plan Type

Select from the available options: *Discretionary Bonus*, *Goal Sharing*, *Non-Monetary*, *Other*, *Profit Sharing*, *Stock ISO*, *Stock NQ*, *Stock NSAR*, *Stock RSA*, and *Stock ISAR*.

Fields Related to Plan Type

When you select a specific plan type, the system displays the following additional fields:

Plan Type	Visible Fields
Discretionary Bonus	Plan Goals
Goal Sharing	Plan Goals
Non-Monetary	Valuation ID, Plan Goals
Other	Plan Goals
Stock (ISO, NQ, NSAR, RSA, and ISAR)	Plan Goals, Stock ID, Stock Plan, Valuation ID.

Plan Goals

Select the type of goal administration to use with the plan. The following are the valid values:

Goals Matrix: If you select this value, the Matrix Columns field appears in the Plan Details group box.

Weighted Goals: If you select this value, additional fields appear below in which you define weighting percents for goal levels.

Stock ID

Enter the ID that applies to this plan. Valid values prompt from the Stock table. This field does not appear if you do not use PeopleSoft Stock Administration.

Stock Plan

Enter the ID that applies to this VC plan. This field does not appear if you do not use PeopleSoft Stock Administration.

Plan Details

The plan definitions in this section of the page might change during the life of the plan. Insert a row and enter new data to modify a plan.

Earnings Code

Payroll reporting code. Applies to awards paid out through PeopleSoft Payroll for North America.

GP Earnings

Payroll reporting code. Applies to awards paid out through PeopleSoft Global Payroll.

Valuation ID

Select an ID from the available options, which prompt from the VC Valuation table. This field appears only if the Plan Type is *Non-Monetary* or one of the *Stock* types.

The ID that you select must be defined with the same currency code as the Currency Code that you select for this Plan ID.

This field represents only the valuation ID. The monetary value associated with the valuation ID used to calculate the award value is determined using the maximum effective-dated row on the VC Valuation table that is equal to or less than the payout period end date.

Matrix Columns

This field appears if you select *Goals Matrix* in the Plan Goals field. Select the number of columns that you will set up in your goals matrix: *Three, Five, or Seven*.

Goal Weights Group Box

In this group box, indicate the relative weighting of goals at each of the three goal levels: organization, group, and individual. The default weight is 0 percent at each level. Change the percent only for the levels of goals used by the plan. The sum of all levels must equal 100 percent.

Org Weight (organization weight)

Enter the relative percentage of organizational goals compared to other goals used in administering the plan.

Group Weight

Enter the relative percentage of group goals compared to other goals used in administering the plan.

Indicate a weight for group goals only if the plan's Group Member Rule is *Empl VC Rec with Groups* or *Define Tree Group*, as specified on the VC Plan - Plan Business Rules page.

Ind Weight (individual weight)

Enter the relative percentage of individual goals compared to other goals used in administering the plan.

Total Weight

The system computes the totals of the percentages as you enter them at each level and displays the sum in the Total Weight field. Adjust the weights until the sum of all levels equals 100 percent.

See Also

Chapter 4, "Understanding Variable Compensation Plan Types," Monetary Plan Types, page 17

Chapter 6, "Setting Up Plan Membership," page 49

Chapter 8, "Managing Plans With Weighted and Matrix Goals," page 81

Specifying Plan Business Rules

Access the Plan Business Rules page.

Plan Definition	Plan Business Rules	Plan Payout Periods
VC Plan ID: HXVC01 VC ISO Weighted Goals		
Plan Member Rule ☐ Ad Hoc Award ☐ Empl VC Record with Groups ☒ Empl VC Record EE Term Status ☐ Define Tree/Group		Static Plan Rules ☐ Carryover Awards ☒ Funded Plan
Plan Details Find View All First ◀ 1 of 1 ▶ Last Effective Date: 01/01/1999 Status: Active ☒ Calculate Proration ☐ Gross-Up ☐ Separate Check ☐ Approve Awards + -		

Plan Business Rules page

Plan Member Rule

Select the rule to use to administer membership under this VC plan: Ad Hoc Award, Empl VC Record (employee variable compensation record), Empl VC Record with Groups (employee variable compensation record with groups), and Define Tree/Group.

EE Term Status (employee termination status)

This link appears if you select Empl VC Record. Click to access the VC Termination Status page, where you select the termination status codes that exclude employees from payment under the plan.

Static Plan Rules**Static Plan Rules**

These rules remain in effect for the life of the VC plan. You cannot change these rules by inserting a new row.

Carryover Awards

Select if you want to carry over balances at the employee level for unallocated awards. Selecting this check box enables the Carryover Balance, Accum Carryover (accumulated carryover), and Carryover Amount fields on the Award Allocations page. The system maintains the carryover balance for the life of the plan.

Carryover is not an acceptable option for Non-Monetary and stock-type plans.

This field is unavailable if you've selected the Ad Hoc Award option as the Plan Member Rule.

Funded Plan

Select if you allocate a funding amount to the VC plan or are defining a stock-type plan.

Plan Details

The plan definitions that you select in this group box might change during the life of the plan. To modify a plan, insert a row and enter new data.

Calculate Proration	Select if you want to prorate eligibility under the plan. This check box is unavailable for entry if you selected the Ad Hoc Award option as the Plan Member Rule.
Gross-Up	Select if you want payroll to apply gross-up rules to award payouts under this plan.
Separate Check	Select if you want payroll to issue the awards on a check separate from the employee's normal paycheck. If you are processing awards through PeopleSoft Payroll for North America and you selected Gross-Up on this page, you must select Separate Check.
Approve Awards	Select if you want to approve awards by either of the following methods: • Run the Approve Awards or Approve Awards by Group process to approve or unapprove awards at the plan or group level. • Designate an approver who can manually approve awards individually under the plan on the Award Allocation page.
Approver	This field appears if you select Approve Awards for a plan that has Ad Hoc Award or Empl VC Record as the Plan Member Rule. Enter the employee ID of the person authorized to approve awards for the entire plan. The system displays the employee's name next to the employee ID that you enter. If you administer the plan using groups, the approver is established through VC group tree security, so the Approver field remains hidden.

Plan Tree

This group box appears on the page only if the Plan Member Rule is Empl VC Record with Groups or Define tree/Group.

Tree Name	Select the name of the VC Tree that you want to associate with this VC plan.
Group ID	The ID of the highest group on the tree that you select in Tree Name.

See Also

[Chapter 9, "Funding Variable Compensation Plans and Groups," page 99](#)

[Chapter 7, "Understanding Eligibility and Proration," Calculating Eligibility and Proration, page 68](#)

Selecting Termination Status Codes for Employee VC Record Plan Member Rule

Access the VC Termination Status page.

VC Termination Status

VC Plan ID: HXVC01 **VC ISO Weighted Goals**

Customize Find View All  First ◀ 1 of 1 ▶ Last			
	Employee Status		
1	D	Deceased	 

VC Termination Status page

Employee Status

Select the employee status values that cause an employee to be ineligible under the plan. The eligibility process excludes employees from the plan if they have a selected status on their Job record as of the eligibility evaluation date.

Valid values are *Active, Deceased, Leave of Absence, Leave With Pay, Retired With Pay, Retired, Suspended, Terminated, Terminated With Pay, Terminated Pension Pay Out, Short Work Break, and Retired-Pension Administration.*

The following values are entered by default: *Deceased, Retired With Pay, Retired, Terminated, Terminated With Pay, Terminated Pension Pay Out, and Retired-Pension Administration.*

You may add and delete values to reflect the rules for each plan that you set up with Empl VC Record plan member rule. These selections are not effective-dated.

See Also

Chapter 7, “Understanding Eligibility and Proration,” Understanding Eligibility Status, page 72

Defining Plan Payout Periods

Access the Plan Payout Periods page.

The Plan Payout Period rows are unavailable for entry if the VC plan has expired or if any approved awards exist for that payout period.

Plan Definition **Plan Business Rules** **Plan Payout Periods**

VC Plan ID: HXVC01 **VC ISO Weighted Goals**

Payout Periods					
Customize Find View All  First ◀ 1-2 of 2 ▶ Last					
	*Payout Period ID	*Period Begin Date	*Period End Date		
1	1999	01/01/1999 	12/31/1999 		
2	2000	01/01/2000 	12/31/2000 		

Plan Payout Periods page

Payout Periods

Payout Period ID	Enter an identifier for the payout period, such as <i>Q1</i> for the first quarter.
Period Begin Date	Enter the beginning date of the payout period. As the default date, the system enters the day after the prior period's end date. For example, if the prior period's end date is 01/31/2000, the next period's default begin date is 02/01/2000. After you save the page, the system sorts the rows by Period Begin Date.
Period End Date	Enter the last date in the payout period. If the date that you enter is later than the Plan End Date as defined on the Plan Definition page, the system issues the error message "Period End Date must not exceed the Plan End Date of [selected plan end date]." If the Period Begin Date of one period overlaps with the Period End Date of another period, the system issues the message, "Payout Period dates must not overlap."

Assigning Payout Formulas

Use the Plan Payouts page or the Plan Payouts with Groups page to assign payout formula IDs to target, minimum, or maximum payouts under the plan.

Note. If you are administering the plan using matrix goals, do not assign payout formulas on this page. Instead, associate payout formulas with the goals matrix on the Matrix Goals: Payout Schedule Page.

Determining Payout Award Formulas

Minimum Payout	The minimum award that a plan or group member should receive.
Target Payout	The award a plan member would receive upon 100 percent completion of objectives.
Maximum Payout	The maximum award that a plan or group member should receive.

The Determine Allocation process calculates the target, minimum, and maximum awards. If the employee is eligible for the entire period, after the Calculate Awards process applies the performance factor to the target award, it compares the calculated award to the minimum and maximum awards.

If the calculated award is less than the minimum award, the process overwrites the calculated award with the minimum. If the calculated award exceeds the maximum, the process overwrites the calculated award with the maximum. When the process overwrites the calculated award with the minimum or maximum, it sets a Calculation Source indicator on the Award Allocation Page.

Deciding Which Payouts Page to Use

Use the following table to determine which of the Plan Payouts pages to use:

Plan Rule	Plan Payouts Page
Ad Hoc	Do not assign payout formulas; instead, enter the award amount directly on the Award Allocations page.
Employee VC Record	Use the Plan Payouts page to assign optional minimum and maximum payouts at the plan level. (Assign the Target Payout at the employee level on the Employee Variable Compensation page.)
Employee VC Record with Groups.	Use the Plan Payouts with Groups page to assign optional minimum and maximum payouts at the group level. (Assign the Target Payout at the employee level on the Employee Variable Compensation page.)
Define Tree/Group	Use the Plan Payouts with Groups page. The system applies payouts established on this page to all members of the selected group and to child groups for which you do not specify otherwise.
Matrix goals (with any plan member rule except Ad Hoc)	Do not use either of these pages; instead, associate payout formulas with the goals matrix on the Matrix Goals: Payout Schedule Page.

See Also

Chapter 10, “Calculating Allocations and Awards,” page 117

Pages Used to Assign Payout Formulas

Page Name	Object Name	Navigation	Usage
Plan Payouts	VC_PAYOUT	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Plan Payouts - Compensation, Variable Compensation, Maintain Plan, Plan Payouts	Assign payout formulas at the minimum and maximum levels under the plan. Plans that use matrix goals or Ad Hoc membership are not available. Use this page if the Plan Member Rule is Empl VC Record.
Plan Payouts with Groups	VC_PAYOUT_WG	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Play Payouts With Groups - Compensation, Variable Compensation, Maintain Plan, Plan Payouts w/ Groups	Assign payout formulas at the target, minimum, and maximum levels under the plan. Plans that use Matrix goals are not available.

Assigning Payout Formulas for Employee VC Record Plans

Access the Plan Payouts page.

Plan Payouts page

Payout Values

To establish a payout, select a payout formula from the available options. Valid values prompt from the Payout Formula table (VC_PAYFORM_TBL). All payout fields are unavailable for entry if awards have been approved, manually altered, or sent for payout/distribution for the period during which the Effective Date falls.

The system applies the payout to all members of the plan.

Depending on the Plan Member Rule, some fields are unavailable for entry and some fields are optional, as summarized in the following table:

Field	Empl VC Record	Ad Hoc Award
Minimum Payout	Optional field.	Field unavailable for entry.
Target Payout	Field unavailable for entry. Set the Target Payout at the employee level on the Employee Variable Compensation Page.	Field unavailable for entry. Enter the award at the employee level directly on the Award Allocation Page.
Maximum Payout	Optional field.	Field unavailable for entry.

See Also

[Chapter 6, “Setting Up Plan Membership,” Setting Up Members With Employee Variable Compensation Record, page 50](#)

[Chapter 10, “Calculating Allocations and Awards,” Viewing and Adjusting Award Allocations, page 124](#)

Assigning Payout Formulas for Plans with Groups

Access the Plan Payouts With Groups page.

Plan Payouts With Groups

VC Plan ID: EVCISO93ID KVC ISO 93 PLAN

Plan Payouts Find | View All First 1 of 1 Last

Effective Date: 01/01/1993 Status as of Effective Date: Active

Payout Values Per Group Find | View All First 1 of 1 Last

*Group ID: EVC EVC + -

Minimum Payout: [] []

Target Payout: [] []

Maximum Payout: [] []

Plan Payouts With Groups page

Group ID

Select an ID from the available options, which are groups in the VC Tree that you specified for the plan. The default Group ID is the root group of the tree.

Set the payouts for the highest group to which it applies. The system automatically applies the payout to all child groups in the tree unless a specific payout formula is applied to a child group.

Payout Values Per Group

To establish a payout, select a payout formula from the available options. Valid values prompt from the Payout Formula table (VC_PAYFORM_TBL). No payout fields are available for entry if awards have been approved or sent for payout/distribution for the period during which the Effective Date falls.

The system applies the payout to all members of the selected group and its child groups if you do not define payouts at lower levels on the tree.

Depending on the Plan Member Rule, some fields are unavailable for entry and some fields are optional, as summarized in the following table:

Field	Empl VC Record with Groups	Define Tree/Group
Minimum Payout	Optional field.	Optional field.
Target Payout	Field unavailable for entry. Set the Target Payout at the employee level on the Employee Variable Compensation Page.	Required field except when the plan uses matrix goals.
Maximum Payout	Optional field.	Optional field.

Setting Up Proration Tables

This section describes how to:

- Set up workday rules.
- Set up proration percentage rules.
- Define proration frequency parameters.

Pages Used to Set Up Proration

Page Name	Object Name	Navigation	Usage
Workday Schedules	VC_WRK_DY_SCHED	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Workday Schedules - Compensation, Variable Compensation, Maintain Plan, Workday Schedules	Set up Workday Rules in which you create schedules assigning a factor to each day of the week (Sunday through Saturday).
Prorate Percent	VC_PRORATE_TBL	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Percentage Proration Rules - Compensation, Variable Compensation, Maintain Plan, Percentage Proration Rules	Define ranges of eligible days and associate a percentage with each range.
Prorate Periods	VC_PRORATE_PRD	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Prorate Periods - Compensation, Variable Compensation, Maintain Plan, Prorate Periods	Define proration frequency parameters for a prorated plan's payout periods. The Calculate Eligibility/Proration process evaluates eligibility as of the proration period end dates generated on this page.

Setting Up Workday Rules

Access the Workday Schedule page.

Workday Schedule

Workday Rule ID: HXVCWRK1

Employee or Paygroup required

Find | View All First 1 of 1 Last

Effective Date: 01/01/2000

+

-

Workday factor defaults.

	Day of the Week	Factor
1	Sunday	0.00
2	Monday	1.00
3	Tuesday	1.00
4	Wednesday	1.00
5	Thursday	1.00
6	Friday	1.00
7	Saturday	0.50

Workday Schedule page

Factor Enter the factor for each day. For example, you could assign a factor of 1 for a full working day, .5 for a half day, and 0 for a holiday.

See Also

Chapter 7, “Understanding Eligibility and Proration,” Workday Schedule Calculation Method, page 66

Setting Up Proration Percentage Rules

Define a lookup table that the system uses to determine the employee’s proration factor based on the number of eligible days in the period.

Access the Prorate Percent page.

Prorate Percent

Prorate % ID: HXVC02

Proration Rule Details View All First 1 of 1 Last

Effective Date: 01/01/1999 Status: Active

*Description: VC Percent

Short Description: VC Percent

Employee Status Rules Find View All First 1 of 2 Last

*Eligible Status: Active

Proration Rates Customize Find View All First 1-2 of 2 Last

	*Eligible Days	Proration Percentage		
1	60	50.00	+	-
2	180	75.00	+	-

Prorate Percent page

Eligible Status

You can define separate proration rate schedules for *Active* and *Terminated* employees under each Prorate % ID. Select whether this proration rate schedule applies to employees who are *Active* or *Terminated* at the end of the payout period.

Terminated status includes the following employee status values on the Job record: Deceased, Retired, Retired with Pay, Terminated, and Terminated with Pay.

If you do not define a proration rate schedule with a value of *Terminated* in Eligible Status, the system assigns a proration factor of 0 to employees with these termination employee status values in their Job record.

All other employee status values on the Job record are associated with the *Active* value in this field.

Eligible Days

Enter the ending number in the eligible days range. For example, if the range is 1-15 days, enter 15.

Proration Percentage

Associate a proration factor, expressed as a percentage, with the eligible days range. This is the proration factor used by the Calculate Awards process if the employee's eligible days for the period falls into this Eligible Days range.

Define a date range and assign a proration percentage of 0 if you want to exclude employees who are not eligible in the first portion of the period. For example, you can exclude employees were not eligible in the first 21 days of the period by setting up an eligible days range that ends in 21 and associating 0 as the proration percentage.

See Also

Chapter 7, “Understanding Eligibility and Proration,” Proration Percentage Calculation Method, page 67

Defining Proration Parameters

Prorate periods are subsets of the plan payout period. Prorate periods can have daily, weekly, or monthly frequency. Daily frequency is the most accurate, but the processing time is greater.

Access the Prorate Periods page.

Prorate Periods

Plan ID: HVEMPDISC Employee discretionary plan

Prorate Period Details Find | View All First 1 of 1 Last

Period ID: **Period Begin Date:** **Period End Date:**

Proration Freq:

Prorate Dates		Customize Find View All 📅 First 1 of 1 Last	
	End Date	Run Status	
1		📅	+ -

Prorate Periods page

Period ID

Select a payout period from the available options. Valid values prompt from the VC_PAYPRD_TBL. The list does not include payout periods for which an award has been finalized, canceled, or manually entered. In other words, if the Award Status on the Award Allocation page is other than *Initial Calculation* for any award in the plan, or if any award was manually allocated, that payout period is not available.

The system displays the payout Period Begin and Period End Dates that you defined on the VC Plan - Plan Payout Periods page.

Proration Freq (proration frequency)

Select a proration frequency from the following valid values:

By Workdays: (daily frequency) The Workday Rule ID field appears.

Calendar Days: (daily frequency) The Prorate % ID field appears.

Monthly: The Date Ind field appears.

Weekly: The Day field appears.

Workday Rule ID	If you select <i>By Workdays</i> as proration frequency, you must select a workday rule. The maximum number of Eligible Days defined in the rule you select must not be less than the number of days in the payout period.
Prorate % ID	This field appears if you select <i>Calendar Days</i>. If you use the proration percentage calculation method, select a prorate percentage ID to associate a prorate percentage schedule with the plan for the payout period. If you use daily calculation method without proration percentages, leave this field blank.
Day	If you select <i>Weekly</i> as the proration frequency, you must select the day of the week as of which you want the system to calculate the proration. Valid values are the 7 days of the week (Sunday through Saturday).
Date Ind (date indicator)	If you select <i>Monthly</i> proration frequency, select a date indicator in this field. Valid values include the following: <i>End of Month:</i> The system calculates eligibility as of the end of each month. <i>Day of Month:</i> The Day of Mon field appears.
Day of Mon (day of the month)	Enter the number of the day of the month as of which you want the system to calculate eligibility. Select any number from 1 - 28. The system sets the Date Ind to <i>End of Month</i> if you select a number higher than 28.
End Date	After you define the proration frequency, the system displays the end date here of each proration period within the payout period you specified.
Run Status	The system selects this check box when the Calculate Eligibility/Proration process completes the eligibility calculation for the corresponding proration period.

See Also

Chapter 7, “Understanding Eligibility and Proration,” Daily, Weekly, or Monthly Frequency Calculation Method, page 65

Chapter 7, “Understanding Eligibility and Proration,” Workday Schedule Calculation Method, page 66

Chapter 7, “Understanding Eligibility and Proration,” Proration Percentage Calculation Method, page 67

Setting Up Variable Compensation Funding

This section describes how to allocate funds to a variable compensation plan.

Page Used to Fund Variable Compensation Plans

Page Name	Object Name	Navigation	Usage
Plan Funding	VC_PLAN_FUNDING	- Set Up HRMS, Product Related, Compensation, Variable Compensation, Plan Funding - Compensation, Variable Compensation, Maintain Plan, Plan Funding	Allocate funds to a variable compensation plan. The system tracks these funds and adjusts the fund's available balance as you allocate awards. Plan funding is optional. Fund the plan at any time in the life of the plan.

Allocating Funds to a Variable Compensation Plan

Access the Plan Funding page.

Plan Funding

VC Plan ID: HVEMPDISC Employee discretionary plan

Plan Funding: 4,000,000.00 USD **Funds Available:** 4,000,000.00 USD

Funding Details								Customize	Find	View All	First	1 of 1	Last
	Seq. Nbr.	*Funding Date	Amount Funded	Currency	Last Updated User Name	Last Update Timestamp							
1	1	01/01/2000	4,000,000.00	USD	INDF	10/11/2000 11:31AM							

Plan Funding page

The following table lists the fields that are visible for the different plan types:

Monetary Plans	Non-monetary Plans	Stock Plans
VC Plan ID	VC Plan ID	VC Plan ID
Plan Funding	Plan Funding (Units)	Shares Available to Plan
Funds Available	Plan Balance	Plan Balance
Funding Date	Funding Date	Funding Date
Amount Funded	Funding Units	Funding Units
Currency	Last Updated User Name	Last Updated User Name

Monetary Plans	Non-monetary Plans	Stock Plans
Last Updated User Name	Last Update Timestamp	Last Update Timestamp
Last Update Timestamp		

Plan Funding

(Monetary plans) The sum of all funding amounts for the plan.

The system recalculates the Plan Funding amount each time you add or change an amount in the Amount Funded column.

Plan Funding (Units)

(Non-monetary plans) The sum of all funding units for the plan.

The system recalculates the Plan Funding (Units) amount each time that you add or change an amount in the Funding Units column.

Funds Available

(Monetary plans)

For plans without groups: The amount of funds remaining for distribution that have not been allocated to awards, which is recalculated each time you access the page.

For plans with groups: The amount of Plan Funding minus the amount of funding that has been allocated to the top group.

Shares Available to Plan

(Stock-type plans) The sum of all the shares allocated from PeopleSoft Stock Administration to Variable Compensation for the stock plan and stock ID, minus any shares funded to other plans to date.

Plan Balance

(Non-monetary and stock-type plans)

For plans without groups: The total of Funding Units allocated to this plan ID minus any awards allocated from the plan.

For plans with groups: The total of Funding Units allocated to this plan ID minus the number of funding units that have been allocated to the top group.

Seq. Nbr. (sequence number)

The system sequentially numbers the rows in the grid. The default for the first row is 1.

You cannot delete a saved row.

Funding Date

Enter the date of the funding that you are allocating to the plan. Today's date is the system default.

Amount Funded

(Monetary plans) Enter the amount of funding that you want to add to the plan. Enter a negative amount if you want to decrease the plan funding.

Funding Units

(Non-monetary or stock-type plans) Enter the number of units that you want to add to the plan. Enter a negative amount if you want to decrease the plan funding.

Stock funding units cannot exceed the value in the Shares Available to Plan field.

CHAPTER 6

Setting Up Plan Membership

- This chapter provides an overview of variable compensation (VC) plan membership and describes how to:
- Determine the plan member rule for a variable compensation plan.
 - Set up plan membership for Ad Hoc awards.
 - Set up plan membership with Employee VC Record.
 - Create groups.
 - Attach groups to VC trees.
 - Check for membership in overlapping groups.
 - Manage VC tree security.

Setting Up Plan Members for Ad Hoc Awards

Use the Plan Members page to set up plan members for Ad Hoc Awards. This page is also used to view and adjust plan membership for all plan types.

1. Access the Plan Members page for the desired ad hoc plan and period ID.
2. Click the search button to load existing plan members into the page.
3. Complete the Plan Members Details group box as follows:

EmplID (employee ID)	To add a new member, insert a new row and enter the employee's ID.
Eligibility Status	For Ad Hoc plans, the status defaults to Man Elig (manually eligible). You cannot enter an auto status.
As of Date	Enter the date as of which the employee is eligible for the ad hoc award. The date must be between the current date and the payout period end date.

See Also

Chapter 7, “Understanding Eligibility and Proration,” Understanding Proration Factor Calculations, page 63

Setting Up Members With Employee Variable Compensation Record

Use the Employee Variable Compensation page to specify a target payout formula and guarantee for individual employees. The system writes this information to the Employee Variable Compensation record. For one employee, you can select multiple VC plans and specify a different target payout and guarantee for each.

For example, an employee might be eligible for your organization's profit sharing plan and an individual performance plan.

Even though you establish the target payout at the individual employee level, you can still choose whether to assign employees to a plan individually or through groups.

Plans Without Groups

If you set the employee's target payout and guarantee for a VC plan that specifies *Employee Variable Compensation Record* as the plan member rule, enter the employee's Eligibility Date for the plan on the Employee Variable Compensation page. The system calculates the employee's eligibility/proration based on this date.

If your organization uses Workflow functionality and has set the VC administrator role, the system sends a workflow notification to the VC administrator when an employee is hired, rehired, promoted, or has a change in job code. The VC administrator can then establish or modify the employee's VC Plan eligibility, target payouts, and guarantee.

Plans With Groups

If Employee VC Record with Groups is the plan member rule, the system does not use the Eligibility Date that you enter on the Employee Variable Compensation page to calculate eligibility. Instead, it bases plan eligibility on group eligibility.

Pages Used to Set Up Members With Employee Variable Compensation Record

Page Name	Object Name	Navigation	Usage
Empl Var Comp	VC_EE_VCOMP	Compensation, Variable Compensation, Identify Eligible Recipients, Individual's Payout	- Add or delete plan members for plans that specify Empl VC Record (without groups) as the plan member rule. - Assign or update a target payout formula or guarantee. - Specify the plan eligibility date if the VC Plan does not use groups.
Current Employee Compensation	VC_CURRNT_COMP_SEC	Click the Current Comp Data (current compensation data) button on the Employee Variable Compensation page.	View the employee's compensation data as of the current date, which might be helpful in deciding the target payout and guarantee for the employee.

Setting Up Members with Employee VC Record

Access the Empl Var Comp page.

Empl Var Comp

Lewis, Douglas Employee EmplID: KU0001 Empl Rcd#: 0

Employee Data Find | View All First 1 of 1 Last

*Effective Date: 10/31/2002

Compensation Data

Business Unit: GBIBU Global Business Institute BU [Current Comp Data](#)

DeptID: ADMIN President

Location: KUNY00 US HQ Comp Rate: 21666.67 USD

Sal Plan: KU02 Grade: 011 Comp Freq: Monthly

Employee Details Find | View All First 1 of 1 Last

*VC Plan ID:

Target Payout:

Eligibility Date: Guarantee: Currency:

Long Descr:

Empl Var Comp page

For plans that specify Employee Variable Compensation Record (without groups) as the plan member rule, use this page to add or delete plan members or to change a member's Target Payout or Guarantee at any time in the life of the plan.

Compensation Data

All data displayed in the Compensation Data group box defaults from the employee's Job record as of the Effective Date that you entered on this page. This data is for information only.

Current Comp Data (current compensation data) Click this link to view a page that displays the data from the employee's job record that is effective as of the current date.

Employee Details

VC Plan ID (variable compensation plan ID) Select a valid ID. The system displays the description of the plan. Only plans that define Employee Variable Compensation Record (with or without groups) as the plan member rule appear in the list.

If the plan that you select in this field has expired (that is, the end date of the Plan ID on the VC Plan table is prior to the current date), the remaining fields on the page are unavailable for entry.

Target Payout Select a target payout for the employee. Valid values prompt from the Pay Formula table. The system displays the description of the formula that you select.

If you do not select a value here, when you save the page, the system issues a warning and specifies the Plan ID for which no target payout formula was entered.

Eligibility Date Enter the date on which the employee becomes eligible for a payout from the VC Plan ID that you selected. The system enters the VC Plan Start Date from the VC Plan table as the default. The Calculate Eligibility/Proration process calculates plan eligibility and proration as of this date for plans that do not use groups. The system does not use this date for eligibility processing if the plan uses groups.

Guarantee Enter an amount that is guaranteed for the employee under this VC Plan ID. This is an optional field. The amount appears for your information on the Award Allocations page, where you can adjust the calculated award as required.

Adding Additional Data Rows

You can add additional rows of data for the same or different effective dates. When you add a new effective-dated row, the system asks if you want to copy forward all existing rows from the previous effective date. If the plan of the previous effective date is still an active plan, carry forward the rows. You probably would not want to carry the rows forward if the plans in the rows have expired. Historical data is not lost if you do not carry the rows forward.

Tips and Tricks for Administering Guarantees

You can set up and define a VC Plan specifically to administer guarantees. On the Employee Variable Compensation page, select the Plan ID, leave the Target Payout field blank, and enter the employee's Guarantee amount. When you run the Calculate Awards process, the system enters only the employee's guarantee amount on the Award Allocations page. You can then place the amount, or some portion of it, into the Actual Award field and approve it for payout.

See Also

PeopleSoft 8.8 Human Resources PeopleBook: Administer Workforce, "Hiring Your Workforce"

Creating Groups Using Group Build

Use previously defined groups or define groups of eligible plan members based on any number of criteria as identified in Group Build records. The Calculate Eligibility/Proration process generates group membership based on the group definitions that you set up in Group Build and the dates that you specify on the process run control.

Important Information About Using Group Build Pages to Create VC Groups

When you use group build pages to create VC groups:

- Designate the manager and approver of each group on the Group Definition - Group Profile page when you set up groups in group build.

The approver of a group is generally the manager of the immediate parent group (the group manager's manager).

- If you define new groups for managing variable compensation, do not set up group security in the group build security pages (Group Security Default page, Security by Group page, or Security by User page).

Instead, proceed directly to the PeopleSoft Tree Manager to create the Variable Compensation tree. Set up security for the groups on the tree. You cannot modify a group definition until you have attached it to a tree and set up security.

- Group build comes with a *No Group* group ID.

This group is required for Variable Compensation processing. The system assigns this group ID when it needs to simulate a group for a plan that does not use groups. Never delete this group ID or assign this group ID when building or using groups.

Tip for Setting Up Groups in VC Group Definition

After you create a group in the VC Group Definition page and save/quit the page, the group ID does not appear in the search box. If you want to modify this group from the same VC Group Definition page, first attach the group to a VC tree and set up security for the tree. Once you have set up tree security, you can return to the Group Definition page and modify the group.

See Also

PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook, “Working With Groups”

Chapter 6, “Setting Up Plan Membership,” Establishing Tree Security, page 57

Attaching Groups to Trees

Once you’ve defined groups, attach them to a Variable Compensation tree. Create any number of group trees and use any group ID in multiple trees. Define a tree with a single group ID or multiple group IDs. The tree structure enables you to arrange your groups in a hierarchy that shows parent-child relationships. Use as many nodes on the tree as you want, but the maximum number of levels is 12. Define all parent and child groups separately in Group Build pages.

With hierarchical trees, you can administer variable compensation plans in a number of ways:

- For typical, business rollup reporting.
- For rollup funding of groups at each level, from the top down.

The system uses the hierarchy to ensure that funding at lower levels does not exceed the allocation at the upper levels of the hierarchy.

- For the inheritance of goals, goal attainments, and payout formula (target, minimum, and maximum).

Inheritance eases the setup for groups that have the same goals, attainments, or payouts as groups above them.

- To provide user security that is inherited from parent to child groups when accessing Variable Compensation pages.

Security inheritance eases the setup of user security for each level of the tree.

Important Points About Creating Variable Compensation Trees

Once you’ve defined groups in Group Build, use PeopleSoft Tree Manager to attach them to a Variable Compensation tree. For the most part, use standard procedures for creating hierarchical trees in PeopleSoft Tree Manager. However, keep the following additional points in mind when creating Variable Compensation trees:

- All parent and child groups that you attach to the tree must be defined separately in Group Build.
- If you used group build pages to copy your department structure to groups, also attach the groups to a VC tree and set up VC tree security.
- When the Calculate Eligibility/Proration process generates the groups, it eliminates parent-child duplicates. It does not eliminate sibling duplicates, which you can manage with the help of the Tree Member Overlap Report.
- In Variable Compensation transactions, reference groups through the tree name that you enter in PeopleSoft Tree Manager.
- Use the proper Variable Compensation settings in PeopleSoft Tree Manager (see next topic for details).

See Also

Chapter 6, “Setting Up Plan Membership,” Deleting Parent-Child Duplicates for Rollup, page 56

Variable Compensation Settings in PeopleSoft Tree Manager

Follow certain conventions when you use PeopleSoft Tree Manager to create or maintain Variable Compensation trees. By definition, Variable Compensation trees are Detail trees.

Use the New Tree Definition Properties page in PeopleSoft Tree Manager to specify the Variable Compensation tree settings. This section describes only the fields in the New Tree Definition Properties page that have specific settings for creating Variable Compensation trees.

New Tree Definition - Structure

On the Structure tab of the New Tree Definition page, the following fields require specific settings for Variable Compensation trees:

Structure ID	Select <i>VC_GROUP_STRUCT</i> from the available values. This means that the tree is a tree of groups created in Group Definition and the tree is for Variable Compensation purposes. Selecting <i>VC_GROUP_STRUCT</i> tells the system that you are creating a Detail tree.
Tree Name	Use the name that you enter here to reference the tree in Variable Compensation pages.
Effective Date	The effective date of the tree must be equal to or later than the effective date of groups on the tree.
Description	Enter a description of the Variable Compensation Tree that you are defining.
Category	A high-level grouping under which you can organize your tree structures and tree definitions. This field is not specific to Variable Compensation trees.

New Tree Definition - Levels

On the Levels tab of the New Tree Definition Page, select *Not Used*.

See Also

PeopleTools PeopleBook: PeopleSoft Tree Manager

Effective-Dated Trees and Variable Compensation

PeopleSoft trees are effective-dated. When you add a group to a tree, PeopleSoft Tree Manager makes sure the effective date of the group is equal to or less than the tree's effective date.

For VC award calculation, the system uses the tree that is effective as of the plan's payout period end date. Employees who are members of groups still residing on the tree receive an award allocation. If you modify a tree during the payout period, the new tree has a later effective date than the original tree. If you modified the tree by deleting any one or more employees or groups, the system does not calculate an award for the deleted employees or groups because they are not part of the tree that is effective as of the payout period end date.

Note. If a new effective-dated tree causes employees or groups to “fall off” a tree during the payout period, the effected employees might still be eligible for an award if the plan is prorated. For prorated plans, the Consistency Report provides a list of employees who have fallen off a tree and the groups to which they belonged. The VC administrator or the employees’ managers can use this information to ensure that these individuals get the appropriate awards.

See Also

Chapter 7, “Understanding Eligibility and Proration,” Calculating Proration for Plan Members Who Fall Off a Tree, page 68

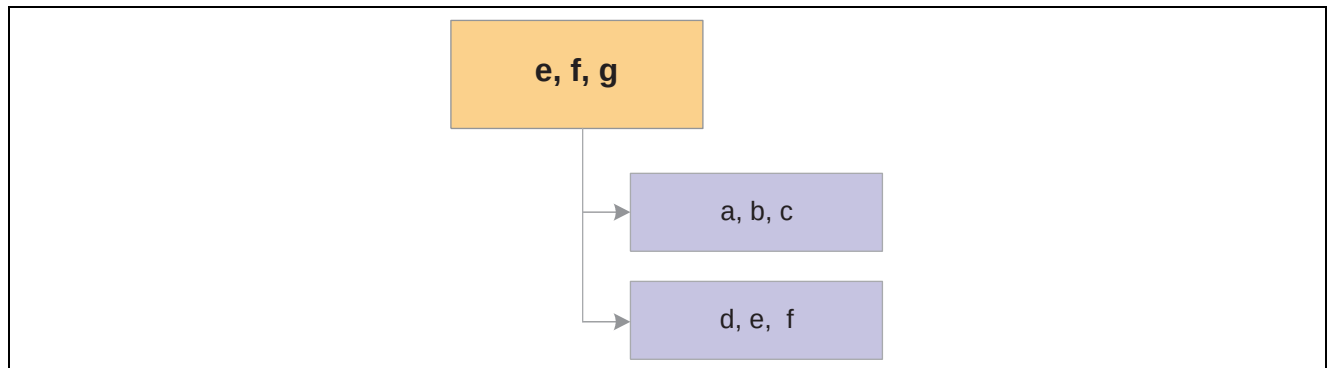
Deleting Parent-Child Duplicates for Rollup

For accurate rollup accounting, the Calculate Eligibility/Proration process removes a member from the parent group when that member is also included in a child group. The system deletes the parent-child duplication of membership to avoid double accounting of allocation amounts for the duplicate member.

The parent-child duplicate deletion works as follows:

Example

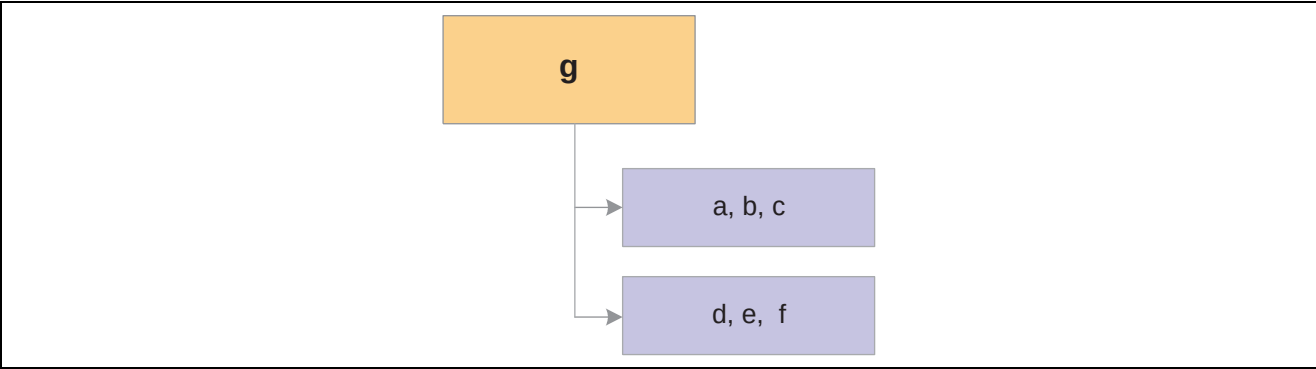
Three groups containing employees *a* through *f* are created separately in Group Build and arranged in a tree that looks like this:



Employees *e* through *f* arranged in groups on a VC tree

Notice that employees *e* and *f* are members of both the parent group and a child group. The allocation amounts for these two employees is accounted twice in rollup to the parent group if the system did not eliminate the duplication.

The Calculate Eligibility/Proration process removes the duplicate employees (*e* and *f*) from the parent group, as shown in the following illustration:



The VC tree after the Calculate Eligibility/Proration process deletes duplicate members from the parent group

Note. After the process removes duplicate members from the higher groups, allocation rollup is free of double accounting.

Deleting Duplicates Doesn’t Change Group Definitions

It is important to note that groups in a VC Tree don’t always retrieve the same content as if they were used on their own. The Delete Duplicates process is within Variable Compensation only, and it does not modify the Group Definition that was set up in Group Build.

- If you generate a list of members for the group ID that is illustrated above, the list always shows all three employees (*e, f*, and *g*) even after the Delete Duplicates process runs.
- If you use the illustrated group ID for funding and allocation processing, the group appears to have only one member (*g*).

Establishing Tree Security

This section describes how to set up security relationships between Variable Compensation groups, users, and variable compensation components.

Pages Used to Establish Tree Security

Page Name	Object Name	Navigation	Usage
Group Tree Security	VC_TREE_SEC_TABLE	• Set Up HRMS, Product Related, Compensation, Variable Compensation, Group Tree Security • Compensation, Variable Compensation, Maintain Plan, Group Tree Security	Set up a security relationship between a group on a Variable Compensation tree, a user, and the Variable Compensation components. Access to a group provides access to variable compensation components for all its child groups as well.
VC – Tree Group Security	VC_TREE_SECU_SEC	Click the Component Security button to the left of the User ID.	Specify the components for which the selected user has security access.

Setting Up Security Relationships

Access the Tree Security page.

Tree Security

Tree Name: EVC

KVC Main Tree

Effective Date: 01/01/1990

Left | Right

EVC - EVC

EVC1 - EVC1

EVC2 - EVC2

EVC3 - EVC3

EI005 - EI005

EI006 - EI006

Group

Group ID: EVC

EVC

User Security on Group

Find | View All

First 1 of 2 Last

*Effective Date: 01/01/1990

01/01/1990

+

-

User Security Details

Find | View All

First 1-2 of 2 Last

*User ID

HHR_VC05

Default Security

PS

Default Security

Tree Security page

Tree Name

Name of the tree that you entered in the search page, along with its description.

Effective Date

The default is the date that you entered in the Effective Date field of the search page. Change the date to access the same tree as of a different effective date.

Using the Tree Control View

The Tree Control View on the left side of the page displays the tree as it is defined in PeopleSoft Tree Manager. Each node represents a group. The node description is the group ID.

In the Tree Control View, select a node for which you want to define security access. The Group ID and description of the group appear on the right side of the page.

User Security on Group

Effective Date

Enter the effective date of the user’s security access. You can add rows of data with different effective dates. Enter the page in Correct History mode to delete a row.

User ID

You see a data row for each User ID who has security access to the selected Group ID for the specified Effective Date. Add a user by adding a data row and selecting a user ID from the available values.

Set up your Group Tree Security so that you give access to both the manager *and* the approver of a group.

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You cannot delete users whose access to this group is inherited from a parent group (the Default Security check box is selected). The system performs this check within the tree and between trees when the parent group is reused in another tree. If you try to delete a data row for inherited access, the system issues a message that specifies the User ID along with the Tree Name and Group ID of the parent group.



Default Security

Click the Component Security button to the left of a User ID to access the VC - Tree Group Security Page, where you set security on components for that user.

Select this check box if you want the automatic VC tree security update process to grant the user access to VC pages for all groups that you might place as a child under the selected group in future tree modifications.

Example: You grant User 1 Default Security access to Group A. Later you place Group D (which was formerly a sibling of A) as a child of Group A. The automatic VC tree security update process then grants User 1 default access to Group D as long as D remains a child of A. If you later modify the tree so that Group D is no longer a child of Group A, the system warns you if there is an inconsistency in security. User 1 might no longer have access to VC pages for Group D.

You cannot remove a user's security access to a group if the access is granted by default.

Specifying Access to Components

Access the VC - Tree Group Security page.

*Component Name		
GB_GRP_DEFN_TABLE	Group Build - Group Definition	+ -
RC_VC_CALCWRD_G	Calculate Award by Group	+ -
RC_VC_CALCWRD_P	Calculate Award by Plan	+ -
VC_AWD_ALLOC	Award Allocation	+ -
VC_AWD_ALLOC_WG	Award Allocation with Groups	+ -
VC_EE_HISTORY	Employee Var Comp History	+ -
VC_GRP_ALLOC	Group Funding Allocation	+ -
VC_GRP_ATN	Group Goal Attainments	+ -
VC_IND_ATN	Ind. Attainments w/o Groups	+ -
VC_IND_WG_ATN	Ind. Attainments w/ Groups	+ -
VC_MTX_ATN	Matrix Attainment panelgroup	+ -

VC - Tree Group Security page

Component Name	By default, a new user has access to all Variable Compensation components. On the VC - Tree Group Security page, delete the data rows for any components that you don't want the user to access. The system applies your component selections to the selected group ID, user ID, and effective date. Your selections also apply to any child groups of the selected group ID.
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Updating Trees and Tree Security

When the VC administrator modifies a Variable Compensation tree in PeopleSoft Tree Manager, the new structure of the tree might not be in accordance with the existing Group Tree Security. Configure your application server so that the system automatically launches a process to correct security inconsistencies resulting from the different types of tree modifications.

When the system launches the automatic process to synchronize group tree security, it also generates email notification and, in some cases, a work list entry, depending on the nature of the tree modification. Depending on whether it is a tree delete/rename or modification, the email informs the user that a synch process has been launched. In addition, depending on the cases, it triggers work list entries describing the additional manual actions required by the VC administrator.

Deleting a Tree

If you delete a VC tree in PeopleSoft Tree Manager, the automatic process launches the following actions:

- Removes the tree name from the Variable Compensation records.
- Sends an email to the VC administrator noting that the synchronization process has been launched.
- Sends a work list entry to the VC administrator with instructions to enter a new tree name in the records. The email specifies the old deleted tree name, the deleted tree effective date, and the impacted VC Plan ID.

Renaming a Tree

If a VC tree is renamed in PeopleSoft Tree Manager, the automatic process launches the following actions:

- Changes the tree name in the Variable Compensation records.
- Sends an email to the VC administrator noting that the synchronization process has been launched. The email specifies the old tree name and effective date and the new tree name and effective date.

Restructuring a Tree

If the structure of a Variable Compensation tree is modified in PeopleSoft Tree Manager, the automatic process launches the following actions:

- Updates the VC Group Tree Security.
- Sends an email to the VC administrator and security administrator noting that the synchronization process has been launched. The email identifies the tree that has changed and the impact to groups and security.

Warning! You must configure your application server so that the automatic update process runs when you delete, rename, or restructure trees in PeopleSoft Tree Manager. Moreover, when modifying a tree, it is important that the messaging server is up on the application server for the message channel TREE_MAINT. If it is not up, the update process isn't triggered and the security administrator must update security manually on the Tree Group Security page. Use the Application Message Monitor to verify that TREE_CHANGE messages are processed correctly.

Reporting on Tree Membership

This section covers the tree membership reporting.

Pages Used to Report on Tree Membership

Page Name	Object Name	Navigation	Usage
Grp Member Overlap	RUNCTL_VCP001	Compensation, Variable Compensation, Variable Comp Reports, Tree Member Overlap	Identifies employees who exist multiple times on a tree. This enables you to validate or correct the group membership, as appropriate.
Tree Consistency Report	RUNCTL_VC_REP	Compensation, Variable Compensation, Variable Comp Reports, Tree Consistency Report	Provides a list of employees who have fallen off a tree and the groups to which they belonged. The variable compensation administrator or the employees' managers can use this information to ensure that these individuals get the appropriate awards.

Reporting on Tree Membership

Access the Grp Member Overlap page.

Grp Member Overlap

Run Control ID: 123 [Report Manager](#) [Process Monitor](#) **Run**

Language: **English**

Tree Name		As Of Date
1		

Customize | Find | View All | First | 1 of 1 | Last

Grp Member Overlap page

Select the tree you want whose membership you want to report on.

CHAPTER 7

Understanding Eligibility and Proration

This section provides overviews of eligibility and proration factor calculation.

Overview of Calculating Eligibility and Proration

Here are the basic steps in calculating eligibility and proration:

1. Set up plan membership.
2. Set up proration-related control tables (for prorated plans).
3. Run the Calculate Eligibility/Proration process.
 - The process generates a list of employees who are eligible under the plan and calculates the eligibility status.
 - For prorated plans, it calculates a proration factor that the system applies when it calculates the award allocation.
4. View and adjust plan member eligibility.

See Also

Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Proration Tables, page 41

Understanding Proration Factor Calculations

This section provides overviews of:

- The general proration factor calculation process.
- Daily, weekly, or monthly frequency calculation method.
- Workday schedule calculation method.
- Proration percentage calculation method.
- Proration calculation method for plan members who fall off a tree.

General Proration Factor Calculation Process

The proration factor is a number that expresses the amount of the payout period that an individual was an eligible plan member. The highest proration factor is one, which means that the individual was eligible for the entire payout period.

The Calculate Eligibility/Proration process calculates eligibility and the proration factor. The Calculate Awards process uses the proration factor in awards calculation. Before you calculate awards, ensure that you have calculated proration for the entire plan payout period.

Terms and Elements

The following terms are important in understanding proration calculation.

Payout Period	Time period of a payout. Defined for the plan by begin and end dates on the VC Plan – Plan Payout Periods Page.
Prorate Period	A subset of the plan payout period used for proration. The Eligibility/Proration process tests an employee's eligibility as of each proration period end date.
Eligibility Evaluation Period	Time period of the eligibility/proration calculation. Define begin and end dates on the run control page.

Basic Proration Factor Calculation Process

To calculate factor proration:

1. Select Calculate Proration on the VC Plan - Plan Business Rules page.
2. Set up proration-related control tables.
 - Set up workday rules on the Workday Schedule page (for workday schedule calculation method)
 - Set up proration percentage rules on the Prorate Percent page (for proration percentage calculation method).
 - Set up proration periods on the Prorate Periods page (for all prorated plans).
3. Define the begin and end dates of the eligibility evaluation period on the Calc Eligibility / Proration Process run control page.
4. Run the process to calculate eligibility based on whether the employee is eligible as of the end date of each of the proration periods evaluated.

Each time you run the process, it calculates the cumulative eligibility proration factor for each member from the begin date of the plan payout period through the eligibility evaluation end date.

The system displays the proration factor on the Plan Members or Plan Members with Groups pages and on the Award Details section of the Award Allocation page.

See Also

[Chapter 7, “Understanding Eligibility and Proration,” Daily, Weekly, or Monthly Frequency Calculation Method, page 65](#)

[Chapter 7, “Understanding Eligibility and Proration,” Workday Schedule Calculation Method, page 66](#)

[Chapter 7, “Understanding Eligibility and Proration,” Proration Percentage Calculation Method, page 67](#)

[Chapter 10, “Calculating Allocations and Awards,” Calculating Awards, page 122](#)

[Chapter 7, “Understanding Eligibility and Proration,” Calculating Proration for Plan Members Who Fall Off a Tree, page 68](#)

Daily, Weekly, or Monthly Frequency Calculation Method

The system calculates the proration factor for each evaluation period and accumulates the factor for the entire payout period.

$$\frac{(\text{Number of Proration Periods Eligible})}{(\text{Number of Proration Periods in the Evaluation Period})}$$

Setting Up

Set up the prorate periods on the Prorate Periods page.

1. Select *Calendar Days*, *Weekly*, or *Monthly* as the proration frequency (length of the proration period).
 - If you select *Calendar Days*, do not select a prorate % ID when the field appears.
 - If you select *Weekly*, or *Monthly*, define which day of the week or month is the as of date for eligibility calculation.
2. The system defines the end dates of proration periods for the payout period based on the daily, weekly, or monthly frequency parameters.

Example of Monthly Calculation

Following are three proration periods:

- Evaluation Period Begin Date:
04/01/2000
- Evaluation Period End Date:
06/30/2000
- Proration period end dates (monthly frequency with end of month as the period end date):
April 30, May 31, June 30

The process evaluates eligibility for each of the three proration periods of the evaluation period. Employees eligible on the proration period end dates are eligible for the month.

The process credits qualifying members with a proration factor of 1/3 for each proration period for which they were eligible.

A member who was eligible in all three proration periods would receive a proration factor of one (3/3).

Workday Schedule Calculation Method

The system calculates a proration factor for each day in the period and accumulates the employee's proration factors for eligible days.

$$\frac{(\text{Total of Factors on Eligible Days})}{(\text{Total of Factors for the Period})}$$

Setting Up

To set up workday schedule calculation:

1. Set up Workday Rules on the Workday Schedule page.
2. Create schedules assigning a factor to each day of the week (Sunday through Saturday).
3. Each day in the period has a proration factor equal to that day's factor over the total of the factors for the period.
4. Set up the prorate periods on the Prorate Periods page.
 - Select *By Workday* as the proration frequency. This is a daily frequency, so the system creates a prorate period end date for each day in the payout period.
 - Select a Workday Rule to assign factors to each day in the payout period.
 - This Workday Rule is assigned to all members of the plan for the duration of the payout period.

Example

Workday Schedule Definition:

Day	Factor
Sunday	0
Monday	1
Tuesday	1
Wednesday	1
Thursday	1
Friday	1
Saturday	.5

Based on this schedule, the total factor was 23.5 in January 2000.

The proration factor attributed to a member for any eligible day in January 2000 is that day's factor on the workday schedule over 23.5. In this example, the proration factor for a Saturday is 0.5/23.5; the proration factor for a Tuesday is 1/23.5.

The employee's proration factor for the entire payout period is the accumulated sum of the daily proration factors for eligible days in the period. The maximum, for an employee who is eligible on every day in the period, is 23.5/23.5, or one.

Proration Percentage Calculation Method

The proration factor is determined by looking up the percentage associated with the number of days that the employee is eligible in the period.

The calculation formula is the percentage assigned to the range into which the employee's number of eligible days falls for the period.

Setting Up

To set up proration percentage calculation:

1. Set up proration percentage rules on the Prorate Percent page.
2. For each Prorate % ID, create separate proration rate schedules for employees who are active and those terminated at the end of the payout period.
3. For each proration rate schedule, define ranges of eligible days and associate a percentage with each range.
4. Set up prorate periods on the Prorate Periods page.
 - Select *Calendar Days* as the proration frequency. This is a daily frequency, so the system creates a prorate period end date for each day in the payout period.
 - Select a Prorate % ID to associate proration rates schedules with the plan for the payout period.

Example

Proration Rates schedule:

Eligible Days	Proration Percentage
10	35.00
21	65.00
31	100

Sample of Proration Factors:

Employee's Eligible Days	Proration Factor
5	35 percent
17	65 percent
22	100 percent

Calculating Proration for Plan Members Who Fall Off a Tree

Sometimes an employee is a member of a group that was on the VC Tree for part of a payout period, but by the end of the period, the employee or group is no longer on the tree due to reorganization or other factors.

The Calculate Eligibility/Proration process does not calculate the proration factor for such employees who fall off the tree. For prorated plans, the Consistency Report, available in the Variable Compensation report menu, provides a list of the name and employee ID of employees who have fallen off a tree, along with the group ID to which they belonged. The VC administrator or the employees' managers can use this information to manually add the employees back into the tree in a special group for this purpose.

To recalculate eligibility for employees who fall off a tree:

1. Create a group with all of the employees who fell off the tree.
2. Manually attach this group to the tree.
3. Run the eligibility process to correctly calculate the proration factor for members in the group.

See Also

[Chapter 6, "Setting Up Plan Membership," Reporting on Tree Membership, page 61](#)

Calculating Eligibility and Proration

The Calculate Eligibility/Proration process tracks the eligibility history of each plan member from the payout period start date to the payout period end date. Run the Calculate Eligibility/Proration process at any time during the life of the plan. If any awards have been manually altered or have been submitted for payout or distribution for a payout period, you cannot rerun eligibility for that payout period.

Note. If you rerun the Calculate Eligibility/Proration process after you have run the Determine Allocations or Calculate Awards process, you must run those processes again. The system issues a warning that you will lose all award calculations if you rerun the eligibility process.

Page Used to Calculate Eligibility and Proration

Page Name	Object Name	Navigation	Usage
Eligibility/Prorate Process	RUNCTL_VC_ELIG	Compensation, Variable Compensation, Identify Eligible Recipients, Determine Eligibility, Eligibility/Prorate Process	Run the Calc Eligibility/Proration (calculate eligibility/proration) process, which populates the Plan Members and Plan Members with Groups pages, updates eligibility status, and calculates proration for prorated plans.

Running the Eligibility/Prorate Process

Run this process to calculate and update eligibility for all plans except those having Ad Hoc Awards as the plan member rule. For Ad Hoc Award plans, manually enter and change member eligibility on the Plan Members page.

Access the Eligibility/ Prorate Process page.

Eligibility/Prorate Process page

VC Plan ID

Select the VC Plan for which you want to calculate eligibility/proration.

Payout Period ID

Select the ID for the payout period during which you want to calculate eligibility/proration. Valid options are the payout periods that you defined for the Plan ID that you selected. The list does not include payout periods for which an award has been finalized, canceled, or manually entered. In other words, if the Award Status on the Award Allocation page is other than Initial

Calculation for any award in the plan, or if any award was manually allocated, that payout period is not available for calculation of eligibility.

Determining the Period of Calculation

Depending on whether the Plan ID you select is a prorated plan, only certain fields are available for entry.

- For plans without proration, Eval As of Date is available.
- For prorated plans, Eval Begin Date and Eval End Date are available.

Field Definitions

Eval As of Date (evaluation as of date)	This field is available only for nonprorated plans. Enter the date as of which you want the process to evaluate eligibility. The current date is the default value, but you can change it. The date must fall within the Payout Period ID that you entered.
Eval Begin Date (evaluation begin date)	This field is available only for prorated plans. Select the date from which the process should begin the eligibility proration calculation. If you are running the process for the first time in the payout period, the payout period start date is the only option and is always available. If you have already run the process during the payout period, the other available option is the start date of the proration period that follows the last proration period calculated. For example, if you last ran the process for the period 01/01/2000 (payout period start date) through 03/31/2000 (proration period end date), the two available options would be <i>01/01/2000</i> (payout period start date) and <i>04/01/2000</i> (the next proration period start date).
Eval End Date (evaluation end date)	This field is available only for prorated plans. Select the date through which the process should calculate eligibility proration. The available options are all proration period end dates as defined for the plan on the Prorate Periods table.

Viewing and Adjusting Plan Member Eligibility

This section provides overviews of the Plan Members pages and eligibility status codes and describes how to:

- View and adjust member eligibility.
- View or correct historical eligibility data.
- View and adjust eligibility for plans with groups.
- Maintain eligibility for Employee Variable Compensation record plans.

Overview of Viewing and Adjusting Plan Member Eligibility

When you run the Calculate Eligibility/Proration process, the system enters eligible plan members and their eligibility status on the Plan Members Page or the Plan Members with Groups Page. After calculating eligibility, use these pages to view the most recent list of eligible plan members. Also use these pages to adjust eligibility at any time in the life of the VC Plan.

Note. Rerun the Calculate Eligibility/Proration process if you adjust eligibility on the Plan Members pages.

The following table illustrates which page the system populates, depending on the plan member rule:

Plan Member Rule	Page Populated by the Calculate Eligibility /Proration Process
Ad Hoc Awards	The eligibility calculation process does not apply. Enter member eligibility manually on the Plan Members page.
Employee Variable Compensation Record (without groups)	Plan Members page
Employee Variable Compensation Record with Groups	Plan Members with Groups page
Define Tree/Group	Plan Members with Groups page

These pages show current automatic eligibility status along with current and future manual eligibility status. The system tracks each change of eligibility status and keeps a full record of historical eligibility data for each employee, which you can view on the Member History Page. Access the Member History page from a member's data row on the Plan Members page or Plan Members with Groups page.

Using the Plan Member Page for Ad Hoc Awards

For Ad Hoc Awards, add a new row in the grid for each new plan member who gets an award for the Plan ID and Payout Period ID.

Using the Plan Member Page for Employee VC Record Without Groups

When the plan member rule is Employee Variable Compensation Record (without groups), use the Plan Members page to view plan member eligibility or to change a member's eligibility status to a manual status, but you cannot manually add members. Add members on the Employee Variable Compensation Page.

See Also

[Chapter 6, "Setting Up Plan Membership," Setting Up Plan Members for Ad Hoc Awards, page 49](#)

[Chapter 6, "Setting Up Plan Membership," Setting Up Members With Employee Variable Compensation Record, page 50](#)

Understanding Eligibility Status

The Calculate Eligibility/Proration process calculates the eligibility status for each plan member except members of Ad Hoc Award plans. Always establish eligibility status manually for Ad Hoc Award plans.

Automatic Status Compared to Manual Status

Eligibility falls into the categories of automatic status and manual status. The Calculate Eligibility/Proration process calculates automatic status based on a member's eligibility for a plan or group as established on the Employee Variable Compensation page or in group definition criteria. Override the automatic status by entering a manual status for the plan member on the Plan Members page or Plan Members with Groups page. The system does not override a manual status with an automatic status.

Throughout the life of a VC Plan, a plan member's eligibility status can change for a number of reasons. To track changes, the system displays the member's eligibility status along with a date as of which that eligibility status is effective.

Source of the Eligibility As Of Date

The following table summarizes the source of the eligibility as of date, which depends upon the individual conditions of the plan and member:

Plan Member Rule	Source of Automatic Status	Source of Manual Status
Ad Hoc Awards	Not Possible.	Entered on the Plan Members page.
Employee VC Record (without groups)	Eligibility Date entered on the Employee Variable Compensation page.	Entered on the Plan Members page. Overrides automatic status.
Employee VC Record with Groups Or Define Tree/Group	The member meets the Group Build criteria for the group on the date as of which the process calculates eligibility.	Entered on the Plan Members with Groups page. Overrides automatic status.

Definitions of the Five Eligibility Status Codes

The five eligibility status codes are Auto Elig (automatic eligible), Auto Inelig (automatic ineligible), Elig Pro (eligible prorated), Man Elig (manual eligible), and Man Inelig (manual ineligible).

- *Auto Elig (Automatic Eligible)*

The Calculate Eligibility/Proration process generates the Auto Elig status; you cannot manually enter this status. The calculation of Auto Elig status depends on the rules of the plan as follows:

Plan Member Rule	Nonprorated Plan	Prorated Plan
Ad Hoc Awards	Automatic status is not possible.	Automatic status is not possible.

Plan Member Rule	Nonprorated Plan	Prorated Plan
Employee VC Record (without groups)	On the eligibility evaluation As of Date, the member is active in the Employee VC table and the Employee Status on the Job record is not excluded under the plan rules.	During the entire eligibility evaluation period, the member is active in the Employee VC table and the Employee Status on the Job record is not excluded under the plan rules.
Employee VC Record with Groups Or Define Tree/Group	The member meets all of the Group Build group definition criteria on the eligibility evaluation as of date.	The member meets all of the Group Build group definition criteria during the entire eligibility evaluation period.

- *Auto Inelig (Automatic Ineligible)*

The Calculate Eligibility/Proration process generates the Auto Inelig status; you cannot manually enter this status. The system doesn't calculate an award allocation for plan members whose eligibility status is Auto Inelig. The calculation of the status depends on the rules of the plan as follows:

Plan Member Rule	Nonprorated Plan	Prorated Plan
Ad Hoc Awards	Automatic status is not possible.	Automatic status is not possible.
Employee VC Record (without groups)	On the eligibility evaluation As of Date, the member is not active in the Employee VC table or the Employee Status on the Job record is excluded under the plan rules.	The member is not active in the Employee VC table during the entire eligibility evaluation period or the Employee Status on the Job record is excluded under the plan rules.
Employee VC Record with Groups Or Define Tree/Group	The member does not meet all of the Group Build group definition criteria on the eligibility evaluation as of date.	The member does not meet all of the Group Build group definition criteria during the entire eligibility evaluation period.

- *Elig Pro (Eligible Prorated)*

The Calculate Eligibility/Proration process generates the Elig Pro status; you cannot manually enter this status. Only prorated plans use this status. Elig Pro status indicates that the member was eligible for the plan on the end date of at least one, but not all, of the proration periods for which eligibility has been calculated within the plan payout period.

- *Man Elig (Manual Eligible)*

The member was added to the plan manually. Man Elig is the default status when you insert a new row on the Plan Members or Plan Members with Groups page.

- *Man Inelig (Manual Ineligible)*

The member was manually made ineligible for the plan. The system doesn't calculate an award allocation for plan members whose eligibility status is Man Inelig.

Pages Used to View and Adjust Plan Member Eligibility

Page Name	Object Name	Navigation	Usage
Plan Members	VC_PLAN_MEM_TBL	Compensation, Variable Compensation, Identify Eligible Recipients, Eligible Employees by Plan	View and adjust member eligibility or add employees to a plan for Ad Hoc Awards.
Member History	VC_PLAN_MEM_SEC	Click the Member History Data button to the left of the plan member's data row on the Plan Members or Plan Members with Groups page.	View or correct historical plan member eligibility data.
Plan Members with Groups	VC_PLAN_MEM_WG_TBL	Compensation, Variable Compensation, Identify Eligible Recipients, Eligible Employees by Group	View and adjust member eligibility if the plan uses groups.

Viewing and Adjusting Member Eligibility

Access the Plan Members page.

The Plan Members page is similar to the Plan Members with Groups page.

See [Chapter 7, “Understanding Eligibility and Proration,” Viewing and Adjusting Eligibility for Plans With Groups, page 78.](#)

Prd Begin/End (period begin and end) The dates that you defined for this VC Plan and payout period ID in the Payout Periods table.

Eval As of Date (evaluation as of date) Different values appear depending upon the following VC Plan conditions:

VC Plan Conditions	Default Value
Ad Hoc Awards	The current date. This date is not available for change.
Non-prorated plan	The Eval As of Date. Enter this date on the Calculate Eligibility/Proration Process run control page.
Prorated plan	The Eval End Date. Enter this date on the Calculate Eligibility/Proration Process run control page.

Populating Plan Members in Chunks

Because the number of plan members can be very large, the system loads members into this page in chunks. If members exist for the current plan ID, payout period, and group, the system loads the first chunk into the page by default. Click the Refresh button to view the members. Determine the number of rows in a chunk in the Max Number of Rows in Scrolls field on the Installation Table.

Enter information into one or more of the filter fields to narrow your search, then click the Refresh button to populate the page with members who meet the search criteria. Use navigator buttons to move from one chunk to another.

Use the following filters and navigator buttons:

Name	Enter one or more letters to filter by employees' last names.
EmplID (employee ID)	Enter one or more numbers to filter by employee IDs.
Eligibility Status	Select an available value to filter by status.
Search	Click the Search link to display the first chunk of members and to display the results of a new search. The field to the left of this link tells you which rows are visible compared tot he total number of rows that match the current search criteria. For example, <i>12 to 20 of 56</i> means that rows 12 to 20, out of a total of 56 rows, are displayed.
 (Refresh Search Fields button)	Click to clear all the previously entered search criteria from the filter fields.
 (First Item button)	Click to display the first chunk of members.
 (Previous Item button)	Click to display the previous chunk of members.
 (Next Item button)	Click to display the next chunk of members.
 (Last Item button)	Click to display the last chunk of members.
Sort Members by	Select whether you want the members to appear in the list in order by <i>EmplID</i> or <i>Name</i> . <i>EmplID</i> is the default.

Plan Member Details

When you click Search, the system loads the first chunk of members for the current plan ID, payout period, and group into the page. View a different chunk by using the Plan Member Chunking Controls. For Ad Hoc Award plans, the grid is empty if you have not previously entered members for the plan ID and payout period ID.

Member information displayed in this grid is the current and future information about each member, as of the Eval As of Date that appears at the top of the page. In other words, the As of Date in the grid data row is equal to or later than the Eval As of Date at the top of the page.

EmplID (employee ID)	The plan member's employee ID appears. Entering or changing the ID is subject to the following conditions:
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Plan Member Rule	Add EmplID
Ad Hoc Awards Or Employee VC Record with Groups Or Define Tree/Group	Authorized in Update/Display or Correct History mode when adding an employee to the plan in a new data row The system displays the Employee Name after EmplID is selected. The system sets the Eligibility Status of the new row to <i>Man Elig</i> .
Employee Variable Compensation (without groups)	Not authorized.

Empl Rcd # (employment record number) The members employment record number from the latest Job record having an effective date equal to or less than the eligibility As of Date.

Eligibility Status The current or future eligibility status appears. The following are the valid values:

- *Auto Elig* (automatic eligibility): The eligibility process calculates this status.
- *Auto Inelig* (automatic ineligibility): The eligibility process calculates this status.
- *Elig Pro* (eligible prorated): The eligibility process calculates this status.
- *Man Elig* (manual eligibility): The default when you add a new row.
- *Man Inelig* (manual ineligible).

Enter or changing the Eligibility Status on the Plan Members page or Plan Members with Groups page is subject to the following conditions:

Plan Member Rule	Add Eligibility Status	Change Eligibility Status
Ad Hoc Awards	Authorized in Update/Display or Correct History mode. Only authorized in a new data row. <i>Man Elig</i> is the default when adding a new row.	Authorized in Correct History mode only. Change <i>Man Elig</i> to <i>Man Inelig</i> or <i>Man Inelig</i> to <i>Man Elig</i> .

Plan Member Rule	Add Eligibility Status	Change Eligibility Status
Employee Variable Compensation (without groups)	Not authorized.	Authorized in Correct History mode only. Change <i>Man Elig</i> to <i>Man Inelig</i> or <i>Man Inelig</i> to <i>Man Elig</i> , or change an automatic status to a manual status.
Employee VC Record with Groups Or Define Tree/Group	Authorized in Update/Display or Correct History mode. Only authorized in a new data row. <i>Man Elig</i> is the default when adding a new row.	Authorized in Correct History mode only. Change <i>Man Elig</i> to <i>Man Inelig</i> or <i>Man Inelig</i> to <i>Man Elig</i> , or change an automatic status to a manual status.

As of Date

Indicates the changes in eligibility during a given payout period.

When the Eligibility Status is Auto Elig, Auto Inelig, or Elig Pro, this date is the date as of which the system calculated eligibility. When the Eligibility Status is an auto status, you cannot change the date.

When the Eligibility Status is Man Elig or Man Inelig, you can change the As of Date only in Correct History mode.

You can enter a date between the Eval As of Date and the payout period end date only.

Proration

Appears only for prorated plans. The Calculate Eligibility/Proration process calculates this proration factor, which is not available for change.



(Member History
Data button)

Click to access the Member History page, where you can view and modify the selected member's eligibility history under this plan ID and payout period ID.

This button is unavailable if the plan member rule is Ad Hoc Award.

Viewing or Correcting Historical Plan Member Eligibility Data

Access the Member History page.

The system displays the plan member's identification information from the corresponding data row in the Plan Members page or Plan Members with Groups page.

Eligibility History

As of Date

The date as of which the eligibility status changed.

Change the As of Date only if the Eligibility Status is a manual status and you are in Correct History mode. The As of Date that you enter must be between the plan's payout period begin date and Eval As of Date at the top of the Plan Members page or Plan Members with Groups page.

Eligibility Status

You must be in Correct History mode to change the Eligibility Status. You can change an automatic status to a manual status, but you cannot change manual to automatic. You can change *Man Elig* to *Man Inelig* or *Man Inelig* to *Man Elig*. You would change the status only to correct the historical information.

Note. The system does not maintain historical data for Ad Hoc plans.

Viewing and Adjusting Eligibility for Plans With Groups

Access the Plan Members with Groups page.

Plan Members with Groups

Plan ID: HXVCT3 VC TC Empl VC Record w Groups

Period ID: 2000-1 Period Begin/End: 01/01/2000 03/31/2000

Groups Find | View All First 1 of 2 Last

Group ID: HXECOMP1 e-Comp Group 1 As of Date: 03/31/2000

Name: EmpID: Eligibility Status: Search

Sort Members by

☒ EmplID ☐ Name

Plan Member Details Customize | Find First 1 of 1 Last

*EmplID	Name	Empl Red#	*Eligibility Status	*As of Date
		0	Manual Eligible	

Plan Members with Groups page

The fields on this page are identical to the fields on the Plan Members Page with the following additional field:

Group ID

The Group ID and the group description for the active group appears. Use the previous and next buttons to select a different group.

See Also

Chapter 7, “Understanding Eligibility and Proration,” Viewing and Adjusting Plan Member Eligibility, page 70

Maintaining the Employee Variable Compensation Record

For plans that specify Employee Variable Compensation Record (without groups) as the plan member rule, update plan member information using the Employee Variable Compensation Page or the Plan Members Page.

Employee Variable Compensation Page

Use the Employee Variable Compensation page to add or delete plan membership or to change target payout information at any time in the life of the plan.

To add or delete membership on the Employee Variable Compensation page:

1. Insert a new effective-dated row.

The system asks whether you want to copy forward all existing plan rows from the previous effective date. Copy the rows forward if the employee is still active in the plans.

2. To make an employee ineligible for a plan, insert a new effective-dated row and keep the plan detail but delete the value in the eligibility date field (null value).

Deleting the entire detail row for that plan does not make the employee ineligible.

3. To make an employee eligible for a plan, insert a new plan row and enter data as necessary.

Plan Members Page

Use the Plan Members page to change a member's eligibility status.

See Also

Chapter 7, "Understanding Eligibility and Proration," Viewing and Adjusting Plan Member Eligibility, page 70

CHAPTER 8

Managing Plans With Weighted and Matrix Goals

This chapter provides an overview of using weighted and matrix goals and describes how to:

- Enter goal attainments.
- Understand the performance factor.
- Run the Organization and Group Goals report.
- Enter matrix goal attainments.

Overview of Managing Plans With Weighted Goals

To manage a plan with weighted goals:

1. Define goal IDs on the Vc Goal Table page.
2. Define weighted goals as a plan option on the VC Plan - Plan Definition page.
 - Select *Weighted Goals* as the Plan Goals type.
 - Specify the plan goal weights for each of the three goal levels. The total must be 100 percent.
3. Set up weighted goals on the Plan Goals pages or Plan Goals with Groups pages.
4. Enter Goal attainments for each level of weighted goals on the goal attainments pages.
5. Calculate a performance factor for organization and group goals during the Determine Allocation process.
6. Calculate a performance factor for individual goals during the Calculate Awards process.
7. Apply the performance factor to the target payout during the Calculate Awards process.
8. Run the optional Organization and Group Goals report before or after the measurement period.

See Also

Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Running the Organization and Goals Report, page 90

Common Elements Used with Weighted Goals

Goals	The performance measures that you define on the VC Goals Tbl page.
Goal Level	The three levels at which you can assign goals: organization, group, and individual.

Plan Goal Weights	The weighting percents that you assign to the three goal levels when you define the plan on the VC Plan - Plan Definition Page. You assign a weight of 0 percent for a level that does not apply in your plan.
Weighted Goal Percents or Weighting Percents	The weighting percents that you assign to the various performance goals that you set up at each goal level.
Attainment Percents	The percent of accomplishment of performance goals at each goal level.

See Also

Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Calculating the Performance Factor, page 88

Chapter 5, “Setting Up Variable Compensation Control Tables,” Defining Goals, page 26

Understanding Weighted Goal Levels

You can manage a variable compensation (VC) plan with weighted goals at one, two, or three levels. The three levels are organization, group, and individual. When you define the plan, assign a Plan Goal Weight to each level. The Plan Goal Weight indicates the relative value of each level in the final performance factor calculation. If you don't use a level, assign a Plan Goal Weight of 0 percent.

Organization Goals

Organization goals are performance goals that you set for the entire organization. Assign a weighted goal percent to each organization goal to determine its importance relative to other goals at the same level. The attainment percent of organization goals impacts the VC calculation of all plan members equally. For example, an organization goal could be financial (revenues) or operational (headcount).

Group Goals

You can use group goals if you administer the plan using groups. Group goals are performance goals that you set for all members of a group. Child groups inherit the performance factor of parent groups unless you establish different goals at the child group level. If goals are specified for a group, the group performance factor is calculated based on the attainments for the group's own goals. If no goals are specified, the group performance factor is taken from the parent group.

Assign a weighted goal percent to each group goal to determine its importance relative to other goals at the same level. The attainment percent of group goals impacts the VC calculation of all members of the group equally.

Individual Goals

Individual goals are performance goals that you set for individual plan members. You assign a weighted goal percent to each individual goal to determine its importance relative to other goals at the same level. The attainment percent of individual goals impacts only the VC calculation of the individual plan member.

See Also

Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Common Elements Used with Weighted Goals, page 81

Chapter 5, “Setting Up Variable Compensation Control Tables,” page 21

Entering Goal Attainments

The goal attainment is a percent that expresses the degree to which the organization, group, or individual met the stated goal during the performance period. Enter an attainment percent greater than 100 percent if performance in the goal exceeds expected performance. If you do not enter an attainment percent for a goal that you have set up, the system assumes 0 percent attained for that goal.

Enter goal attainments at each level for which you set up weighted goals in the plan. When you enter a goal attainment page, the system displays a data row for each goal ID that you set up at that level for the plan or group.

When to Enter Attainments

Enter goal attainments whenever the information is available in your organization’s business process, subject to the following limitations:

Organization and group attainments	Enter all organization and group attainments before you run the Determine Allocation process.
Individual attainments	Enter individual attainments any time before you run the Calculate Awards process for the plan or group.

Pages Used to Enter Goal Attainments

Page Name	Object Name	Navigation	Usage
Organization Goal Attainment	VC_ORG_GOAL_ATN	Compensation, Variable Compensation, Define Goal Attainments, Organization's Goals	Enter the goal attainments for the organization goals that you set up for the plan.
Group Goal Attainments	VC_GRP_GOAL_ATN	Compensation, Variable Compensation, Define Goal Attainments, Groups Goals	Enter the goal attainments for the group goals that you set up for the plan.
Individual Attainments	VC_IND_GOAL_ATN	Compensation, Variable Compensation, Define Goal Attainments, Individual's Goals	For plans that don't use groups. Add goals and weights, change or delete default goals and weights, and enter goal attainments for individual plan members. The Eligibility/Proration process loads the default individual goals into this page for all eligible plan members. Use the defaults as a starting point for updating the individual's goals before entering goal attainments.
Individual Attainments With Groups	VC_IND_GOAL_WG_ATN	Compensation, Variable Compensation, Define Goal Attainments, Individual w/in Group	For plans that use groups. Add goals and weights, change or delete default goals and weights, and enter goal attainments for individual plan members.

Entering Organization Goal Attainments

Access the Organization Goal Attainment page.

Organization Goal Attainment

VC Plan ID: HVEMPGLWGT **Employee Goal Weights**

Payout Period Find | View All First 1 of 2 Last

Period ID: 1 **Total Weight:** 100.00 + -

Organization Attainment Detail Find | View All First 1 of 1 Last

Goal ID: KCUSTOMER Customer Satisfaction

Weight: 100.00

Description:

Attainment:

Long Description:

Organization Goal Attainment page

Period ID Select the plan payout period for which you want to enter goal attainments.

Goal ID Select a goal ID. The system displays a row for each Goal ID that you entered on the Organization Goals setup page. You must enter a goal attainment for each goal that you set up. The system assumes 0 percent attainment if you leave this field blank.

Weight The system displays the weighting percent that you assigned to the Goal ID.

Attainment Enter the percent attained value for this goal.

Comments Enter any information pertinent to the goal attainment.

Entering Group Goal Attainments

The system attributes a group's performance factor to all of its child groups unless you have set up goals at a child level. As a result, any child group that does not have specific goals defined takes on the performance factor of the next highest group on the tree that has goals defined.

Note. The child group does not inherit the actual attainments; it inherits only the performance factor.

Access the Group Goal Attainments page.

Group Goal Attainments page

All fields on this page are identical to the fields on the Organization Goal Attainment page, with the addition of the Group ID field.

Group ID Select the ID of the group whose goal attainments you want to enter. The system displays the description of the group.

See Also

[Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Entering Organization Goal Attainments, page 84](#)

[Chapter 5, “Setting Up Variable Compensation Control Tables,” Setting Up Weighted Goals, page 27](#)

Entering Individual Goal Attainments

Access the Individual Attainments page (the Individual Attainments page is similar to the Group Goal Attainments and Organization Goal Attainments page).

Period ID The identifier for the plan payout period for which you want to enter goal attainments.

No Goals Select if you want to delete all individual goals for the plan member. When you select No Goals, the system deletes all individual goal records for the plan member (causing the fields to become unavailable for entry) and assumes 100 percent attainment at the individual level (so that there is no reduction in the award for lack of goals).

Total Weight The system sums the weighting percents as you change or enter them for each goal and displays the cumulative total in this field. Adjust the weights for goals until the sum of all goal weights for the payout period is 100 percent. To save the page, the Total Weight must equal 100 percent.

Goal ID	Displays a row for each default Goal ID that you entered on the Organization Goals setup page. Select a data row for a default Goal ID, or add a new goal by selecting an ID from the options.
Weight	Displays the weighting percent that you assigned to the default Goal ID. Change the default weight or enter a weighting percent for a new goal ID. The total of all weights for the payout period ID must equal 100 percent.
Attainment	Enter the percent attained value for each goal.

Entering Goal Attainments for Individuals With Groups

The system does not automatically apply the attainment percents of a parent group to its child groups on the tree. You must select the group ID for each group for which you want to modify default individual goals and enter attainment percents.

Access the Ind. Attainments With Groups page.

Ind. Attainments With Groups

VC Plan ID: KCORP Tree Plan - Corporate Compensation

Period ID: Q1

Groups Find | View All First 1 of 5 Last

Group ID: KCSALES Sales CAN

Employee Details Find | View All First 1 of 4 Last

EmplID: KC0008 Wilson, Kenneth John

Empl Rcd#: 0 ☐ No Goals **Total Weight:** 100.00

Individual Goal Attainments Find | View All First 1 of 1 Last

***Goal ID:** KINDVDUAL Individual Sales Goals + -

Weight: 100.00

Attainment: 100.00

Long Description:

Ind. Attainments With Groups page

The Eligibility/Proration process loads the default individual goals into this page for members of groups that have default individual goals set up. Use the defaults as a starting point for updating the individual's goals before entering goal attainments.

All fields on this page are identical to the fields on the Individual Attainment page, with the addition of the Group ID field.

Group ID	Select the Group ID of the plan members whose goal attainments you want to enter. The default value is the highest level group ID for which you set up default individual goals. When you move out of the field, the system displays the description of the group.
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Lower level groups do not inherit the goal attainments of higher level groups. Select each group and each member for which you want to enter attainment percents.

See Also

Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Entering Individual Goal Attainments, page 86

Understanding the Performance Factor

The Determine Allocations process calculates the performance factor for organization and group level goals. The Calculate Awards process calculates the performance factor for individual goals. The Calculate Awards process also calculates the total performance factor and applies it to the prorated target payout.

Calculating the Performance Factor

The system multiplies the following three percentages to calculate the performance factor for each goal:

Plan Goal Weight	The weighting percent that you assign to the goal level when you define the plan.
Weighted Goal Percent	The weighting percent that you assign to the performance goal.
Attainment Percent	The percent of accomplishment of the performance goal.

The Performance Factor Calculation Formula

The formula for calculating the performance factor for each goal is:

Plan Goal Weight x Weighted Goal percent x Attainment percent

The Calculate Awards process sums the performance factor of all goals to derive the plan member's total performance factor. It rounds the calculation up to five decimal places.

Example: Performance Factor for Goals Established at Three Levels

The following is an example of the performance factor for established goals.

Data

The goal data is:

- *Plan Goal Wts*
 - Organization — 50%
 - Group — 35%
 - Individual — 15%
 - Total — 100%*
- *Weighted Goal %*

Org. Goal 1 — 35%

Org. Goal 2 — 65%

Total — 100%

Group Goal 1 — 50%

Group Goal 2 — 50%

Total — 100%

Indiv. Goal 1 — 100%

Total — 100%

- *Attainment %*

Org. Goal 1 — 100%

Org. Goal 2 — 125%

Group Goal 1 — 75%

Group Goal 2 — 50%

Indiv. Goal 1 — 100%

Calculation

	Plan Goal Weight	x	Weighted Goal %	x	Attainment Percent	=	Performance Factor (PF)
Org. Goal 1	50 %	x	35 %	x	100 %	=	.175
Org. Goal 2	50 %	x	65 %	x	125 %	=	.40625
Group Goal 1	35 %	x	50 %	x	75 %	=	.13125
Group Goal 2	35 %	x	50 %	x	50 %	=	.0875
Indiv. Goal 1	15 %	x	100 %	x	100 %	=	.15
					Total PF	=	.95

Applying the Performance Factor

The Calculate Awards process multiplies the prorated target payout formula by the performance factor. The following example illustrates an award calculation using the performance factor calculated in the previous example.

- *Data:*
 - Employee Salary — \$50,000 (annual rate)
 - Plan Payout Formula — 15 % of base pay/quarterly
 - Proration Factor — .75
 - Performance Factor — .95
- *Award Calculation:*

$$(\$50,000 \times 15\%) / (4 \times 0.75 \times 0.95) = \$1,335.94$$

See Also

Chapter 10, “Calculating Allocations and Awards,” page 117

Running the Organization and Goals Report

This section explains how to generate the Organization and Goals report.

Page Used to Run the Organization and Goals Report

Page Name	Object Name	Navigation	Usage
Organization and Group Goals	RUNCTL_VC_REP	Compensation, Variable Compensation, Variable Comp Report, Organization and Group Goals	Run the Organization and Group Goals Report (VC011). This report provides the plan goal weights for the variable compensation plan ID and period ID and a list of all organization and group weighted goals in the plan with their weighting percent and attainment percent.

See Also

PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook, “PeopleSoft Application Fundamentals for HRMS Reports,” Manage Variable Compensation Reports

Understanding Matrix Goals

When you use a goals matrix, set up goals, performance levels, and a payout schedule. The system calculates a performance score that determines the payout formula used by the Award Allocation process to calculate awards.

Because the goals matrix option determines the payout formula at the organization or group level, consider your options carefully before using this option for plans administered with Employee VC Record or Employee VC Record with Groups plan member rules. With these plan member rules, you can set the target payout at the individual plan member level. You would override this feature by using a goals matrix.

Organization or Group Goals Matrix

Manage a variable compensation (VC) plan with a goals matrix at the organization level or at the group level, depending upon the plan member rule that you established for the plan.

- If the plan member rule is Empl VC Record (without groups), the matrix is an organization goal matrix.
- If the plan member rule is Empl VC Record with Groups or Define Tree/Group, set up the matrix at the group level for group goals.
- The system does not support individual level matrix goals.

Organization Level	Set performance goals for the entire organization. The performance score for organization goals determines the payout formula for all plan members.
Group Level	Set performance goals for all members of a group. Child groups inherit the group goals and attainments of parent groups, unless you establish a different goals matrix at the child group level. The performance score for group goals determines the payout formula for all members of the group.

Common Elements Used with Goals Matrix

Goal Weight	The weighting percents that you assign to the performance goals that you set up in the matrix.
Threshold	Minimal performance conditions that must be met if there is to be a payout. The function of thresholds is to cancel payouts when some minimally acceptable performance level has not been achieved on the goals that you set.
Target	Performance conditions that must be met if there is to be optimal payout. Target implies the average level of performance in achieving the goals in the matrix. The group or organization usually meets the target level of performance 80 percent of the time.
Stretch	Performance conditions that must be met if there is to be the highest payout. Stretch implies the maximum level of performance in achieving the goals in the matrix. The group or organization usually reaches the stretch level of performance 50 percent of the time.
Performance Level	The percentages that you assign to the threshold, target, and stretch levels on the matrix. The system uses these percentages to calculate the performance score.

The number of performance levels corresponds to the number of columns that you specified for the matrix. It is common to set up five levels that range from 80 percent to 120 percent. In such a scheme, 80 percent and 90 percent represent performance that is below expected, 100 percent represents the expected level of performance, and 110 percent and 120 percent represent higher-than-expected performance. Three levels and seven levels are also common.

Performance Value

A numeric representation of the value of performance to be attained at each threshold, target, or stretch performance level in the matrix. Depending upon how you measure the goal, express the performance value as a percentage or as a flat amount.

The performance value determines the performance level percent that the system uses to calculate the performance score.

Goal Attainment Value

Numeric representation of the attainment of a matrix goal. The system interpolates the goal attainment value to a performance value. That performance value determines the performance level percent used in the performance score calculation.

Performance Score

The system calculates the score for each goal by multiplying the goal weight by the percent of the performance level under which the attainment value falls. The total performance score is the sum of the scores for all goals in the matrix. The system determines the payout formula based on where the total performance score falls on the payout schedule.

Total Score

Sum of the performance scores for all goals within the matrix. The system determines the payout formula based on where the total performance score falls on the payout schedule.

Payout Schedule

Schedule of performance score ranges and associated payout formulas.

Payout Formula

The formula the system uses to calculate the plan member's valuable compensation (VC) award. Usually the formula is some percentage of base pay.

Summary of Matrix Goals Procedures

To manage plans with a goals matrix:

1. Define goal IDs on the VC Goal Table page.
2. Define *Goals Matrix* as a plan option on the VC Plan - Plan Definition Page.
 - Select *Goals Matrix* as the Plan Goals type.
 - Define the number of columns that you want to set up in the matrix.
3. Set up the goal matrix on the Plan Goals - Matrix Goals page or Plan Goals with Groups - Matrix Goals page.
 - Enter the goal IDs that you'll use to evaluate performance.
 - Establish a weighting percent for each goal ID. The cumulative total of the weights for all goals must equal 100 percent.

- Enter the threshold, target, and stretch performance level percentages for the number of matrix columns that you defined for the plan.
 - Identify the measurable performance level values for each goal at each performance percent level.
4. On the Payout Schedule page, identify a payout schedule that represents the amount of award that a plan member would receive at the various performance levels.
 5. On the matrix goal attainment pages, enter the goal attainment value for each goal.

The system performs the following calculations:

- Determines the performance score for each goal.
 - Sums the scores of all goals.
 - Determines the payout formula.
6. Calculate the award using the payout formula during the Calculate Awards process.

See Also

[Chapter 5, “Setting Up Variable Compensation Control Tables,” Defining Goals, page 26](#)

[Chapter 10, “Calculating Allocations and Awards,” Calculating Awards, page 122](#)

Example of Managing a Plan Using Matrix Goals

The following example illustrates the matrix goal business process.

Performance Levels				Performance Values				
		Threshold		Target		Stretch		
Goals	Weight	80%	90%	100%	110%	120%	Attainment	Score
On-Time Service Accuracy	40%	85%	90%	92%	94%	97%	92%	40
Contribution Margin	35%	12%	14%	16%	18%	20%	18%	39
Customer Satisfaction	25%	80	85	90	95	98	85	23
Total Goal Weight		100%	Total Performance Score					102

Sample goal matrix with five columns

The sample matrix shows the following elements:

- Five *performance levels* ranging from 80 percent to 120 percent for the threshold, target, and stretch levels.
- Three *goals* for measuring performance.
- *Weight* percents for each goal (total goal weight is 100 percent).
- The *performance values* to be attained for each goal at each performance level.

Because contribution margin is usually expressed as a percentage, the plan administrator has indicated that a contribution margin of 12 percent is the lowest value the organization needs to reach in order to provide for a meaningful reward. However, 16 percent is the ideal target.

You do not have to express performance values as a percent. Note that the customer satisfaction performance value is a flat amount because it is measured as a score on a survey.

- The actual goal *attainment* value expressed in the same measure (percent or flat amount) as the performance value for each goal.
- The *score* that the system calculated for each goal and the *total performance score*.

Calculating the Performance Score

The formula for calculating the performance score is:

$$\text{Goal Weight} \times \text{Performance Level of the Attainment Value}$$

In the example, the attainment value for On-Time Service Accuracy is 92 percent. The 92 percent performance value falls in the 100 percent performance level. So the performance score calculation for On-Time Service Accuracy is as follows:

$$40\% \times 100\%$$

The attainment value for Contribution Margin is 18 percent. The 18 percent performance value falls in the 110 percent performance level. So the performance score calculation for Contribution Margin is:

$$35\% \times 110\% = 39$$

The attainment value for Customer Satisfaction is 85. The performance value of 85 falls in the 90 percent performance level. So the performance score calculation for Customer Satisfaction is as follows:

$$25\% \times 90\% = 23$$

The Total Performance Score is the sum of the scores for all three goals:

$$40 + 39 + 23 = 102$$

Note. If the attainment value falls between two performance levels, the system interpolates the performance level. For example, if the attainment value for On-Time Service Accuracy was 91 percent, the system interpolates the performance level to be 95 percent, which is halfway between the performance levels for the attainments of 90 percent and 92 percent, respectively.

Determining the Payout Formula

Set up a payout schedule that associates payout formulas with ranges of total scores. The system evaluates only the scores that are equal to or higher than the threshold when it assigns payout formulas.

The following is an example of a payout schedule:

From – To	Payout Formula
80 – 90	3 percent of Quarterly Base Pay
90 – 100	5 percent of Quarterly Base Pay

From – To	Payout Formula
100 – 110	7 percent of Quarterly Base Pay
110 – 120	10 percent of Quarterly Base Pay
120	15 percent of Quarterly Base Pay

In this example, the total performance score of 102 falls in the range of 100 - 109, so the payout formula is 7 percent of quarterly base pay. The Calculate Awards process uses the payout formula when it calculates the award.

See Also

[Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Common Elements Used with Goals Matrix, page 91](#)

Entering Matrix Goal Attainments

Enter goal attainments after you have completed the performance review. You must complete the attainments before calculating awards.

Pages Used to Enter Matrix Goal Attainments

Page Name	Object Name	Navigation	Usage
Matrix Goal Attainment	VC_MTX_GOAL_ATN	Compensation, Variable Compensation, Define Goal Attainments, Matrix Goals	Enter the numeric value of attainment of each goal in the matrix. The system calculates the performance score and determines the payout formula.
Matrix Attainments With Groups	VC_MTX_GOAL_WG_ATN	Compensation, Variable Compensation, Define Goal Attainments, Matrix Goals w/in Group	Enter the numeric value of attainment of each goal in the matrix. The system calculates the performance score and determines the payout formula.

Entering Matrix Goal Attainments for Plans Without Groups

Access the Matrix Goal Attainment page.

Matrix Goal Attainment

Plan ID: HXVC04 VC Discr Cash Org Matrix Goals

Matrix Definition
Find | View All
First 1 of 2 Last

Period ID: 1999

	Threshold	Target	Stretch
	Step 1	Step 2	Step 3
Payout Schedule	75.00	90.00	105.00

Goals Matrix
Find | View All
First 1-2 of 2 Last

Goal ID	Weight			Attainment	Score
HXVCGOAL01	75.00	1.50	3.00	5.00	0.00
HXVCGOAL05	25.00	90.00	95.00	100.00	0.00

Total Weight: 100.00 **Payout Formula:** **Total Score:** 0.000

Matrix Goal Attainment page

Viewing the Goals Matrix

The system displays the goals matrix that you set up for the Plan ID with the values that you entered on the Matrix Goals setup page. You cannot change those values on this page.

Entering Goal Attainments

Attainment

On each row of the matrix, enter the goal attainment value for that goal. It is expressed in the same numeric representation as the performance values that you entered into the matrix. The system uses the goal attainment value to interpolate a performance value on the matrix and uses the percent of the corresponding performance level in the performance score calculation.

Score

The system calculates the performance score by multiplying the goal Weight by the performance level that was calculated for the attainment.

Total Score

The system enters the sum of the performance scores for all goals. It uses the Total Score to determine the payout formula.

Payout Formula

The system compares the Total Score to the score ranges that you set up on the Payout Schedule page. It populates the Payout Formula field with the payout formula that you defined for the corresponding range.

See Also

[Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Example of Managing a Plan Using Matrix Goals, page 93](#)

Entering Matrix Goal Attainments for Plans with Groups

Access the Matrix Attainments With Groups page.

Matrix Attainments With Groups

Plan ID: HVGRPGLMTX **Group with Goals Matrix**

Payout Periods Find | View All First 1 of 1 Last

Period ID: 1

Matrix Definition Find | View All First 1 of 1 Last

Group ID:

Threshold		Target	Stretch	
Step 1	Step 2	Step 3	Step 4	Step 5

[Payout Schedule](#)

Goals Matrix Find | View All First 1 of 1 Last

Goal ID	Weight	Attainment	Score

Total Weight: **Payout Formula:** **Total Score:**

Matrix Attainments With Groups page

This page and its fields are identical to the Matrix Goal Attainments page, with the addition of the following field:

Group ID

Find the Group ID for which you want to enter goal attainment values. Only the groups for which you have security access are available.

The system automatically applies the highest group's attainments, performance scores, and payout formula to all child groups, unless you have set up a different matrix at a lower level. In other words, child groups take on the matrix and payout formula of the next highest group with a goal matrix.

See Also

[Chapter 8, "Managing Plans With Weighted and Matrix Goals," Example of Managing a Plan Using Matrix Goals, page 93](#)

[Chapter 8, "Managing Plans With Weighted and Matrix Goals," Entering Matrix Goal Attainments for Plans Without Groups, page 95](#)

CHAPTER 9

Funding Variable Compensation Plans and Groups

This chapter discusses how to:

- Budget awards.
- Fund variable compensation plans.
- Allocate funds to groups.

Overview of Variable Compensation Funding

Plan funding sets a cap on payouts under the plan. If funding falls short of the calculated payout, the Calculate Awards process calculates and applies an adjustment factor to awards that are above the minimum. The system tracks and updates your funding balances as you grant awards on the Award Allocations page

To fund a variable compensation plan:

1. Select Funded Plan on the VC Plan - Plan Business Rules Page when you set up the plan.
2. Run the Budget Report to determine the expected total cash outlay under the plan (optional).
3. Fund the VC Plan using the Plan Funding Page.
Fund the plan at any time during the life of the plan.
4. Distribute funds to groups in the plan using the Group Funding Allocation Page (for plans that use groups).
Allocate funds to groups at the end of the payout period, when goal attainments and proration are known.

See Also

[Chapter 9, “Funding Variable Compensation Plans and Groups,” Allocating Funds to Groups, page 102](#)

Understanding the Adjustment Factor

The Calculate Awards process calculates and applies an adjustment factor when the calculated awards exceed the funding for the plan. The purpose of the adjustment factor is to adjust each individual award in the same ratio to the calculated award as the ratio of group/plan funding to the total value of calculated awards for the group/plan. For example, if the funding for the group or plan is 10 percent less than the total calculated awards for the group or plan, the adjustment factor would reduce the individual’s calculated award by 10 percent.

The process applies the adjustment factor to the adjustable portion of each individual’s award. The adjustable portion of an award is the calculated award amount minus the minimum payout amount that you (optionally) established for the group or plan. The system subtracts the minimum award value when calculating and applying the adjustment factor because the minimum is not considered adjustable.

The system calculates the adjustment factor using the following formula:

$$\left(\frac{\text{Total Group}}{\text{Plan Available Funds}} \right) - \left(\frac{\text{Total Group}}{\text{Plan Minimum Payout Value}} \right)$$

That is, the actual funded amount for each group/plan less the sum of the minimum awards for that group/plan divided by the sum of the adjustable portions of all individual awards.

The Calculate Awards process applies the adjustment factor to the Calculated Award and enters the result in the Adjusted Award field on the Award Allocations page.

Budgeting Awards

When determining how much funding to allocate to a plan, use the Budget Report to help you calculate the potential cash outlay for the plan. This report calculates the target payout under the plan assuming 100 percent proration.

Page Used to Run the Budget Report

Page Name	Object Name	Navigation	Usage
Budget Report page	RUNCTL_VC_REP	Compensation, Variable Compensation, Variable Comp Reports, Budget, Budget Report	Run the Budget Report (VC002). This report helps you calculate how much funding to allocate to a plan.

Running the Budget Report

Access the Budget Report page.

Budget Report

Run Control ID: 123 [Report Manager](#) [Process Monitor](#) **Run**

Report Request Parameter(s)

VC Plan ID:

Payout Period ID:

Report Type

- ☒ Summary
- ☐ Detail

Budget Report page

If you use weighted goals in the plan, specify hypothetical attainment percentages on this page. If you use a goals matrix, specify a hypothetical matrix score. If you don't specify hypothetical goal attainments or a score, the system assumes 100 percent goal attainment.

Org Percent Attained
(organization percent attained)

(Weighted goals) Enter the organization goal attainment percent that you want the system to use in calculating the budget amount.

Group Percent Attained

(Weighted goals) Enter the group goal attainment percent that you want the system to use in calculating the budget amount.

Ind Goal Weight (individual percent attained)

(Weighted goals) Enter the individual goal attainment percent that you want the system to use in calculating the budget amount.

Score

(Matrix goals) Enter the goal matrix score that you want the system to use in calculating the budget amount.

Report Type

Select a detailed report or a summary report:

- The detailed report lists all employees in a plan by group, the employee's projected target award value, carryover balance, minimum award, and maximum award, as well as the sum of these values for each group and the grand total for the plan.
- The summary report lists the total values for each group and the grand total for the plan.

Funding Variable Compensation Plans

Plan Funding is optional for all plan types except the five stock types.

You can allocate funds to the plan at any time in the life of the plan. After the initial allocation, you can use the Plan Funding setup page to increase or decrease funding to the plan. If the plan uses groups, you must first allocate funds to the plan before you allocate funding to the groups.

Funding Ad Hoc Plans

Ad Hoc plans do not use the Calculate Awards process, so there is no adjustment factor for these plans. The available balance of funding appears on the Award Allocations page, and the system updates the balance as you allocate awards. The system warns you if you try to exceed the available balance. You can then allocate more funds to the plan or adjust the award to fall within the balance.

Funding Stock Plans

Plan funding is mandatory for stock-type plans. If your organization uses PeopleSoft Stock Administration, the stock administrator allocates shares to variable compensation by stock plan and stock ID. From that allocation, the variable compensation administrator can fund multiple stock plans that have the same stock plan and stock ID.

See Also

PeopleSoft 8.8 Stock Administration PeopleBook, “Administering Variable Compensation Grants,” Allocating Stock to the Variable Comp Stock Fund

Allocating Funds to Groups

This section provides an overview of allocating funds to groups and describes:

- How to determine managers and approvers.
- A summary of group funding procedures.
- An example of group funding allocations.
- How to distribute funds among groups.
- How to allocate funds to the plan for the payout period.
- The Funding Allocation Report.

Understanding Allocating Funds to Groups

Funding groups is a top-down process. You first fund the highest group on the tree, which includes all groups in the plan. You then gradually divide the initial plan funding as you fund groups at intermediate levels. The system uses the tree hierarchy to check that funding at lower levels does not exceed the allocations at the upper levels of the hierarchy.

If you allocate funding to plans with groups, the manager and approver of a group must first calculate and then approve the awards for the manager's direct reports before allocating funding to the child groups.

Wait until the end of the payout period before you allocate funds to groups. Before you begin, enter all goal attainments and calculate eligibility for the entire payout period.

Pages Used to Allocate Funds to Groups

Page Name	Object Name	Navigation	Usage
Group Funding Allocation	VC_GRP_ALLOC	Compensation, Variable Compensation, Calculate Awards, Allocate Group Funding , Group Funding Allocation	Distribute the plan funding among the groups on the tree.
Funding Allocation - Fund Plan	VC_GRP_ALLOC_SEC	Click the Fund Plan button on the Group Funding Allocation page.	Allocate funds out of the plan's general funding to the plan for one specific payout period. This page is used by the person who is the authorized approver of the highest group in the plan.
Funding Allocations Report	RUNCTL_VC_REP	Compensation, Variable Compensation, Variable Comp Reports, Funds Allocations, Funding Allocation Report	Run the Funding Allocations report (VC006). After you allocate funds to groups, use the optional Funding Allocations report to review and evaluate the distribution of funds to all of the groups in the plan. The report lists all data as summary information at the group level.

Determining Managers and Approvers

As a general rule, the approver of a group is the manager of the parent group. Because the approvers are the higher level managers, they are not members of the groups they approve.

Managers generally are members of the groups they manage. The security mechanism in the Group Funding Allocation pages and Award Allocation With Groups page prevents managers who are members of the group from seeing their own awards.

You must set up a user ID for each employee who is a manager or approver on the Maintain Security - User Profiles page. Designate the approver and manager of each group on the Group Profile page when you set up groups in Group Build.

On the Group Tree Security Page, set up security so that all approvers/managers are given access to the groups that they manage.

Plans Without Approval

You must set up an approver for the root group if you fund the plan, even if the plan does not specify Approve Awards as a plan business rule. That approver allocates funds to the root group and allocates the award of the root group's manager.

See Also

PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook, “Working With Groups”

Chapter 6, “Setting Up Plan Membership,” Establishing Tree Security, page 57

Summary of the Group Funding Allocations Process

The procedures for allocating funds to groups on the tree vary slightly according to the group structure, how you set up manager and approver IDs, and whether the manager is a member of the group. The following steps outline the generic procedures for allocating funds and calculating awards for managers and their groups down the tree.

These generic procedures assume the following:

- Approval is required under the plan business rules.
- The manager is always a member of the group.
- The approver is always the manager of the immediate parent group on the tree.

To allocate funds and awards to groups on the tree:

Funding the Highest Group

The following two steps are done just one time for each payout period.

1. The approver of the highest group runs the Determine Allocations process.
2. The approver of the highest group funds the highest group on the Group Funding Allocation page.

Awarding the Group Manager and Funding Child Groups

The following steps are repeated for each level of groups on the tree in succession.

1. The approver runs the Calculate Awards process for the group.
This process populates the Award Allocations page.
2. The approver of the group approves the award of the group's manager on the Award Allocations page.
 - a. Modify the award if desired.
 - b. Change the Award Status to *Approved*.
3. The manager of the group receives workflow notice that he can allocate awards to his direct reports and subgroups.
4. The manager of the group allocates and recommends awards for direct reports on the Award Allocations page.
5. The approver receives workflow notice that he can approve the awards for the group manager's direct reports.
6. The approver approves awards of the group manager's direct reports.

7. The manager allocates funds to child groups on the Group Funding Allocation page.
8. The approvers or managers of the child groups receive a workflow notice.
 - For each subgroup that includes the managers as group members (as indicated in this example), the approver gets a workflow message saying that he should run the Calc Awards process for that group and subsequently approve the manager's award. Because we assumed in this example that the manager of a group is the approver of the subgroups, the person who allocated funds to the subgroups is the same as the one who gets this workflow message.
 - For each subgroup that does not include the manager as group member, the manager gets a workflow message that he should run the Calc Awards process, recommend the awards of the direct reports, and fund the subgroups.
9. Repeat steps 3 through 8 for each group moving down the tree.

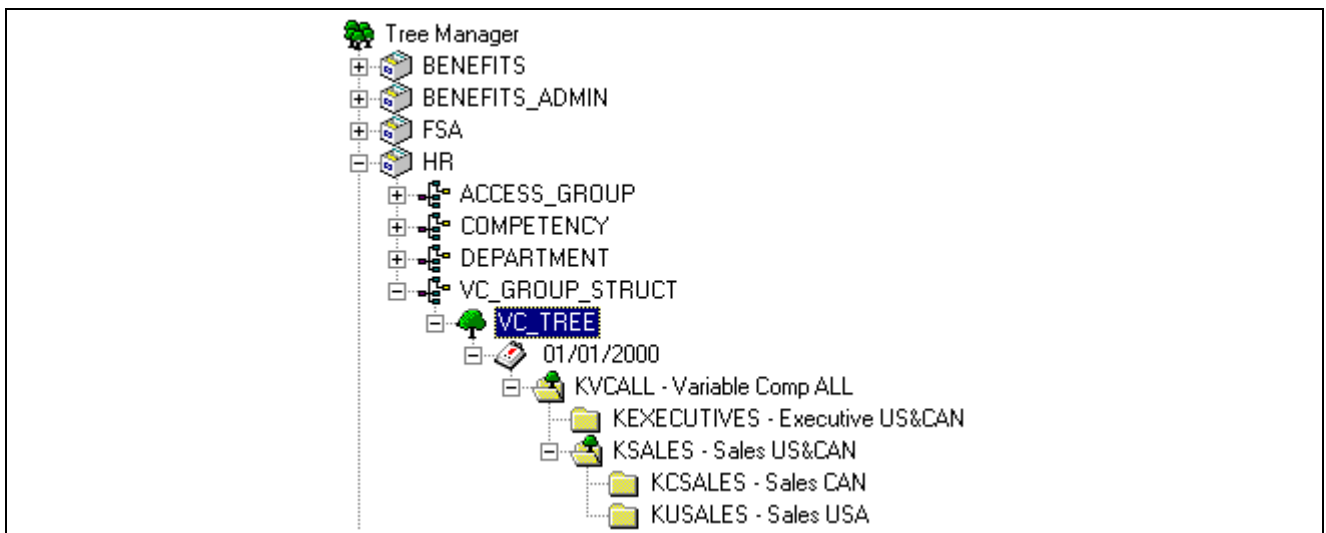
Awards are automatically submitted for payout or distribution by group when all awards in the group have a status of *Approved* (or *Cancelled*).

Example of Group Funding Allocations

The preceding section outlined the generic procedures for allocating funds and calculating awards for groups and their managers down the tree. This section provides a sample group tree and outlines the procedures for distributing funding and allocating awards for groups in the tree.

Sample Group Tree

The following example illustrates a tree named VC Tree:



VC Tree example

Deleting Duplicate Membership

Because of the way hierarchical groups are set up, most employees are members of multiple groups. For example, a member of the Sales Canada group, KCSALES, is also a member of the Sales group, KSALES, and therefore, is a member of the overall group, KVCALL. During the Calculate Eligibility/Proration process, the Delete Duplicates step removes employees from all intermediate levels and leaves them only as members of the lowest level group to which they belong. It is in this lowest level group that their awards are determined.

The following table displays all group members in the sample tree hierarchy according to the initial group definition in group build. At each level, the members listed in *italics* remain as members of the group; members not in *italics* are deleted as duplicates. The table also names the approver and manager of each group.

Top Group Level 0	Group Members and Subgroups on Level1	Group Members and Subgroups on Level 2	Group Members
KVCALL Approver KU0002 Manager KU0003			
	<i>KU0003</i>		
	<i>KU0007</i>		
	KC0002		
	KC0005		
	KC0013		
	KC0008		
	KC0022		
	KC0027		
	KU0051		
	KU0064		
	KU0082		
	KEXECUTIVES Approver KU0003 Manager KC0002		
		<i>KC0002</i>	
		<i>KC0005</i>	

Top Group Level 0	Group Members and Subgroups on Level1	Group Members and Subgroups on Level 2	Group Members
	KSALES Approver KU0003 Manager KC0013		
		KC0013	
		KU0082	
		KC0008	
		KC0022	
		KC0027	
		KU0051	
		KU0064	
		KCSALES Approver KC0013 Manager KC0008	
			KC0008
			KC0022
			KC0027
		KUSALES Approver KC0013 Manager KC0008 (not a group member)	
			KU0051
			KU0064

Identifying Managers and Approvers

Because the approvers in this example are the higher level managers, they are not members of the groups they approve.

Managers generally are members of the groups they manage. In this example, the group KUSALES is an exception because it is managed by KC0008, who manages KCSALES. KC0008 is a member of KCSALES but not of KUSALES.

In this example, the user ID is identical to the employee ID.

Steps for Allocating Funds

The VC administrator first allocates funds to the overall plan using the Plan Funding Page. After that, the process proceeds as follows:

1. Fund and award KVCALL group members:
 - a. User KU0002 runs the Determine Allocations process using the Determine Allocation Process page.
 - b. User KU0002 (approver of KVCALL) allocates funds to the top group KVCALL on the Group Funding Allocation - Fund Plan page.
 - c. User KU0002 runs the Calculate Awards process for KVCALL using the Calculate Awards by Group Process page.
 - d. User KU0002 modifies and approves the award for KU0003, manager of KVCALL using the Award Allocation With Groups page.
Approval for the manager must always be manual in the Award Allocation With Groups page.
 - e. User KU0003 (manager of KVCALL) modifies the awards for his direct reports (KU0007) and sets them to Recommended status using the Award Allocation With Groups page.
 - f. User KU0002 (approver for KVCALL) approves the award for KU0007.
Manually approve the award using the Award Allocation With Groups page or automate the approval using the Approve Awards by Group process.

When the awards for KVCALL are approved, the system submits them for payout or distribution.

2. Fund and award KEXECUTIVES and KSALES Group Members
(KSALES steps f. and g. can be done in parallel to KEXECUTIVES steps d. and e.)
 - a. User KU0003 (manager of KVCALL) allocates funds to KEXECUTIVES and KSALES using the Group Funding Allocation page.
 - b. User KU0003 runs the Calculate Awards process for KEXECUTIVES and KSALE using the Calculate Awards by Group Process page.
 - c. User KU0003 modifies and approves the awards for KC0002 (manager of KEXECUTIVES) and KC0013 (manager of KSALES) using the Award Allocation With Groups page.
 - d. User KC0002 (manager of KEXECUTIVES) modifies the awards for his direct reports (KU0005) and sets them to Recommended status using the Award Allocation With Groups page.
 - e. User KU0003 (approver for KEXECUTIVES) approves the awards for KU0005.
Manually approve the awards using the Award Allocation With Groups page or automate the approval using the Approve Awards by Group process.

When the awards for KEXECUTIVES are approved, the system submits them for payout or distribution.

- f. User KC0013 (manager of KSALES) modifies the awards for his direct reports (KU0082) and sets them to Recommended status using the Award Allocation With Groups page.
- g. User KU0003 (approver for KSALES) approves the award for KU0082.

Manually approve the award using the Award Allocation With Groups page or automate the approval using the Approve Awards by Group process.

When the awards for KSALES are approved, the system submits them for payout or distribution.

3. Fund and award KCSALES and KUSALES group members:

(KUSALES steps f. and g. can be done in parallel to KCSALES steps d. and e.)

- a. User KC0013 (manager of KSALES and approver for both KCSALES and KUSALES) allocates funds to KCSALES and KUSALES using the Group Funding Allocation page.
- b. User KC0013 runs the Calculate Awards process for KCSALES and KUSALES using the Calculate Awards by Group Process page.
- c. User KC0013 modifies and approves the awards for KC0008 (manager of both KCSALES and KUSALES) using the Award Allocation With Groups page.
- d. User KC0008 (manager of KCSALES) modifies the awards for her direct reports (KC0022 and KC0027) and sets them to Recommended status using the Award Allocation With Groups page.
- e. User KC0013 (approver for KCSALES) approves the awards for KC0022 and KC0027.

Manually approve the awards using the Award Allocation With Groups page or automate the approval using the Approve Awards by Group process.

When the awards for KCSALES are approved, the system submits them for payout or distribution.

- f. User KC0008 (manager of KUSALES) modifies the awards for her direct reports (KU0051 and KU0064) and sets them to Recommended status using the Award Allocation With Groups page.
- g. User KC0013 (approver for KUSALES) approves the awards for KU0051 and KU0064.

Manually approve the awards using the Award Allocation With Groups Page or automate the approval using the Approve Awards by Group process.

When the awards for KUSALES are approved, the system submits them for payout or distribution.

See Also

Chapter 6, “Setting Up Plan Membership,” Deleting Parent-Child Duplicates for Rollup, page 56

Chapter 10, “Calculating Allocations and Awards,” page 117

Distributing the Plan Funding Among Groups

The approver of the highest group on the tree must enter the Group Funding Allocation page first, click the Fund Plan button, and fund the plan from the Fund Plan page. Until the approver has funded the plan in this way, no one else can access the Group Funding Allocation page.

At each level of groups on the tree, the group manager’s access to his or her group on this page is restricted as follows. Workflow notifies managers when they can access the page for their groups.

- If the plan requires award approval, the manager's Award Status on the Award Allocations page must be set to *Approved* or the award must have been submitted already.
- If the plan does not require award approval and the manager is a member of the group, the manager's Award Status on the Award Allocations page must be set to *Ready to Submit* or the award must have been submitted already.
- If the plan does not require award approval and the manager is not a member of the group, there is no restriction to a manager's access to his or her group.

Access the Group Funding Allocation page.

Group Funding Allocation

VC Plan ID: KCORP Tree Plan - Corporate Compensation

Period ID: Q1 Group ID: KVCALL Variable Comp ALL

Left | Right

- Variable Comp ALL
 - Executive US&CAN
 - Sales US&CAN
 - Sales CAN
 - Sales USA

Orig Allocation: 75000.00 **Number of Employees:** 12

Balance: 37000.00

Reserves: 0.00

Group(s) Find | View All First 1 of 3 Last

Group ID: KEXECUTIVES Executive US&CAN

Group		Performance Factor		
		PF	Weight	Net PF
Target Amt:	12376.00	Org PF:	0.990	40.00
Calc Award:	11955.22	Grp PF:	0.850	20.00
		Ind PF:	1.000	40.00
		Net PF:	0.966	

Manager

Target Amt:	10500.00
Calc Award:	10143.00

Nbr Empl: 2

Orig Allocation: 22000.00

Balance: 12000.00

Reserves: 0.00

Amount:

Group Funding Allocation page

Using the Tree View

When you access the page, the tree display is collapsed; only the root node is visible. Expand or collapse nodes on the tree by clicking the node symbol. To load a node into the right pane of the page, click the name of the node. The system loads that node into the top portion of the page (parent group) and its child groups into the bottom portion. Within the tree display, the group names to which you have security access appear as links. The other groups appear as passive labels.

Group ID

The system displays the ID that you entered to access the page.

Fund Plan

This button is available when the authorized approver of the highest group enters the page using the highest Group ID. The approver clicks this button to access the Fund Plan page in order to enter the funding amount for the plan payout period.

Orig Allocation (original allocation)

The total amount of funding for the parent group (the group ID that you entered when you accessed the page), less the approved award for the manager.

Balance	The unallocated balance of the original allocation. The system decreases the amount in this field when the manager enters a positive funding amount for child groups in the Amount field. The amount is also decreased during the group funding allocations procedure when awards are allocated and approved for group members who are the direct reports to the manager.
Reserves	The balance of funding from previous periods that is still available for allocation to the group.
Number of Employees	The sum of all employees in child groups and subgroups of the (parent) group ID that you entered to access the page. If the manager is a member of the group, one is subtracted.
Group ID	Select the record of the child group for which you want to allocate funds. The description of the group appears.

Group

The following Target Amt and Calc Award fields apply to the child group with the exclusion of the group's manager if he or she is a member of the group.

Target Amt (group target amount)	The Target Value for the child group less the manager's target value. The Determine Allocations process calculates the target value. For plans using matrix goals, the target amount contains the payout computed for all employees of the group assuming goal attainments equal to the performance value associated with the target performance level on the matrix.
Calc Award (group calculated award)	The child group's target value (less the manager's target value) multiplied by the net performance factor. For plans using matrix goals, this field contains the sum of the payouts computed for the actual goal attainments.

Manager

The following Target Amt and Calc Award fields apply to the manager of the child group if he or she is a member of the group. When the manager enters the page, this information is not visible.

Target Amt (manager's target amount)	The Target Value for the manager, as calculated by the Determine Allocations process.
Calc Award (manager's calculated award)	The manager's target value multiplied by the net performance factor.

Performance Factor

If the plan uses weighted goals, this page shows performance factor calculations at the organization, group, and individual levels. It calculates the group and organization performance factors based on the goal attainments that you entered at those levels. It assumes 100 percent attainment of individual goals.

The performance factor fields in this section apply to the child group whose ID you selected.

These fields are hidden if the plan uses no goals or matrix goals.

PF (performance factor)	This column represents the goal attainment percents multiplied by the weighting percents of the goals at each level.
Weight	This column represents the plan goal weights that you assigned to each level of goals on the Plan Definition page.
Net PF (net performance factor)	This column is the performance factor calculated by multiplying the other two columns. The end result is that the net performance factor for each goal level is the sum of the (goal attainment percents x the weighting percents of each goal) x the plan goal weight for the level.
Org PF (organization performance factor)	The child group's organization performance factor calculation.
Grp PF (group performance factor)	The child group's group performance factor calculation.
Ind PF (individual performance factor)	The child group's individual performance factor. It assumes the attainment is 100 percent.
Net PF (net performance factor)	The sum of the Net PF at all three levels.
Nbr Empl: (number of employees)	The number of employees in the child group.
Orig Allocation (original allocation)	The total amount that you enter in the Amount field to fund the child group ID for the period ID. The system displays 0 until the Amount field is populated.
Balance	The unallocated balance of the original allocation. The system decreases the amount in this field after you allocate and approve the award for the manager or any other member (direct report) of the group. The system also changes the amount in this field when you adjust the allocation by entering a positive or negative funding amount for the child group in the Amount field.
Reserves	The balance of funding from previous periods that is still available for allocation to the child group.
Amount	Enter a positive or negative amount of funding for the child group, including the manager. In determining this amount, consider the following: • How much you want to award to your direct report (the manager of the child group). • How much you want to provide to your direct report to be distributed among his or her group and child groups. The amount that you enter should be the sum of these two considerations.

Enter an amount that is equal to, greater than, or less than the amount in the Calc Award field.

If you enter a positive amount, the system updates the following fields:

- Increases the child group's Original Allocation and Balance.
- Decreases the parent group's Balance.

The system does not enable you to enter an amount that is greater than the sum of the parent group's Balance. and Reserve.

Use the Amount field to adjust an amount that you have allocated. For example, if you allocated \$5,000 to a group but now want to reduce the funding by \$500, you can enter -500 in the Amount field. If you enter a negative Amount, the system updates the following fields:

- Decreases the child group's Original Allocation and Balance.
- Increases the parent group's Balance.

If you enter a negative amount that exceeds the amount in the child group's Balance, the system updates the following fields:

- Decreases the amount in the child group's Balance until the balance is 0.
- Decreases the child group's Orig Allocation amount equally to the amount of decrease in the Balance.
- Decreases the remaining amount from the child group's Reserves.
- Increases the parent group's Balance.

The parent Reserve is not affected by entering a negative value in the Amount field.

Once you reduce the funds from your child group's Reserve, you cannot put them back. For example, assume that the parent balance is 0, the child's original allocation, balance, and reserve are 400, 400, and 300, respectively, before you enter an amount. Once you enter -600 in the Amount field, both the child original allocation and the balance are 0, the child reserve is 100, and the parent balance is 600. If you enter 600 in the Amount field after that, the child original allocation and balance is 600, but the child reserve is still 100.

Allocating Funds for the Payout Period

Access the Fund Plan page.

Fund Plan														
Target Value:	111526.00	<table border="1"> <thead> <tr> <th colspan="3">Performance Factor</th> </tr> </thead> <tbody> <tr> <td>Org PF:</td> <td>(0.990 * 40.00 %)</td> <td>0.396</td> </tr> <tr> <td>Grp PF:</td> <td>(0.850 * 20.00 %)</td> <td>0.170</td> </tr> <tr> <td>Ind PF:</td> <td>(1.000 * 40.00 %)</td> <td>0.400</td> </tr> </tbody> </table>	Performance Factor			Org PF:	(0.990 * 40.00 %)	0.396	Grp PF:	(0.850 * 20.00 %)	0.170	Ind PF:	(1.000 * 40.00 %)	0.400
Performance Factor														
Org PF:	(0.990 * 40.00 %)		0.396											
Grp PF:	(0.850 * 20.00 %)		0.170											
Ind PF:	(1.000 * 40.00 %)		0.400											
Calc Award:	107734.12													
Funds Available:	70000.00													
Orig Allocation:	80000.00													
Balance:	37000.00	Amount:												
Reserves:	0.00													

OK Cancel

Group Funding Allocation - Fund Plan page

Target Value

The total of the target awards for all members, including managers, of the highest group and all of its subordinate groups.

For monetary plans, this value is in the currency of the plan. For non-monetary and stock plans, the value is in units.

Calc Award (calculated award)

The total of the calculated awards for all members of the highest group. On this page, Calculated Award refers to the target value multiplied by the total (net) performance factor.

Funds Available

The funds remaining for distribution that have not been allocated to awards. This is identical to the amount in the Funds Available field on the Plan Funding page.

The funds available amount is the maximum that the approver can enter in the Amount field.

Orig Allocation (original allocation)

The amount that you enter in the Amount field to fund the plan for this period ID. Until you enter an amount, the original allocation is 0.

The system increases the amount displayed here if you add additional funds in the Amount field.

Balance

The unallocated balance of the original funding.

The system increases and decreases the amount in this field as you distribute awards to individuals or funds to child groups, or as you add funding in the Amount field.

Reserves

The balance of funding from previous periods that is still available for allocation to the plan.

Performance Factor**Org PF** (organization performance factor)

The highest group's organization performance factor.

Grp PF (group performance factor)

The highest group's group performance factor.

Ind PF (individual
performance factor)

The highest group's individual performance factor.

Amount

Enter the amount that you want to fund to the plan for this payout period.

If you want to change the funding amount, enter a positive amount in this field to increase the funding to the plan or a negative amount to decrease the funding.

CHAPTER 10

Calculating Allocations and Awards

This chapter explains the calculation of allocations and awards and describes how to:

- Determine allocations.
- Calculate awards.
- View and adjust awards allocations.

Overview of Calculating Awards

The system employs the Award Allocations page and the following processes when calculating variable compensation (VC) allocations and awards:

- The Determine Allocation process calculates target awards.
It also calculates the performance factor for organization and group goals if weighted goals are a plan business rule.
- The Calculate Awards process calculates both monetary and non-monetary VC awards, including stock awards, by applying appropriate proration, performance, and adjustment factors to the target award.
- The Calculate Awards process populates the Award Allocation Page, where you can view and manually adjust awards.

On this page you also set the award status, which tells the system when to submit awards for payout.

Do not use either the Determine Allocations process or the Calculate Awards process for Ad Hoc plans. Instead, go directly to the Award Allocations page and manually enter the ad hoc award for each plan member.

See Also

[Chapter 10, “Calculating Allocations and Awards,” Determining Allocations, page 120](#)

[Chapter 10, “Calculating Allocations and Awards,” Calculating Awards, page 122](#)

[Chapter 10, “Calculating Allocations and Awards,” Viewing and Adjusting Awards for Plans Without Groups, page 129](#)

Common Elements Used in Calculating Allocations and Awards

Payout Formula

Formulas the system uses to calculate target, minimum, and maximum payouts under the plan.

Define payout formulas on the Payout Formula setup page.

Target Payout Formula	The payout formula that the Determine Allocations process uses to calculate the target award. Depending upon how you define the plan, assign target payout formulas to plan members at the individual level, the group level, or through the matrix goal payout schedule.
Minimum Payout Formula	The formula the Calculate Awards process uses to determine the minimum award the plan member should receive under the plan. Optionally assign minimum payout formulas at the plan or group level.
Maximum Payout Formula	The formula the Calculate Awards process uses to determine the maximum award the plan member should receive under the plan. Optionally assign maximum payout formulas at the plan or group level.
Proration Factor (or Prorate Factor)	A factor calculated by the Calculate Eligibility/Proration process. This factor is based on the amount of time the employee was a member of the plan during the payout period. The Calculate Awards process multiplies the plan member's target award by the proration factor when it calculates the calculated award.
Adjustment Factor	A factor calculated and applied by the Calculate Awards process to adjust each individual award by the same ratio for funded plans when there is not enough funding to pay out the calculated awards.
Performance Factor	The factor the Calculate Awards process uses to adjust for weighted goal attainments. The performance factor for a given goal is the attainment percent multiplied by the weighting percent of the goal and by the weighting percent of the level.
Target Award	The award received upon completion of 100 percent of all applicable goals, including organization, group, and individual goals. The Determine Allocations process calculates the target award, which is the calculated value of the target payout formula without applying any proration factor, performance factor, or adjustment factor. The Calculate Awards process uses the target award to calculate the calculated award. Target award is labeled Target Value on the Award Allocations page.
Minimum Award	The calculated value of the minimum payout formula assigned to the plan or group, without applying any proration factor, performance factor, or adjustment factor. The Determine Allocations process calculates the minimum award.
Maximum Award	The calculated value of the maximum payout formula assigned to the plan or group, without applying any proration factor, performance factor, or adjustment factor. The Determine Allocations process calculates the maximum award.
Target Value	The value of the target award expressed in the currency of the variable compensation plan or in units if the plan is non-monetary.

	The Determine Allocations process calculates this value and enters it in the Target Value field on the Award Allocation page.
Calculated Award	The target award multiplied by the performance factor (if the plan uses weighted goals) and the proration factor (if the plan is prorated) and adjusted to the minimum or maximum if appropriate. The Calculate Awards process calculates the calculated award and enters it in the Calculated Award field on the Award Allocation page.
Adjusted Award	The calculated award multiplied by the adjustment factor. The Calculate Awards process calculates the adjusted award and enters it in the Adjusted Award field and in the Actual Award field on the Award Allocation page.
Actual Award	The adjusted award as further changed on the Award Allocations page by manual adjustment or carryover amount. If not changed, the actual award is equal to the adjusted award. Once approved, the actual award is the amount of currency or units approved for payout or distribution.
Award Value	The value of the actual award expressed in the currency of the variable compensation plan. The Calculate Awards process applies the valuation ID and rounding rules to calculate the monetary award value of non-monetary units.

See Also

Chapter 5, “Setting Up Variable Compensation Control Tables,” page 21

Chapter 9, “Funding Variable Compensation Plans and Groups,” Understanding the Adjustment Factor, page 99

Chapter 8, “Managing Plans With Weighted and Matrix Goals,” Understanding the Performance Factor, page 88

Using Calculation Processes Without Group Funding

To calculate awards when group funding allocation is not used:

1. Enter group and organization weighted goal attainments (if applicable).
2. Run the Determine Allocations process.
3. Enter individual weighted goal attainments (if applicable).
4. Run the Calculate Awards process.
5. Review and change the award as required on the Award Allocations page.
6. Change the award status on the Award Allocations page when the award is ready for approval or submittal.

Using Calculation Processes With Group Funding

If your plan uses groups and funding, allocate funding to groups in the hierarchy using the Group Funding Allocations page. At each level in the hierarchy, the manager's award must be allocated and approved before the group is funded. Managers and approvers of each group use the Calculate Awards process, the Award Allocations page, the Approve Awards process (if applicable), and the Group Funding Allocations page before the next lower level of managers can fund their groups.

See Also

Chapter 9, "Funding Variable Compensation Plans and Groups," Allocating Funds to Groups, page 102

Determining Allocations

Run the Determine Allocations process prior to running the Calculate Awards process. The system uses the information calculated by the Determine Allocations process when it calculates awards, when it calculates group funding allocations, and when it projects target awards for Total Compensation (TC) reporting.

Page Used to Determine Allocations

Page Name	Object Name	Navigation	Usage
Determine Allocation	RUNCTL_VC_DET_ALL	Compensation, Variable Compensation, Calculate Awards, Determine Allocation	Run the Determine Allocations process, which calculates 100 percent variable compensation payouts, as well as performance factors for organization and group goals.

Determining Allocations for Variable Compensation

When you run the Determine Allocations process from the VC menu, the process calculates the following data:

- The target award for each plan member, without making any adjustments for proration, performance, or funding.
- The minimum and maximum awards for each plan member, if specified in the plan, without making any adjustments for proration, performance, or funding.
- The organization attainment factor, if the plan uses organization weighted goals.
- The group attainment factor for each group, if the plan uses groups and group weighted goals.
- The sum of target awards for each group in the plan if the plan uses groups.

If the plan uses funding, it enters these payouts on the Group Funding Allocation page.

- The sum of minimum awards (if specified in the plan) for each group in the plan, if the plan uses groups.
- The sum of maximum awards (if specified in the plan) for each group in the plan, if the plan uses groups.

See Also

[Chapter 9, “Funding Variable Compensation Plans and Groups,” Allocating Funds to Groups, page 102](#)

[Chapter 10, “Calculating Allocations and Awards,” Common Elements Used in Calculating Allocations and Awards, page 117](#)

Determining Allocations for Total Compensation Reporting

The PeopleSoft Human Resources Total Compensation (TC) Extract process uses the Determine Allocations process when you extract variable compensation (VC) data to the TC data warehouse. When run from the Reporting TC Extract process, the Determine Allocations process does the following:

- Determines the applicable VC period IDs for the date range specified on the TC Extract process run control page.
- Collects all actual awards for the VC plan members covered by the TC plan ID and timeframe.
- If specified on the TC Extract run control page, calculates the target awards where no actual award exists for the VC plan members covered by the TC plan ID and timeframe.
- Applies valuation to non-stock, non-monetary awards using the valuation ID defined in the VC plan definition.

Note. The TC Extract from VC does not extract any data for stock-type plans.

See Also

PeopleSoft Human Resources PeopleBook: Report Total Compensation

[Chapter 10, “Calculating Allocations and Awards,” Common Elements Used in Calculating Allocations and Awards, page 117](#)

Running the Determine Allocations Process

Access the Determine Allocation page.

Determine Allocation

Run Control ID: 123 [Report Manager](#) [Process Monitor](#) [Run](#)

Process Request Parameters

Plan ID:

Period ID:

Rate Type:

Determine Allocation page

Rate Type

Select the exchange rate type that you want the system to use when converting target awards into the currency of the plan.

Valid values are *Commercial Rate*, *Financial Rate*, *Floating Rate*, *Free Market Rate*, *Official Rate*, and *Spot Market Rate*.

Calculating Awards

The Calculate Awards process calculates both monetary and non-monetary variable compensation (VC) awards, including stock awards. It enters the results of its calculations on the Award Allocations page. The award calculation can be simple or complex, depending on the plan business rules.

Values used by the Calculate Awards Process

The Calculate Awards process uses the following values:

- Target, minimum, and maximum values computed by the Determine Allocations process.
- Group and organization performance factors computed by the Determine Allocations process.
- Proration factor computed by the Calculate Eligibility/Proration process.
- Funding amounts entered in the Plan Funding and Group Funding Allocations pages.

Calculations Performed by the Calculate Awards Process

The Calculate Awards process:

- Determines the performance factor if the plan uses weighted goals.
- Calculates the individual performance factor, if appropriate.
- Sums the performance factors from all goal levels to determine the performance factor to use in calculating the award.

The Calculate Awards process then:

1. Calculates one of the following formulas:

Business Rules	Formula
No proration or goals	Target Value
Proration	Target Value x Proration Factor
Weighted goals	Target Value x Performance Factor
Weighted goals and proration	Target Value x Proration Factor x Performance Factor

Business Rules	Formula
Matrix goals	Value of the payout from the Payout Schedule
Matrix goals and proration	Value of the payout from the Payout Schedule x Proration Factor

2. Calculates the Calculated Award by comparing the value calculated in the previous step to the maximum award and minimum award, if specified in the plan.
 - If the plan uses proration and the group member's proration factor is less than one, the system does not perform this step.
 - If the award is greater than the maximum, the process sets the calculated award at the maximum.
 - If the award is less than the minimum, the process sets the calculated award at the minimum.
3. Calculates the funds available for funded plans and computes the adjustment factor, if appropriate.
4. Calculates the Adjusted Award by applying the adjustment factor to the calculated award.
5. Proceeds according to the plan type:
 - Monetary plans: Calculates the Award Amount and Award Value by applying the VC rounding rule to the adjusted award.
 - Non-Monetary plans: The Adjusted Award is stored as the award unit. The process calculates the Award Value by applying valuation and VC rounding rules to the award unit.
 - Stock-type plans: Calculates the award unit by applying stock rounding rules, then calculates the Award Value by applying valuation and VC rounding rules to the award unit.
6. Updates the Award table and sets the Award Status to Init Calc (initial calculated).
The system populates the Award Allocation Page from the Award table. Modify and approve awards on the Award Allocation page.

Note. If the plan uses group funding, managers must calculate the awards for their direct reports, and the approver must approve them, before they can allocate funding to the child groups.

See Also

[Chapter 9, "Funding Variable Compensation Plans and Groups," Allocating Funds to Groups, page 102](#)

[Chapter 10, "Calculating Allocations and Awards," Common Elements Used in Calculating Allocations and Awards, page 117](#)

Pages Used to Calculate Awards

Page Name	Object Name	Navigation	Usage
Calculate Awards by Plan	RUNCTL_VC_CALWRD_P	Compensation, Variable Compensation, Calculate Awards, Calculate by Plan, Calculate Awards by Plan	Run the Calculate Awards process for plans that do not use groups. This process calculates awards and enters calculation data on the Award Allocations page. Select a VC Plan ID and payout period.
Calculate Awards by Group	RUNCTL_VC_CALWRD_G	Compensation, Variable Compensation, Calculate Awards, Calculate by Group, Calculate Awards by Group	Run the Calculate Awards process for selected groups within plans administered with groups. This process calculates awards and enters calculation data on the Award Allocations page. Select a VC Plan ID, payout period, and group ID.

Viewing and Adjusting Award Allocations

This section provides overviews of award status and the Award Allocations pages and describes how to:

- Use the Award Allocations page for Ad Hoc Awards.
- View and adjust awards for plans without groups.
- View and Adjust awards for plans with groups.

Understanding Award Status

The system uses status codes to track awards from allocation through submittal for payout and distribution. If your organization uses PeopleSoft Payroll for North America, PeopleSoft Global Payroll, or PeopleSoft Stock Administration, status codes track the awards through final payout or distribution.

The system tracks awards in the following two fields on the Award Allocation pages:

Award Status Shows the status of the individual award within a plan or group.

Group Status Shows the status of all awards within the plan or group. The system enters all Group Status codes.

Definitions of Individual and Group Award Status Codes

The following table provides definitions of award status codes and shows where there are differences at the individual and group levels of awards tracking:

Status	(Individual) Award Status	Group (Award) Status
A (approved)	If you choose Approve Awards as a plan business rule and run the Approve Awards process, the system enters the <i>Approved</i> status for each approved award. If you approve awards manually, the designated approver enters the <i>Approved</i> status to approve awards.	None
C (canceled)	Select this status to tell the system that you have no intention of granting this award. <i>Canceled</i> is a final status, meaning that it does not inhibit the approval and submittal processes.	None
D (ready to submit)	If you do not choose Approve Awards as a plan business rule, select this status to tell the system that the award is final and ready for payout/distribution.	The system enters this status when all awards in the period for the plan or group are ready to be submitted for payout or stock distribution.
E (errored)	The system enters this status for the award if PeopleSoft Payroll for North America, PeopleSoft Global Payroll, or PeopleSoft Stock Administration cannot proceed with payout or distribution because of an error in the individual award.	(corrections required) Same definition as for individual Award Status.
I (initial calculation)	The Calculate Awards process enters this status when it initially populates the Award Allocations page with calculated award data.	Same definition as for individual Award Status.
J (rejected)	The system enters this status if PeopleSoft Payroll for North America, PeopleSoft Global Payroll, or PeopleSoft Stock Administration rejects all of the awards for the entire plan or group due to an error at the plan or group level.	Same definition as for individual Award Status.

Status	(Individual) Award Status	Group (Award) Status
P (paid/granted)	The system enters this status after successful payout or distribution through PeopleSoft Payroll for North America, PeopleSoft Global Payroll, or PeopleSoft Stock Administration.	Same definition as for individual Award Status.
R (recommended)	If you choose Approve Awards as a plan business rule, give each award the <i>Recommended</i> status when it is ready for approval.	None
S (submitted)	The system enters this status when it publishes awards for payout or distribution.	Same definition as for individual Award Status.

Application of Individual and Group Award Status Codes

The following table illustrates the steps in the awards process and the status at each level for plans that use the Approve Awards process and those that do not.

Note. In this table, “payroll” refers to PeopleSoft Payroll for North America and PeopleSoft Global Payroll; “stock” refers to PeopleSoft Stock Administration.

Procedure That Modifies the Status	Individual Award Status Approval	Individual Award Status No Approval	Group Status Approval	Group Status No Approval
Calculate Awards	Initial Calculation	Initial Calculation	Initial Calculation	Initial Calculation
Award Allocation	Recommended or Canceled	Ready to Submit or Canceled	Ready to Submit	Ready to Submit
Approve Awards	Approved	NA	Ready to Submit	NA
Publish to payroll, stock, or flat file.	Submitted	Submitted	Submitted	Submitted
Subscribe to payroll or stock. (Error)	Error	Error	Corrections Required	Corrections Required

Procedure That Modifies the Status	Individual Award Status Approval	Individual Award Status No Approval	Group Status Approval	Group Status No Approval
Subscribe to payroll or stock. (Rejected)	Rejected	Rejected	Rejected	Rejected
Subscribe to payroll or stock. (Paid/Granted)	Paid/Granted	Paid/Granted	Paid/Granted	Paid/Granted

See Also

Chapter 11, “Managing Awards Approval and Payout,” page 139

Pages Used to Allocate Awards

Page Name	Object Name	Navigation	Usage
Award Allocation	VC_AWD_ALLOC	Compensation, Variable Compensation, Finalize Awards, Allocate Awards by Plan, Award Allocation	View and change the awards calculated by the Award Allocation process or enter awards for Ad Hoc plans. Also view and change the award status of individual awards.
Award Allocations with Groups	VC_AWD_ALLOC_WG	Compensation, Variable Compensation, Finalize Awards, Allocate Awards by Group, Award Allocation with Groups	View and change the awards calculated by the Award Allocations process for group members. Also view and change the award status of individual awards. Use if you administer the plan using groups. If the plan does not use groups, the system enters the award data on the Award Allocations page.

Overview of the Award Allocations Pages

After you run the Calculate Awards process, use the Award Allocations page or Award Allocations with Groups page to:

- Review, change, and finalize awards before the system submits them for payout or distribution. If you funded the plan, the system updates the Funds Available or Balance of funding as you change the individual awards.
- Administer carryover balances and guarantees if these are part of the plan.
- Monitor the status of each award and the award status of the group or plan as a whole.

Some of the Changes Possible for Individual Awards

Here are some of the changes you can make to individual awards on this page:

- Change the Earnings Code.
- Adjust the employee's carryover balance, if you selected Carryover Awards on the Plan Business Rules page.
- Replace the Actual Award that the system calculated with the Guarantee amount, if you entered a guarantee on the Employee Variable Compensation page.
- Modify the award by a percent that you enter in the Modifier field on this page.
- Enter an award amount of your choice in the Actual Award field.

Entering Award Status

When you are satisfied with the award amount, enter one of the following values in the Award Status field:

- If you did not select Approve Awards on the Plan Business Rules page, select the *Ready to Submit* status.
- If you selected Approve Awards on the Plan Business Rules page, select the *Recommended* status.

The approver changes the status to *Approved* either manually or by using the Approve Awards process.

The system changes the Group Status to *Ready to Submit* when all of the awards for the plan ID and payout period have either the *Canceled*, *Ready to Submit*, or *Approved* status. When the Group Status is *Ready to Submit*, the system publishes the awards for payout or distribution.

Access Restrictions

At each level of groups on the tree, the group manager's access to his or her group on this page is restricted as follows:

- If the plan requires award approval, the manager's Award Status must be set to *Approved* or the award must have been submitted already.
- If the plan does not require award approval and the manager is a member of the group, the manager's Award Status must be set to *Ready to Submit* or the award must have been submitted already.
- If the plan does not require award approval and the manager is not a member of the group, there is no restriction to a manager's access to his or her group.

Workflow notifies managers when they can access the page for their groups.

See Also

Chapter 11, "Managing Awards Approval and Payout," page 139

Using the Award Allocations Page for Ad Hoc Awards

If the plan member rule is Ad Hoc Award, do not run the Calculate Awards process prior to entering the Award Allocations page. Instead, enter the awards directly on this page.

To enter an Ad Hoc award:

1. Select the employee from the plan members listed on the Award Allocations page.

The members that you entered directly on the Plan Members page are available on the Award Allocations page.

2. Enter an award amount for the employee directly into the Actual Award field.
3. In the Award Status field, select *Recommended* if the plan requires approval or *Ready to Submit* if approval is not required.

For Ad Hoc Awards, the following fields are visible on the page; all others are hidden:

- Earnings Code
- GP Earnings
- Award Date
- Award Status

Select *Recommended* if the plan requires approval or *Ready to Submit* if approval is not required.

- Actual Award

Enter the amount of the award.

- (calculation source)

After you enter an actual award amount, the word *Manual* appears above the Actual Award field to indicate that the award is manually entered.

- Award Value

See Also

Chapter 6, “Setting Up Plan Membership,” Setting Up Plan Members for Ad Hoc Awards, page 49

Chapter 10, “Calculating Allocations and Awards,” Viewing and Adjusting Awards for Plans Without Groups, page 129

Viewing and Adjusting Awards for Plans Without Groups

Access the Award Allocation page.

Award Allocation																	
VC Plan ID:	HXBONUS Self Service Bonus Plan																
Period ID:	1991																
End Date:	12/31/1991																
Sent to Payroll:	07/05/2001																
Group Status:	Submitted																
Name:																	
EmplID:																	
Sort by: ☒ EmplID ☐ Name																	
<table border="1"> <thead> <tr> <th colspan="2">Employee Award</th> </tr> </thead> <tbody> <tr> <td>EmplID:</td> <td>Empl Rcd#: 0</td> </tr> <tr> <td>Status:</td> <td></td> </tr> <tr> <td>Earnings Code:</td> <td> </td> </tr> <tr> <td>Award Date:</td> <td>12/31/1991</td> </tr> <tr> <td>*Award Status:</td> <td> Initial Calculation</td> </tr> <tr> <td>Actual Award:</td> <td> </td> </tr> <tr> <td>Award Value:</td> <td>0.00 USD</td> </tr> </tbody> </table>		Employee Award		EmplID:	Empl Rcd#: 0	Status:		Earnings Code:		Award Date:	12/31/1991	*Award Status:	Initial Calculation	Actual Award:		Award Value:	0.00 USD
Employee Award																	
EmplID:	Empl Rcd#: 0																
Status:																	
Earnings Code:																	
Award Date:	12/31/1991																
*Award Status:	Initial Calculation																
Actual Award:																	
Award Value:	0.00 USD																

Award Allocation page

Note. Depending upon the business rules you defined for the plan, different fields appear in this section.

End Date	The end date that you defined on the Payout Period table for the Payout Period ID that you entered.
Sent to Payroll Date	The system populates this field when it publishes the awards to payroll or stock.
Plan Funding	For funded plans, the system enters the sum of all plan funding amounts that you entered on the Plan Funding page with a date prior to the payout period End Date. This field does not appear on the page if the plan is not funded, or if you allocated funds to groups.
Available	For funded plans, the system displays the funds remaining for distribution that have not been allocated to awards. The system updates the Available field each time the Actual Award amount changes. This field does not appear on the page if the plan is not funded, or if you allocated funds to groups.
Group Status	The status that applies to awards in this payout period for the entire plan or entire group (if the plan uses groups). The Calculate Awards process enters the default value of <i>Initial Calculation</i>. If the Group Status is <i>Submitted</i>, all editable fields on the page are unavailable for entry.

The system changes the Group Status according to the status of the entire group of individual awards. Available values are as follows:

I - Initial Calculation

D - Ready to Submit

S - Submitted

E - Corrections Required

J - Rejected

P - Paid/Granted

Name EmplID (employee ID)

When you specify a Plan ID and Payout Period ID upon entering the page, the system loads all of the plan members for whom the user has security access. Use the Name and EmplID fields to easily find and display an individual's award record in the bottom portion of the page.



Click the Refresh Search Fields? button to display the first chunk of members and to clear the search fields before entering new search parameters. The field to the left of this button tells you which rows are visible compared to the total number of rows that match the current search criteria. For example, *12 to 20 of 56* means that rows 12 to 20 are displayed out of a total of 56 rows.



After entering new search parameters, click the Search button.



Click the First Item button to display the first chunk of members.



Click the Previous Item button to display the previous chunk of members.



Click the Next Item button to display the next chunk of members.



Click the Last Item button to display the last chunk of members.

Sort by

Choose to display the plan member records in the page in the order of *EmplID* or *Name*.

Earnings Code

The value that you defined for the plan on the Plan Definition page appears. Select a different value to modify the code at the employee level.

GP Earnings

The value that you defined for the plan on the Plan Definition page appears. Select a different value to modify the code at the employee level.

Carryover Balance, Accum Carryover, Carryover Amount

These fields are hidden if you did not select Carryover Awards on the Plan Business Rules page or if the plan is a non-monetary plan (including stock-type plans).

These three fields work together to help you administer carryovers for each employee in the plan.

Carryover Balance

The Carryover Balance that you have withheld for the employee to date under this plan appears. When you approve the employee's award, the system updates the Carryover Balance with the amount in the Accum Carryover (accumulated carryover) field for this period.

Accum Carryover
(accumulated carryover)

The Accum Carryover field tracks the cumulative effect of the amounts that you enter in the Carryover Amount field for the employee in this payout period. For example, if you first enter \$300, and later enter \$100 in the Carryover Amount field, the Accum Carryover field shows \$400. If you later enter a negative amount of -\$150 in the Carryover Amount field, the Accum Carryover field shows \$250.

After making several changes in the Carryover Amount, if you want to know what the employee's award would be without any adjustment in the carryover balance, add the Accum Carryover amount to the value in the Actual Award field.

To see what the new carryover balance would be, add the Accum Carryover amount to the value in the Carryover Balance field. When you approve the employee's award, the system updates the Carryover Balance with the amount in the Accum Carryover field.

Carryover Amount

Use the Carryover Amount field to adjust the employee's Carryover Balance. Enter a positive amount to increase the employee's carryover balance and decrease the award. Enter a negative amount to decrease the employee's carryover balance and increase the award.

As you adjust the Carryover Amount, the system changes the amount in the Actual Award and Accum Carryover fields. The amount in the Carryover Balance field does not change until you approve the award.

Guarantee

If you entered a guarantee for the employee on the Employee Variable Compensation Page, the system displays that amount in the Guarantee field on this page. Manually change the Actual Award to the guarantee amount at your discretion. The system does not automatically enforce guarantees.

This field is not visible if the plan member rule is Ad Hoc Award or Define Tree/Group.

Award Date

The system enters the payout period end date as the default value. When you set the Award Status to *Approved* or *Ready to Submit* and save the page, the system sets the Award Date to the current date. If you approve awards using the Approve Awards process, the system sets the Award Date to the date that the process runs.

Manually change the Award Date to another date, such as the period end date.

If you try to change the *Approved* status to any other status, the system warns you that it will reset the Award Date to the period end date.

For Stock plans paid out through PeopleSoft Stock Administration, the system changes the Award Date to the Grant Date after creating stock grants.

For plans paid out through PeopleSoft Payroll for North America, the system changes the Award Date to the value set by the payroll system as the date of payment.

Award Status

The status of the individual employee award.

The default value is *I* (initial calculation). Select a status from the following options:

A - Approved: This value is only available if Approve Awards is selected on the Plan Business Rules page. If you use the Approve Awards batch process, the system enters this value. If you manually approve awards, only the designated approver can select this value.

C - Canceled: Select this value to cancel the award.

I - Initial Calculation: The system enters this value as the default.

R - Recommended: This value is available only if you select Approve Awards on the Plan Business Rules page.

D - Ready to Submit: This value is available only if you do not select Approve Awards on the Plan Business Rules page.

Modifier (%)

Enter a value in the modifier field to modify by the specified percentage an award that the system has calculated. Enter a value above 100 percent to increase the award; enter a value below 100 percent to decrease the award. The default is *100%*.

The system multiplies the Adjusted Award by the percent value that you enter and updates the Actual Award and the Award Value fields. It also updates funding information.

Example 1: The Adjusted Award is \$1,000 and the modifier is 75 percent. The system changes the Actual Award to \$750.00 ($.75 \times 1000$).

Example 2: The Adjusted Award is \$1,000 and the modifier is 110 percent. The system changes the Actual Award to \$1,100 (1.10×1000).

After modifying an award, the system enters the Manual value in the Calculation Source field that is next to the *Modifier* field.

Calc Source (Calculation Source)

The Calculation Source field is the unlabeled field next to the Modifier field. The system enters a value here to indicate the source of the Actual Award amount. The following are valid values:

System: The Calculate Awards process calculated the Actual Award based on the target formula and other factors.

Manual: You have manually entered or changed the Actual Award. You can enter an Actual Award for Ad Hoc plans, or change the Actual Award by directly entering an amount, or use the Modifier and Carryover Amount fields.

System – Min: The system substituted the minimum award because the calculated award is lower than the minimum award that you specified for the plan or group.

System – Max: The system substituted the maximum award because the calculated award is higher than the maximum award that you specified for the plan or group.

Actual Award

The Calculate Awards process enters the adjusted award amount as the default value in the Actual Award field. The system updates the Actual Award when you enter a Carryover Amount or enter a value in the Modifier field. You can also enter a different amount directly into the Actual Award field.

If the plan is an Ad Hoc plan, enter the employee's award directly into the Actual Award field. The system sets the Calculation Source to *Manual*.

When you or the system enters or changes the amount in the Actual Award field, online processing automatically updates funding information.

Award Value

The system enters the monetary value of the Actual Award. It updates this Award Value as the Actual Award changes.

Award Detail

Depending upon the business rules you defined for the plan, different fields appear in this section.

Target Value

The value of the target award as expressed in the currency of the VC plan or in units if the plan is non-monetary. The Determine Awards process calculates this value.

Calculated Award

The target award multiplied by the performance factor (if the plan uses weighted goals) and the proration factor (if the plan is prorated). The Calculate Awards process calculates this value.

Adjustment Factor

The factor calculated and applied by the Calculate Awards process to adjust each individual award by the same ratio for funded plans when there is not enough funding to pay out the calculated awards.

This field does not appear on the page if the plan does not use funding.

Adjusted Award

The calculated awards multiplied by the adjustment factor. The Calculate Awards process calculates the Adjusted Award.

Adjusted awards cannot be less than the minimum or more than the maximum payout.

Original Award [Units]

This field is for Stock type plans only. It displays the number of units in the original award, before any stock splits. Splits are reflected in the Actual Award field when the award is published to Stock for distribution.

Original Award Value

This field is for Stock type plans only. It displays the value of the original award, before any stock repricing. Repricing is reflected in the Award Value field when the award is published to Stock for distribution.

Prorate Factor

A factor calculated by the Calculate Eligibility/Proration process. It is based on the amount of time the employee was a member of the plan during the payout period.

This field appears only on the page if prorate eligibility is a plan business rule.

Org Perf Factor

(organization performance factor)

A factor determined by the organization weighted goal attainments.

This field appears only on the page if the plan uses organization level weighted goals.

Group Perf Factor (group performance factor)

A factor determined by the group weighted goal attainments.

This field appears only on the page if the plan uses group level weighted goals.

Performance Factor

A factor determined by the goal attainments for weighted goals at the various levels under the plan. The Calculate Awards process applies the performance factor to the target award.

This field appears only on the page if the plan uses weighted goals.

See Also

Chapter 10, “Calculating Allocations and Awards,” Understanding Award Status, page 124

Chapter 10, “Calculating Allocations and Awards,” Common Elements Used in Calculating Allocations and Awards, page 117

Viewing and Changing Awards for Plans With Groups

Access the Award Allocation with Groups page.

Award Allocation with Groups			
VC Plan ID:	KCORP	Tree Plan - Corporate Compensation	
Period ID:	Q1	End Date:	03/31/2000
Group ID:	KVCALL	Variable Comp ALL	Group Status: Ready to Submit
Orig Allocation:	75000.00	Balance:	37000.00
		Reserves:	0.00
Name:			
EmplID:			
Sort by: ☒ EmplID ☐ Name			
Employee Award Find View All First 1 of 1 Last			
EmplID:	Empl Rcd#: 0		
Status:			
Earnings Code:	BNS	Bonus	
Award Date:	03/31/2000		
*Award Status:	Initial Calculation		
Modifier (%):	100.00		
Actual Award:			
Award Value:	0.00 USD		

Award Allocation with Groups page, 1 of 2

Award Detail	
Target Value:	Prorate Factor:
Calculated Award:	Org Perf Factor:
Adjustment Factor:	Group Perf Factor:
Adjusted Award:	Ind Perf Factor:

Award Allocation with Groups page, 2 of 2

All fields on this page are identical to the fields on the Award Allocations page, with the following exceptions:

- Group ID is an additional field on the Award Allocations with Groups page.
- The Orig Allocation (original allocation), Balance, and Reserves fields appear on the Award Allocations with Groups page for plans that use group funding allocations. These fields replace the Plan Funding and Available fields that appear on the Award Allocations page.

Group ID	The ID that you entered to access this page, along with a description of the group.
Orig Allocation	The total amount that you funded to this group ID for this period ID.
Balance	The unallocated balance of the original funding. The system increases and decreases the amount in this field as you change the award allocation for each group member.
Reserves	The balance of funding from previous periods that is still available for allocation to the group.

See Also

Chapter 10, “Calculating Allocations and Awards,” Viewing and Adjusting Awards for Plans Without Groups, page 129

Reporting Awards Calculations

The system provides the following reports to help you review the results of the Calculate Awards process and review carryover balances and employee guarantees:

- Calculate Awards report
- Variance Report
- Carryover Report
- Guarantee report

Pages Used to Run the Awards Reports

Page Name	Object Name	Navigation	Usage
Varies	RUNCTL_VC_REP	• Compensation, Variable Compensation, Award Reports, Calculate Awards • Compensation, Variable Compensation, Award Reports, Variance • Compensation, Variable Compensation, Award Reports, Carryovers • Compensation, Variable Compensation, Variable Comp Reports, Guarantee	Use this page to run these reports: • Calculate Awards Report (VC003). Use this report to view the results of the Award Calculation process. • Variance Report (VC010). Use this report to view the variance between the target award and the actual award that appears on the Award Allocations page. • Carryover Report (VC004). Use this report to view the carryover balances. • Guarantee Report (VC007). Use this report to view the employee guarantees.

Using the Variance Report

The detailed report lists all employees in a plan by group, the employee’s target award value, actual award value, and variance between the target and actual award. It also indicates whether the award is either the minimum or maximum payout under the plan. In addition, this report shows the total target award value, actual award value, and variance for each group and the grand total for the plan.

The summary report lists the total target award value, actual award value, and variance for each group, as well as the grand totals for the plan.

Using the Carryover Report

The detailed report lists all employees in a plan by group and their carryover balances. The summary report lists the total carryover balance for each group, as well as the totals for the plan.

Using the Guarantee Report

The detailed report lists all employees in a plan by group and their guarantees. The summary report lists the total guarantees for each group, as well as the totals for the plan.

CHAPTER 11

Managing Awards Approval and Payout

This chapter provides an overview of awards approvals and payouts and describes:

- How to approve and submit awards.
- Integration with PeopleSoft Payroll for North America and PeopleSoft Global Payroll.
- Integration with PeopleSoft Stock Administration.
- Enterprise Integration Points related to Variable Compensation.
- How to view and report on variable compensation history.

Overview of Approving and Submitting Awards

When you're satisfied with the awards on the Award Allocation page, finalize them for payout or distribution using an automated approval process, manual approval, or no approval. After you finalize all of the awards in a plan or group for a payout period, the system automatically submits them for payout or distribution.

When you define the variable compensation (VC) plan, decide whether to finalize awards for processing with or without approval. If you select award approval, you can run the Approve Awards batch process or approve awards individually.

Finalizing and Submitting Awards Without Approval

To finalize and submit awards without approval:

1. Clear the Approve Awards check box on the VC Plan - Plan Business Rules page.
2. Manually set the Award Status of each award to *Ready to Submit* on the Award Allocation page when you are satisfied with the award amount.

When all individual awards in the period for the plan or group have the *Ready to Submit* or *Canceled* Award Status, the system changes the Group Status on the Award Allocations page to *Ready to Submit*.

The system automatically submits awards for payout or distribution when the Group Status is *Ready to Submit* and changes the status to *Submitted*.

Approving Awards Manually

To approve awards manually:

- Select the Approve Awards check box on the VC Plan - Plan Business Rules page.
- If the plan member rule is Ad Hoc Awards or Empl VC Record, also identify the approver ID on this page.

- For plans that use groups, establish the approver for each group when you set up VC Tree security.
- 1. The manager manually sets the Award Status of each award to *Recommended* on the Award Allocation page when satisfied with the award amount.

When all awards have the *Recommended* status, the system sends a workflow notifying the authorized approver.

- 2. The approver changes the Award Status to *Approved* for each award that he or she wants to approve. Only the authorized approver can enter the *Approved* status.

- If the plan does not use groups, specify the approver ID on the Plan Definition page.
- If the plan uses groups, define the approver ID when you define the group on the Group Definition page.

When all individual awards for the period under the plan or group have the *Approved* or *Canceled* Award Status, the system changes the Group Status to *Ready to Submit*. When the Group Status is *Ready to Submit*, the system automatically submits awards for payout or distribution and changes the status to *Submitted*.

Approving Awards in a Batch Process

To approve awards in a batch process:

1. Select the Approve Awards check box on the VC Plan - Plan Business Rules page.
 - If the plan member rule is Ad Hoc Awards or Empl VC Record, also identify the approver ID on this page.
 - For plans that use groups, establish the approver for each group when you set up VC Tree security.
2. When satisfied with the award amount, the manager manually sets the Award Status of each award to *Recommended* on the Award Allocation page.

When all awards have the *Recommended* status, the system sends a workflow notifying the authorized approver to run the approval process.

3. When the Award Status on the Award Allocations page is *Recommended*, the approver runs the Approve Awards process or the Approve Awards with Groups process.

Only the authorized approver can run the process for the plan or group.

- If the plan does not use groups, specify the approver ID on the Plan Definition page.
- If the plan uses groups, define the approver ID when you define the group on the Group Definition page.

The process changes the Award Status of all approved awards from *Recommended* to *Approved*.

When all individual awards for the period under the plan or group have the *Approved* or *Canceled* Award Status, the system changes the Group Status to *Ready to Submit*.

When the Group Status is *Ready to Submit*, the system automatically submits awards for payout or distribution and changes the status to *Submitted*.

See Also

Chapter 10, “Calculating Allocations and Awards,” Understanding Award Status, page 124

Chapter 10, “Calculating Allocations and Awards,” Viewing and Adjusting Award Allocations, page 124

Pages Used in Approving and Submitting Awards

Page Name	Object Name	Navigation	Usage
Approve Awards by Plan	VC_RUNCTL_APPWRD_P	Compensation, Variable Compensation, Finalize Awards, Approve Awards by Plan, Approve Award	Run the batch approval process when the plan member rule is Ad Hoc Awards or Empl VC Record. Also use the process to remove approved status from approved awards.
Approve Awards by Group	VC_RUNCTL_APPWRD_G	Compensation, Variable Compensation, Finalize Awards, Approve Awards by Group, Approve Award	Run the batch approval process when the plan member rule is Empl VC Record with groups or Define Tree/Group. Also use the process to remove approved status from approved awards.

Approving Awards by Plan

Access the Approve Award by Plan page.

Approve Award by Plan page

VC Plan ID

The only available values are the VC plans for which this user ID is the designated approver on the Plan Business Rules page.

Approve

Select to approve all awards that have the *Recommended* status under the plan for the corresponding payout period. Clear this field to remove approval if you already ran the approval process and now want to change it. The system selects Approve by default.

Approving Awards by Group

Access the Approve Award by Group page.

This page is identical to the Approve Awards by Plan page with the addition of the Group ID field.

VC Plan ID

The only available values are the VC plans for which this user ID has security access.

Overview of Integration with Payroll Applications

When the Group Status field on the Award Allocation page is *D* (ready to submit), the Variable Compensation system submits monetary and non-stock, non-monetary awards for payout.

PeopleSoft Payroll for North America

If PeopleSoft Payroll for North America is installed on your database, the system publishes the awards directly to PeopleSoft Payroll for North America for payout.

PeopleSoft Global Payroll

If PeopleSoft Global Payroll is installed on your database, the system publishes the awards directly to PeopleSoft Global Payroll for payout.

PeopleSoft Payroll Interface

If PeopleSoft Payroll Interface is installed on your database, the system automatically generates a flat file containing the award data, which your organization can use as input into your PeopleSoft Payroll Interface system.

Multiple PeopleSoft Payroll Systems

If you have multiple PeopleSoft payroll systems installed on your database, the system refers to the pay system indicator on the employee's Job record to determine how to submit the award. If the employee is paid through PeopleSoft Payroll for North America or PeopleSoft Global Payroll, the system publishes the award through PeopleSoft Application Messaging. If the employee is paid through PeopleSoft Payroll Interface, the system submits the award through a flat file.

Integrating With PeopleSoft Payroll for North America and PeopleSoft Global Payroll

Integration between Variable Compensation and these two PeopleSoft payroll applications is automated through application messaging technology. The variable compensation administrator does not run any processes for this integration. If awards are returned due to error, the VC administrator must resolve the reason for the error. The VC administrator can also request that awards be rejected if they are submitted in error.

Summary of Integration With PeopleSoft Payroll for North America and PeopleSoft Global Payroll

The following steps summarize the award payout integration between variable compensation (VC) and the PeopleSoft Payroll for North America and Global Payroll applications.

Note. In this summary, payroll refers to both of these PeopleSoft payroll applications unless otherwise specified.

1. VC publishes awards.

When the status of all individual awards on the Award Allocation page is *D*, *S*, or *C*, the system changes the group status to *D* and publishes a message that inserts the awards into a publishing staging table. The Group Status and individual Award Status on the Award Allocations page are changed to *S* (submitted).

2. Payroll subscribes to the message.

Subscription inserts the awards into a subscribing staging table.

3. Payroll validates or rejects the VC data.

- Validated awards:

If VC data are valid, payroll proceeds with processing.

- Erred or rejected awards:

When payroll validates the VC data, it checks for error conditions that require correction prior to payroll processing. If errors are detected, payroll publishes an acknowledgment to VC and supplies reason codes.

4. VC subscribes to the acknowledgement of rejected or erred awards. The subscription updates the Award tables.

- If all awards for a specified VC plan and payout period are rejected at VC request due to error in VC submission, the Group Status and Award Status are changed to *J* (rejected).

- If awards fail validation, the Group Status and Award Status are changed to *E* (error) and payroll supplies a reason code.

- The Award Date is updated to the current date.

- Workflow notification of erred or rejected awards is sent to the VC administrator.

If the awards are erred or rejected by PeopleSoft Payroll for North America, the VC administrator can run the Subscription Error report to see the details of rejections, errors, and reasons. Otherwise, the VC administrator can check the message monitor to view the details.

- VC administrator corrects the awards and sets the individual Award Status to *D* (ready to submit). When all individual awards have the status of *D*, *S*, or *C* the Group Status is changed to *D*, which triggers publishing of the awards.

5. Payroll processes validated awards and issues checks.

6. Payroll publishes a verification of payment to VC.

7. VC subscribes to the verification of payment. The subscription updates the Award tables.

- Updates the Group Status and Award Status to *P* (paid/granted).

- Updates the Award Value.

- Updates the Award Date to the value set by payroll as the date of payment (PeopleSoft Payroll for North America only).

See Also

Chapter 10, “Calculating Allocations and Awards,” Understanding Award Status, page 124

PeopleSoft 8.8 Payroll for North America PeopleBook, “Administering the Interface with PeopleSoft Payables”

PeopleSoft 8.8 Payroll for North America PeopleBook, “Administering the Interface with PeopleSoft General Ledger”

PeopleSoft 8.8 Global Payroll PeopleBook, “Working With Interfaces”

Error Reason Codes

When PeopleSoft Payroll for North America or PeopleSoft Global Payroll publishes notification of erred awards (Award Status of *E*), the notification includes reason codes for the error.

- PeopleSoft Payroll for North America Error Reason Codes:

- Invalid Earning Code (Invalid EC).
- Invalid Employee ID & Record# (Invalid EE).
- Invalid Currency Code (Invalid CC).
- Transaction already exists (Tran exist).
- Amount Exceeds Payroll Maximum (Exceed Max).

- PeopleSoft Global Payroll Error Reason Codes:

- Invalid Currency Code (Invalid CC).
- Transaction already exists (Tran exist).
- Error Updating GP (GP Err).
- Error Updating ACK_PUB (Pub Err).
- Invalid Pin Number (Pin Err).

Integrating With PeopleSoft Stock Administration

When the Group Status on the Award Allocation page is *D* (ready to submit), the Variable Compensation system publishes the awards directly to PeopleSoft Stock Administration for distribution if PeopleSoft Stock Administration is installed on your database.

Summary of Integration with PeopleSoft Stock Administration

The following steps summarize the award distribution integration between the Variable Compensation business process and PeopleSoft Stock Administration:

1. The Variable Compensation (VC) business process publishes awards to PeopleSoft Stock Administration.

When the status of all individual awards on the Award Allocation page is *D*, *S*, or *C*, the system changes the group status to *D* and publishes a message that inserts the awards into a staging table. The Group Status and individual Award Status on the Award Allocations page are changed to *S* (submitted).

2. PeopleSoft Stock Administration subscribes to VC's message. Subscription performs validation and proceeds to either generate grants or to void, modify, or reject grants.

- Generate Grants:

PeopleSoft Stock Administration runs the Generate Grants PeopleSoft Application Engine process to generate the grants and batch publishes the awards to VC.

The batch publish of grants generated results in the following changes to the VC Award table:

- Changes the Award Date to the date granted.
- Changes the Award Status to *P* (paid/granted) when granted with no validation errors or to *E* (errored) when granted with validation errors.
- Updates the Actual Award to the number of shares granted.
- Updates the Award Value.
- Void, modify, or reject grants: (This is generally done if there was a data entry error in the run control for generating the grants)
 - Batch publish of voided grants to VC sets Award Status to *C* (cancelled).
 - Batch publish of modified grants to VC through staging table generates the same updates to VC data as publishing grants without modification.
 - Batch publish of rejected grants sets Award Status to *J* (rejected) if the awards were sent to PeopleSoft Stock Administration in error.

Note. Once the awards are rejected, they can't be recalculated in the same period. They must be recalculated in the following period.

3. Shares for VC plans or funding periods that have expired are returned to PeopleSoft Stock Administration. PeopleSoft Stock Administration decreases the VC funding table by the number of shares remaining.
4. PeopleSoft Stock Administration updates VC tables when stocks split.
 - Updates the Awards table and the Plan Funding table.
 - Batch publishes effected VC awards.
5. PeopleSoft Stock Administration recalculates award value when stock is repriced and publishes revised awards updating the Award Value.

See Also

Chapter 10, "Calculating Allocations and Awards," Understanding Award Status, page 124

PeopleSoft 8.8 Stock Administration PeopleBook, "Administering Variable Compensation Grants"

Enterprise Integration Points Between Variable Compensation and other PeopleSoft Applications

The system uses application messaging technology to transfer awards and payout data between the PeopleSoft Human Resources Variable Compensation application and PeopleSoft Payroll for North America, PeopleSoft Global Payroll, or PeopleSoft Stock Administration.

Enterprise Integration Points (EIP) Between Variable Compensation and PeopleSoft Payroll for North America

EIP Name	Message Name	Message Definition
Variable Compensation (VC) request for payment	VAR_COMP_PAYMENT_REQUEST	VC publishes award data to PeopleSoft Payroll for North America and payroll subscribes to the award data.
Acknowledgement/Verification of VC payment	VAR_COMP_PAYMENT_ACKNOWLEDGE	PeopleSoft Payroll for North America publishes payout data to VC and VC subscribes.

Enterprise Integration Points (EIP) Between Variable Compensation and PeopleSoft Global Payroll

EIP Name	Message Name	Message Definition
Variable Compensation (VC) request for payment	VAR_COMP_PAYMENT_REQUEST_GP	VC publishes award data to PeopleSoft Global Payroll and payroll subscribes to the award data.
Acknowledgement/Verification of VC payment	VAR_CMP_PAYMENT_ACKNOWLEDGE_GP	PeopleSoft Global Payroll publishes payout data to VC and VC subscribes.

Enterprise Integration Points (EIP) Between Variable Compensation and PeopleSoft Stock Administration

EIP Name	Message Name	Message Definition
Award Data	AWARD_GRANT_ISSUE	VC publishes award data to PeopleSoft Stock Administration and PeopleSoft Stock Administration subscribes to the award data.
Grant Data	GRANT_AWARD_UPDATE	PeopleSoft Stock Administration publishes grant data to VC and VC subscribes.

Activating Enterprise Integration Point Messages and Channels

All enterprise integration point (EIP) messages are delivered inactive. You must activate the messages in PeopleSoft Application Designer. Set the status of each selected message to *Active*, and set the status of the corresponding message channel to *Run*.

See Also

PeopleTools PeopleBook: Integration Tools

PeopleTools PeopleBook: Application Messaging

Reporting Related to Award Payout and Distribution

PeopleSoft provides these reports to assist in payout processing:

- Actual Awards report. After the system submits the awards for payout, run the Actual Awards report. This report is similar to the Calculate Awards report, but it shows any modifications that you made to the award on the Award Allocations page.
- Subscription Errors report. The variable compensation (VC) administrator can run the Subscription Error report after receiving workflow email notification that an erred or rejected award has been returned from PeopleSoft Payroll for North America or PeopleSoft Stock Administration.

See Also

Chapter 10, “Calculating Allocations and Awards,” Understanding Award Status, page 124

Pages Used to Run Award Payout and Distribution Reports

Page Name	Object Name	Navigation	Usage
Varies	RUNCTL_VC_REP	• Compensation, Variable Compensation, Award Reports, Actual Awards • Compensation, Variable Compensation, Award Reports, Subscription Errors	Use this page to run both reports: • Actual Award Report (VC001). You can select a detailed report or a summary report. The detailed report lists all employees in a plan by group, the employee's target award value, annual rate, job code, actual award, and value. It also indicates whether the award is either the minimum or maximum payout under the plan, the total award value for each group, and the grand total for the plan. The summary report lists the total award value for each group and the grand total for the plan. • Subscription Error Report (VC013).

Viewing and Reporting on Variable Compensation History

View historical plan information by employee or by plan. Use the Employee History inquiry page to view employee information online. Use the Employee History report or the Plan History report to print variable compensation history by employee or by plan, respectively.

Page Used to View and Report on Variable Compensation History

Page Name	Object Name	Navigation	Usage
Employee History Inquiry	VC_EE_HISTORY	Compensation, Variable Compensation, Finalize Awards, Review Employee Award History, Employee History Inquiry	View the history of an employee's target and actual awards in each plan and payout period.
Employee History Report	RUNCTL_VC_EEHIS_RP	Compensation, Variable Compensation, Award Reports, Employee History, Employee History Report	Run the Employee History Report (VC005). For each employee, the report lists target values, award values, and units by plan and payout period. It also prints the total values and units for each plan. In addition, select to print each employee's grand total values for all plans.
Plan History Report	RUNCTL_VC_REP	Compensation, Variable Compensation, Award Reports, Plan History, Plan History Report	Run the Plan History Report (VC009). The report provides information about the plan definition and lists award values, proration, and approver information by payout period for the plan ID that you specify.

Viewing Employee Target and Awards History

Access the Employee History page.

Employee History

Locherty, Betty

Employee

EmplID: KU0007

Empl Rcd#: 0

Plan Details

VC Plan ID: KCORP Tree Plan - Corporate Compensation

Find | View All First 1 of 3

Employee Details

Customize | Find | View All First 1 of 1 La

Payout Period ID	Group ID	Award Date	Award (Amt)	Award Value	Target Value	Award Status
Q1	KVCALL	05/24/2000	5000.00	5000.00	15000.000000	Approved

Total Actual Award: 5000.000000

Total Target Award: 15000.000000

Currency: USD

Employee History page

Award Date

The date on which the award was granted for each payout period.

Award (Amt) (award amount)	The award amount in the currency of the plan. (This column is hidden if the employee did not receive a monetary award in the plan period.)
Award (Units)	This column of the grid is hidden if the employee did not receive a non-monetary or stock award in the plan period.
Award Value	The value of the award granted in each period, expressed in the currency of the plan.
Target Value	The value of the employee's target award (expressed in the currency of the plan) as calculated by the Calculate Awards process for each payout period.
Total Actual Award	The total of awards granted to the employee under the plan ID, expressed in units or currency, depending on the plan type. Monetary value is expressed in the currency of the plan.
Total Target Award	The total of target awards calculated for the employee under the plan ID, expressed in units or currency, depending on the plan type. Monetary value is expressed in the currency of the plan.

See Also

Chapter 10, "Calculating Allocations and Awards," Common Elements Used in Calculating Allocations and Awards, page 117

Glossary of PeopleSoft Terms

absence entitlement	This element defines rules for granting paid time off for valid absences, such as sick time, vacation, and maternity leave. An absence entitlement element defines the entitlement amount, frequency, and entitlement period.
absence take	This element defines the conditions that must be met before a payee is entitled to take paid time off.
account	You use an account code to record and summarize financial transactions as expenditures, revenues, assets, or liabilities balances. The use of this delivered PeopleSoft ChartField is typically defined when you implement PeopleSoft General Ledger.
accounting class	In PeopleSoft Enterprise Performance Management, the accounting class defines how a resource is treated for generally accepted accounting practices. The Inventory class indicates whether a resource becomes part of a balance sheet account, such as inventory or fixed assets, while the Non-inventory class indicates that the resource is treated as an expense of the period during which it occurs.
accounting date	The accounting date indicates when a transaction is recognized, as opposed to the date the transaction actually occurred. The accounting date and transaction date can be the same. The accounting date determines the period in the general ledger to which the transaction is to be posted. You can only select an accounting date that falls within an open period in the ledger to which you are posting. The accounting date for an item is normally the invoice date.
accounting entry	A set of related debits and credits. An accounting entry is made up of multiple accounting lines. In most PeopleSoft applications, accounting entries are always balanced (debits equal credits). Accounting entries are created to record accruals, payments, payment cancellations, manual closures, project activities in the general ledger, and so forth, depending on the application.
accounting split	The accounting split method indicates how expenses are allocated or divided among one or more sets of accounting ChartFields.
accumulator	You use an accumulator to store cumulative values of defined items as they are processed. You can accumulate a single value over time or multiple values over time. For example, an accumulator could consist of all voluntary deductions, or all company deductions, enabling you to accumulate amounts. It allows total flexibility for time periods and values accumulated.
action reason	The reason an employee's job or employment information is updated. The action reason is entered in two parts: a personnel action, such as a promotion, termination, or change from one pay group to another and a reason for that action. Action reasons are used by PeopleSoft Human Resources, PeopleSoft Benefits Administration, PeopleSoft Stock Administration, and the COBRA Administration feature of the Base Benefits business process.
activity	In PeopleSoft Enterprise Learning Management, an instance of a catalog item delivery method it may also be called a class. The activity defines such things as meeting times and locations, instructors, reserved equipment and materials, and detailed costs that are associated with the offering, enrollment limits and deadlines, and waitlisting capacities.
allocation rule	In PeopleSoft Enterprise Incentive Management, an expression within compensation plans that enables the system to assign transactions to nodes and participants. During transaction allocation, the allocation engine traverses the compensation structure

	from the current node to the root node, checking each node for plans that contain allocation rules.
alternate account	A feature in PeopleSoft General Ledger that enables you to create a statutory chart of accounts and enter statutory account transactions at the detail transaction level, as required for recording and reporting by some national governments.
application agent	An application agent is an online agent that is loaded into memory with a PeopleSoft page. It detects when a business rule has been triggered and determines the appropriate action.
asset class	An asset group used for reporting purposes. It can be used in conjunction with the asset category to refine asset classification.
attachment	In PeopleSoft Enterprise Learning Management, nonsystem-defined electronic material that supplements a learning resource, such as an equipment items user handbook or the site map of a large facility.
background process	In PeopleSoft, background processes are executed through process-specific COBOL programs and run outside the Windows environment.
benchmark job	In PeopleSoft Workforce Analytics, a benchmark job is a job code for which there is corresponding salary survey data from published, third-party sources.
branch	A tree node that rolls up to nodes above it in the hierarchy, as defined in PeopleSoft Tree Manager.
budgetary account only	An account used by the system only and not by users; this type of account does not accept transactions. You can only budget with this account. Formerly called system-maintained account.
budget check	In commitment control, the processing of source transactions against control budget ledgers, to see if they pass, fail, or pass with a warning.
budget control	In commitment control, budget control ensures that commitments and expenditures don't exceed budgets. It enables you to track transactions against corresponding budgets and terminate a document's cycle if the defined budget conditions are not met. For example, you can prevent a purchase order from being dispatched to a vendor if there are insufficient funds in the related budget to support it.
budget period	The interval of time (such as 12 months or 4 quarters) into which a period is divided for budgetary and reporting purposes. The ChartField allows maximum flexibility to define operational accounting time periods without restriction to only one calendar.
business event	In PeopleSoft Sales Incentive Management, an original business transaction or activity that may justify the creation of a PeopleSoft Enterprise Incentive Management event (a sale, for example).
catalog item	In PeopleSoft Enterprise Learning Management, a specific topic that a learner can study and have tracked. For example, Introduction to Microsoft Word. A catalog item contains general information about the topic and includes a course code, description, categorization, keywords, and delivery methods.
category	In PeopleSoft Enterprise Learning Management, a way to classify catalog items so that users can easily browse and search relevant entries in the learning catalog. Categories can be hierarchical.
ChartField	A field that stores a chart of accounts, resources, and so on, depending on the PeopleSoft application. ChartField values represent individual account numbers, department codes, and so forth.
ChartField balancing	You can require specific ChartFields to match up (balance) on the debit and the credit side of a transaction.

ChartField combination edit	The process of editing journal lines for valid ChartField combinations based on user-defined rules.
ChartKey	One or more fields that uniquely identify each row in a table. Some tables contain only one field as the key, while others require a combination.
child	In PeopleSoft Tree Manager trees, a child is a node or detail on a tree linked to another, higher-level node (referred to as the parent). Child nodes can be rolled up into the parent. A node can be a child and a parent at the same time depending on its location within the tree.
Class ChartField	A ChartField value that identifies a unique appropriation budget key when you combine it with a fund, department ID, and program code, as well as a budget period. Formerly called <i>sub-classification</i> .
clone	In PeopleCode, to make a unique copy. In contrast, to <i>copy</i> may mean making a new reference to an object, so if the underlying object is changed, both the copy and the original change.
collection	To make a set of documents available for searching in Verity, you must first create at least one collection. A collection is set of directories and files that allow search application users to use the Verity search engine to quickly find and display source documents that match search criteria. A collection is a set of statistics and pointers to the source documents, stored in a proprietary format on a file server. Because a collection can only store information for a single location, PeopleSoft maintains a set of collections (one per language code) for each search index object.
compensation object	In PeopleSoft Enterprise Incentive Management, a node within a compensation structure. Compensation objects are the building blocks that make up a compensation structure's hierarchical representation.
compensation structure	In PeopleSoft Enterprise Incentive Management, a hierarchical relationship of compensation objects that represents the compensation-related relationship between the objects.
configuration parameter catalog	Used to configure an external system with PeopleSoft. For example, a configuration parameter catalog might set up configuration and communication parameters for an external server.
configuration plan	In PeopleSoft Enterprise Incentive Management, configuration plans hold allocation information for common variables (not incentive rules) and are attached to a node without a participant. Configuration plans are not processed by transactions.
content reference	Content references are pointers to content registered in the portal registry. These are typically either URLs or iScripts. Content references fall into three categories: target content, templates, and template pagelets.
context	In PeopleSoft Enterprise Incentive Management, a mechanism that is used to determine the scope of a processing run. PeopleSoft Enterprise Incentive Management uses three types of context: plan, period, and run-level.
corporate account	Equivalent to the Account ChartField. Distinguishes between the chart of accounts typically used to record and report financial information for management, stockholders, and the general public, as opposed to a chart of statutory (alternate) accounts required by a regulatory authority for recording and reporting financial information.
cost profile	A combination of a receipt cost method, a cost flow, and a deplete cost method. A profile is associated with a cost book and determines how items in that book are valued, as well as how the material movement of the item is valued for the book.
cost row	A cost transaction and amount for a set of ChartFields.

data acquisition	In PeopleSoft Enterprise Incentive Management, the process during which raw business transactions are acquired from external source systems and fed into the operational data store (ODS).
data elements	Data elements, at their simplest level, define a subset of data and the rules by which to group them. For Workforce Analytics, data elements are rules that tell the system what measures to retrieve about your workforce groups.
data row	Contains the entries for each field in a table. To identify each data row uniquely, PeopleSoft applications use a key consisting of one or more fields in the table.
data validation	In PeopleSoft Enterprise Incentive Management, a process of validating and cleansing the feed data to resolve conflicts and make the data processable.
DAT file	This text file, used with the Verity search engine, contains all of the information from documents that are searchable but not returned in the results list.
delivery method	In PeopleSoft Enterprise Learning Management, identifies a learning activity's delivery method type. An activity can have one or more delivery methods.
delivery method type	In PeopleSoft Enterprise Learning Management, specifies a method that your organization uses to deliver learning activities, for example, scheduled or self-paced learning.
distribution	The process of assigning values to ChartFields. A distribution is a string of ChartField values assigned to items, payments, and budget amounts.
double byte character	If you're working with Japanese or other Asian employees, you can enter the employee's name using double-byte characters. The standard double byte character set name format in PeopleSoft applications is: [last name] space [first name].
dynamic tree	A tree that takes its detail values dynamically directly from a table in the database, rather than from a range of values entered by the user.
edit table	A table in the database that has its own record definition, such as the Department table. As fields are entered into a PeopleSoft application, they can be validated against an edit table to ensure data integrity throughout the system.
effective date	A method of dating information in PeopleSoft applications. You can predate information to add historical data to your system, or postdate information in order to enter it before it actually goes into effect. By using effective dates, you don't delete values; you enter a new value with a current effective date.
EIM job	Abbreviation for <i>Enterprise Incentive Management job</i> . In PeopleSoft Enterprise Incentive Management, a collection of job steps that corresponds to the steps in an organization's compensation-related business process. An EIM job can be stopped to allow manual changes or corrections to be applied between steps, and then resumed from where it left off, continuing with the next step. A run can also be restarted or rolled back.
EIM ledger	Abbreviation for <i>Enterprise Incentive Management ledger</i> . In PeopleSoft Enterprise Incentive Management, an object to handle incremental result gathering within the scope of a participant. The ledger captures a result set with all of the appropriate traces to the data origin and to the processing steps of which it is a result.
equipment	In PeopleSoft Enterprise Learning Management, resource items that can be assigned to a training facility, to a specific training room, or directly to an activity session. Equipment items are generally items that are used (sometimes for a fee) and returned after the activity is complete.

event	Events are predefined points either in the application processor flow or in the program flow. As each point is encountered, the event activates each component, triggering any PeopleCode program associated with that component and that event. Examples of events are FieldChange, SavePreChange, and OnRouteSubscription. In PeopleSoft Human Resources, <i>event</i> also refers to incidents that affect benefits eligibility.
event propagation process	In PeopleSoft Sales Incentive Management, a process that determines, through logic, the propagation of an original PeopleSoft Enterprise Incentive Management event and creates a derivative (duplicate) of the original event to be processed by other objects. Sales Incentive Management uses this mechanism to implement splits, roll-ups, and so on. Event propagation determines who receives the credit.
external system	In PeopleSoft, any system that is not directly compiled with PeopleTools servers.
fact	In PeopleSoft applications, facts are numeric data values from fields from a source database as well as an analytic application. A fact can be anything you want to measure your business by, for example, revenue, actual, budget data, or sales numbers. A fact is stored on a fact table.
filter	In PeopleSoft applications, a filter creates a subset of information. Filters are used in templates to limit your information from a pick list of attribute values.
generic process type	In PeopleSoft Process Scheduler, process types are identified by a generic process type. For example, the generic process type SQR includes all SQR process types, such as SQR process and SQR report.
group	Any set of records associated under a single name or variable in order to run calculations in PeopleSoft business processes. In PeopleSoft Time and Labor, for example, employees are placed in groups for time reporting purposes.
homepage	Users can personalize the homepage, or the page that first appears when they access the portal.
incentive object	In PeopleSoft Enterprise Incentive Management, the incentive-related objects that define and support the PeopleSoft Enterprise Incentive Management calculation process and results, such as plan templates, plans, results data, user interaction objects, and so on.
incentive rule	In PeopleSoft Sales Incentive Management, the commands that act on transactions and turn them into compensation. A rule is one part in the process of turning a transaction into compensation.
key	One or more fields that uniquely identify each row in a table. Some tables contain only one field as the key, while others require a combination.
learner group	In PeopleSoft Enterprise Learning Management, a group of learners within the same learning environment that share the same attributes, such as department or job code.
learning activity	See <i>activity</i> .
learning history	In PeopleSoft Enterprise Learning Management, a self-service repository for all of a learner's completed learning activities.
learning plan	In PeopleSoft Enterprise Learning Management, a self-service repository for all of a learner's planned and in-progress learning activities.
ledger mapping	You use ledger mapping to relate expense data from general ledger accounts to resource objects. Multiple ledger line items can be mapped to one or more resource IDs. You can also use ledger mapping to map dollar amounts (referred to as <i>rates</i>) to business units. You can map the amounts in two different ways: an actual amount that represents actual costs of the accounting period, or a budgeted amount that can be used to calculate the capacity rates as well as budgeted model results. In PeopleSoft Enterprise Warehouse, you can map general ledger accounts to the EW Ledger table.

level	A section of a tree that organizes groups of nodes.
library section	In PeopleSoft Enterprise Incentive Management, a section that is defined in a plan (or template) and that is available for other plans to share. Changes to a library section are reflected in all plans that use it.
linked section	In PeopleSoft Enterprise Incentive Management, a section that is defined in a plan template but appears in a plan. Changes to linked sections propagate to plans using that section.
linked variable	In PeopleSoft Enterprise Incentive Management, a variable that is defined and maintained in a plan template and that also appears in a plan. Changes to linked variables propagate to plans using that variable.
load	The feature that initiates a process to automatically load information into a PeopleSoft application for example, populating the PeopleSoft Benefits database with plan-level election information.
local functionality	In PeopleSoft HRMS, the set of information that is available for a specific country. You can access this information when you click the appropriate country flag in the global window, or when you access it by a local country menu.
location	Locations enable you to indicate the different types of addresses for a company, for example, one address to receive bills, another for shipping, a third for postal deliveries, and a separate street address. Each address has a different location number. The primary location indicated by a <i>1</i> is the address you use most often and may be different from the main address.
market template	In PeopleSoft Enterprise Incentive Management, additional functionality that is specific to a given market or industry and is built on top of a product category.
material	In PeopleSoft Enterprise Learning Management, a resource item that can be assigned to the sessions of an activity. Material items are generally consumed during the duration of an activity and not returned, and they may have an associated cost.
message definition	An object definition specified in PeopleSoft Application Designer that contains message information for PeopleSoft Application Messaging.
meta-SQL	Meta-SQL constructs expand into platform-specific SQL substrings. They are used in functions that pass SQL strings, such as in SQL objects, the SQLExec function, and PeopleSoft Application Engine programs.
metastring	Metastrings are special expressions included in SQL string literals. The metastrings, prefixed with a percent (%) symbol, are included directly in the string literals. They expand at run time into an appropriate substring for the current database platform.
multibook	Processes in PeopleSoft applications that can create both application entries and general ledgers denominated in more than one currency.
multicurrency	The ability to process transactions in a currency other than the business unit's base currency.
objective	In PeopleSoft Enterprise Learning Management, an individual's learning goal. An example of a learning goal is a competency gap.
override	In PeopleSoft Enterprise Incentive Management, the ability to make a change to a plan that applies to only one plan context.
pagelet	Each block of content on the homepage is called a pagelet. These pagelets display summary information within a small rectangular area on the page. The pagelet provide users with a snapshot of their most relevant PeopleSoft and non-PeopleSoft content.

parent node	A tree node linked to lower-level nodes or details that roll up into it. A node can be a parent and a child at the same time, depending on its location within the tree.
participant	In PeopleSoft Enterprise Incentive Management, participants are recipients of the incentive compensation calculation process.
participant object	Each participant object may be related to one or more compensation objects. See also <i>participant object</i> .
payout	In PeopleSoft Enterprise Incentive Management, the resulting incentive plan computation that is provided to payroll.
PeopleCode	PeopleCode is a proprietary language, executed by the PeopleSoft application processor. PeopleCode generates results based upon existing data or user actions. By using business interlink objects, external services are available to all PeopleSoft applications wherever PeopleCode can be executed.
PeopleCode event	An action that a user takes upon an object, usually a record field, that is referenced within a PeopleSoft page.
PeopleSoft Internet Architecture	The fundamental architecture on which PeopleSoft 8 applications are constructed, consisting of an RDBMS, an application server, a Web server, and a browser.
performance measurement	In PeopleSoft Enterprise Incentive Management, a variable used to store data (similar to an aggregator, but without a predefined formula) within the scope of an incentive plan. Performance measures are associated with a plan calendar, territory, and participant. Performance measurements are used for quota calculation and reporting.
period context	In PeopleSoft Enterprise Incentive Management, because a participant typically uses the same compensation plan for multiple periods, the period context associates a plan context with a specific calendar period and fiscal year. The period context references the associated plan context, thus forming a chain. Each plan context has a corresponding set of period contexts.
per seat cost	In PeopleSoft Enterprise Learning Management, the cost per learner, based on the total activity costs divided by either minimum attendees or maximum attendees. Organizations use this cost to price PeopleSoft Enterprise Learning Management activities.
plan	In PeopleSoft Sales Incentive Management, a collection of allocation rules, variables, steps, sections, and incentive rules that instruct the PeopleSoft Enterprise Incentive Management engine in how to process transactions.
plan context	In PeopleSoft Enterprise Incentive Management, correlates a participant with the compensation plan and node to which the participant is assigned, enabling the PeopleSoft Enterprise Incentive Management system to find anything that is associated with the node and that is required to perform compensation processing. Each participant, node, and plan combination represents a unique plan context. If three participants are on a compensation structure, each has a different plan context. Configuration plans are identified by plan contexts and are associated with the participants that refer to them.
plan section	In PeopleSoft Enterprise Incentive Management, a segment of a plan that handles a specific type of event processing.
plan template	In PeopleSoft Enterprise Incentive Management, the base from which a plan is created. A plan template contains common sections and variables that are inherited by all plans that are created from the template. A template may contain steps and sections that are not visible in the plan definition.
portal registry	In PeopleSoft applications, the portal registry is a tree-like structure in which content references are organized, classified, and registered. It is a central repository that

	defines both the structure and content of a portal through a hierarchical, tree-like structure of folders useful for organizing and securing content references.
private view	A user-defined view that is available only to the user who created it.
process	See <i>Batch Processes</i> .
process definition	Process definitions define each run request.
process instance	A unique number that identifies each process request. This value is automatically incremented and assigned to each requested process when the process is submitted to run.
process job	You can link process definitions into a job request and process each request serially or in parallel. You can also initiate subsequent processes based on the return code from each prior request.
process request	A single run request, such as an SQR, a COBOL program, or a Crystal report that you run through PeopleSoft Process Scheduler.
process run control	A PeopleTools variable used to retain PeopleSoft Process Scheduler values needed at runtime for all requests that reference a run control ID. Do not confuse these with application run controls, which may be defined with the same run control ID, but only contain information specific to a given application process request.
product category	In PeopleSoft Enterprise Incentive Management, indicates an application in the Enterprise Incentive Management suite of products. Each transaction in the PeopleSoft Enterprise Incentive Management system is associated with a product category.
publishing	In PeopleSoft Enterprise Incentive Management, a stage in processing that makes incentive-related results available to participants.
record definition	A logical grouping of data elements.
record field	A field within a record definition.
record group	A set of logically and functionally related control tables and views. Record groups help enable TableSet sharing, which eliminates redundant data entry. Record groups ensure that TableSet sharing is applied consistently across all related tables and views.
record input VAT flag	Abbreviation for <i>record input value-added tax flag</i> . Within PeopleSoft Purchasing, Payables, and General Ledger, this flag indicates that you are recording input VAT on the transaction. This flag, in conjunction with the record output VAT flag, is used to determine the accounting entries created for a transaction and to determine how a transaction is reported on the VAT return. For all cases within Purchasing and Payables where VAT information is tracked on a transaction, this flag is set to Yes. This flag is not used in PeopleSoft Order Management, Billing, or Receivables, where it is assumed that you are always recording only output VAT, or in PeopleSoft Expenses, where it is assumed that you are always recording only input VAT.
record output VAT flag	Abbreviation for <i>record output value-added tax flag</i> . See <i>record input VAT flag</i> .
reference data	In PeopleSoft Sales Incentive Management, system objects that represent the sales organization, such as territories, participants, products, customers, channels, and so on.
reference object	In PeopleSoft Enterprise Incentive Management, this dimension-type object further defines the business. Reference objects can have their own hierarchy (for example, product tree, customer tree, industry tree, and geography tree).
reference transaction	In commitment control, a reference transaction is a source transaction that is referenced by a higher-level (and usually later) source transaction, in order to

	automatically reverse all or part of the referenced transaction's budget-checked amount. This avoids duplicate postings during the sequential entry of the transaction at different commitment levels. For example, the amount of an encumbrance transaction (such as a purchase order) will, when checked and recorded against a budget, cause the system to concurrently reference and relieve all or part of the amount of a corresponding pre-encumbrance transaction, such as a purchase requisition.
relationship object	In PeopleSoft Enterprise Incentive Management, these objects further define a compensation structure to resolve transactions by establishing associations between compensation objects and business objects.
results management process	In PeopleSoft Sales Incentive Management, the process during which compensation administrators may review processing results, manually change transactions, process draws, update and review payouts, process approvals, and accumulate and push payments to the EIM ledger.
role user	A PeopleSoft Workflow user. A person's role user ID serves much the same purpose as a user ID does in other parts of the system. PeopleSoft Workflow uses role user IDs to determine how to route worklist items to users (through an email address, for example) and to track the roles that users play in the workflow. Role users do not need PeopleSoft user IDs.
role	Describes how people fit into PeopleSoft Workflow. A role is a class of users who perform the same type of work, such as clerks or managers. Your business rules typically specify what user role needs to do an activity.
roll up	In a tree, to roll up is to total sums based on the information hierarchy.
routing	Connects activities in PeopleSoft Workflow. Routings specify where the information goes and what form it takes email message, electronic form, or worklist entry.
run control	A run control is a type of online page that is used to begin a process, such as the batch processing of a payroll run. Run control pages generally start a program that manipulates data.
run control ID	A unique ID to associate each user with his or her own run control table entries.
run-level context	In PeopleSoft Enterprise Incentive Management, associates a particular run (and batch ID) with a period context and plan context. Every plan context that participates in a run has a separate run-level context. Because a run cannot span periods, only one run-level context is associated with each plan context.
search query	You use this set of objects to pass a query string and operators to the search engine. The search index returns a set of matching results with keys to the source documents.
section	In PeopleSoft Enterprise Incentive Management, a collection of incentive rules that operate on transactions of a specific type. Sections enable plans to be segmented to process logical events in different sections.
security event	In commitment control, security events trigger security authorization checking, such as budget entries, transfers, and adjustments; exception overrides and notifications; and inquiries.
self-service application	Self-service refers to PeopleSoft applications that are accessed by end users with a browser.
session	In PeopleSoft Enterprise Learning Management, a single meeting day of an activity (that is, the period of time between start and finish times within a day). The session stores the specific date, location, meeting time, and instructor. Sessions are used for scheduled training.
session template	In PeopleSoft Enterprise Learning Management, enables you to set up common activity characteristics that may be reused while scheduling a PeopleSoft Enterprise

	Learning Management activity characteristics such as days of the week, start and end times, facility and room assignments, instructors, and equipment. A session pattern template can be attached to an activity that is being scheduled. Attaching a template to an activity causes all of the default template information to populate the activity session pattern.
setup relationship	In PeopleSoft Enterprise Incentive Management, a relationship object type that associates a configuration plan with any structure node.
sibling	A tree node at the same level as another node, where both roll up into the same parent. A node can be a sibling, parent, and child all at the same time, depending on its location in the tree.
single signon	With single signon, users can, after being authenticated by a PeopleSoft application server, access a second PeopleSoft application server without entering a user ID or password.
source transaction	In commitment control, any transaction generated in a PeopleSoft or third-party application that is integrated with commitment control and which can be checked against commitment control budgets. For example, a pre-encumbrance, encumbrance, expenditure, recognized revenue, or collected revenue transaction.
SpeedChart	A user-defined shorthand key that designates several ChartKeys to be used for voucher entry. Percentages can optionally be related to each ChartKey in a SpeedChart definition.
SpeedType	A code representing a combination of ChartField values. SpeedTypes simplify the entry of ChartFields commonly used together.
SQR	See <i>Structured Query Report (SQR)</i> .
statutory account	Account required by a regulatory authority for recording and reporting financial results. In PeopleSoft, this is equivalent to the Alternate Account (ALTACCT) ChartField.
step	In PeopleSoft Sales Incentive Management, a collection of sections in a plan. Each step corresponds to a step in the job run.
Structured Query Report (SQR)	A type of printed or displayed report generated from data extracted from a PeopleSoft SQL-based relational database. PeopleSoft applications provide a variety of standard SQRs that summarize table information and data. You can use these reports as is, customize them, or create your own.
Summary ChartField	You use summary ChartFields to create summary ledgers that roll up detail amounts based on specific detail values or on selected tree nodes. When detail values are summarized using tree nodes, summary ChartFields must be used in the summary ledger data record to accommodate the maximum length of a node name (20 characters).
summary ledger	An accounting feature used primarily in allocations, inquiries, and PS/nVision reporting to store combined account balances from detail ledgers. Summary ledgers increase speed and efficiency of reporting by eliminating the need to summarize detail ledger balances each time a report is requested. Instead, detail balances are summarized in a background process according to user-specified criteria and stored on summary ledgers. The summary ledgers are then accessed directly for reporting.
summary tree	A tree used to roll up accounts for each type of report in summary ledgers. Summary trees enable you to define trees on trees. In a summary tree, the detail values are really nodes on a detail tree or another summary tree (known as the <i>basis</i> tree). A summary tree structure specifies the details on which the summary trees are to be built.

table	The underlying PeopleSoft data format, in which data is stored by columns (fields) and rows (records, or instances).
TableSet sharing	Specifies control table data for each business unit so that redundancy is eliminated.
target currency	The value of the entry currency or currencies converted to a single currency for budget viewing and inquiry purposes.
template	A template is HTML code associated with a Web page. It defines the layout of the page and also where to get HTML for each part of the page. In PeopleSoft, you use templates to build a page by combining HTML from a number of sources. For a PeopleSoft portal, all templates must be registered in the portal registry, and each content reference must be assigned a template.
territory	In PeopleSoft Sales Incentive Management, hierarchical relationships of business objects, including regions, products, customers, industries, and participants.
TimeSpan	A relative period, such as year-to-date or current period, that can be used in various PeopleSoft General Ledger functions and reports when a rolling time frame, rather than a specific date, is required. TimeSpans can also be used with flexible formulas in PeopleSoft Projects.
transaction allocation	In PeopleSoft Enterprise Incentive Management, the process of identifying the owner of a transaction. When a raw transaction from a batch is allocated to a plan context, the transaction is duplicated in the PeopleSoft Enterprise Incentive Management transaction tables.
transaction loading process	In PeopleSoft Enterprise Incentive Management, the process during which transactions are loaded into Sales Incentive Management. During loading, the source currency is converted to the business unit currency while retaining the source currency code. At the completion of this stage, the transaction is in the first state.
transaction state	In PeopleSoft Enterprise Incentive Management, a value assigned by an incentive rule to a transaction. Transaction states enable sections to process only transactions that are at a specific stage in system processing. After being successfully processed, transactions may be promoted to the next transaction state and picked up by a different section for further processing.
transaction type	In PeopleSoft Enterprise Incentive Management, a way to categorize transactions to identify specific transaction types (for example, shipment, order, opportunity, and so on). Plan sections process only one type of transaction type. Transaction types can be defined based on a company's specific processes model.
Translate table	A system edit table that stores codes and translate values for the miscellaneous fields in the database that do not warrant individual edit tables of their own.
tree	The graphical hierarchy in PeopleSoft systems that displays the relationship between all accounting units (for example, corporate divisions, projects, reporting groups, account numbers) and determines roll-up hierarchies.
unclaimed transaction	In PeopleSoft Enterprise Incentive Management, a transaction that is not claimed by a node or participant after the allocation process has completed, usually due to missing or incomplete data. Unclaimed transactions may be manually assigned to the appropriate node or participant by a compensation administrator.
uniform resource locator (URL)	In PeopleSoft, the term URL refers to the entire query string. The following is an example of a URL: <code>http://serverx/InternetClient/InternetClientServlet?ICType=Script&ICScriptProgramName=WEBLIB_BEN_401k.PAGES.FieldFormula.iScript_Home401k</code>
universal navigation header	Every PeopleSoft portal includes the universal navigation header, intended to appear at the top of every page as long as the user is signed on to the portal. In addition to

providing access to the standard navigation buttons (like Home, Favorites, and signoff) the universal navigation header can also display a welcome message for each user.

URL

See *uniform resource locator (URL)*.

user interaction object

In PeopleSoft Sales Incentive Management, used to define the reporting components and reports that a participant can access in his or her context. All Sales Incentive Management user interface objects and reports are registered as user interaction objects. User interaction objects can be linked to a compensation structure node through a compensation relationship object (individually or as groups).

variable

In PeopleSoft Sales Incentive Management, the intermediate results of calculations. Variables hold the calculation results and are then inputs to other calculations. Variables can be plan variables that persist beyond the run of an engine or local variables that exist only during the processing of a section.

warehouse

A PeopleSoft data warehouse that consists of predefined ETL maps, data warehouse tools, and DataMart definitions.

worksheet

A way of presenting data through a PeopleSoft Business Analysis Modeler interface that enables users to do in-depth analysis using pivoting tables, charts, notes, and history information.

workflow

The background process that creates a list of administrative actions based on selection criteria and specifies the procedure associated with each action.

worklist

The automated to-do list that PeopleSoft Workflow creates. From the worklist, you can directly access the pages you need to perform the next action, and then return to the worklist for another item.

zero-rated VAT

Abbreviation for *zero-rated value-added tax*. A VAT transaction with a VAT code that has a tax percent of zero. Used to track taxable VAT activity where no actual VAT amount is charged.

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