

# Oracle Fusion Cloud Human Resources

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## **Administering Absences for the United States**

23D



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# Get Help

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# 1 Absence Management

## Overview of Absence Management for the US

Oracle Fusion Absence Management provides you with the means to accurately administer a variety of types of absences. You can track them, display them on reports, and integrate them with your payroll calculations.

Most of the configuration happens in the Absences application. However, because absences and payroll are integrated, you must perform some set-up in Payroll. Payroll processing requires specific info, which is provided by the absences. The payroll process uses this info to calculate the absence payments.

For further info, see Human Resources Cloud Administering US Absences on the Help Center.

### High-Level Steps

Here are the different absence and payroll steps you need to follow.

What you want to do	How you do it
Create rate definitions	<p>Create rate definitions to use in calculating absence payments, liability balance calculations, and salary reduction calculations.</p> <p>Use the Rate Definitions task.</p> <p>For further info, see Overview of Absence Rate Definitions for the US in the Help Center.</p>
Create absence elements	<p>Create an absence element for each absence plan that transfers absence payment info for payroll processing.</p> <p>Use the Elements task. These elements use the Absences primary earnings classification.</p> <p>During absence element definition, the template provides the option to automatically create the Final Disbursements and Discretionary Disbursements elements.</p> <p>For further info, see Define Absence Elements for the US in the Help Center.</p>
Create derived factors	<p>Create derived factors to define how to calculate certain eligibility criteria that change over time.</p> <p>Use the Derived Factors task.</p> <p>For further info, see Derived Factors for Absences in the Help Center.</p>
Create eligibility profiles	<p>Create eligibility profiles to define criteria that determine whether a person qualifies for objects that you associated with the profile.</p> <p>Use the Eligibility Profiles task.</p> <p>For further info, see Absence Eligibility Profiles for the US in the Help Center.</p>
Create fast formulas	<p>Create any fast formulas needed to perform additional processing, such as:</p>

What you want to do	How you do it
	<ul style="list-style-type: none"> <li>• Days-to-hours conversions</li> <li>• Absence entitlements based on employee attributes, such as grade</li> </ul> <p>Use the Fast Formulas task.</p> <p>For further info, see the following.</p> <ul style="list-style-type: none"> <li>• Oracle Cloud Administering and Working with Oracle Strategic Workforce Planning Cloud on the Help Center</li> <li>• Oracle Cloud Absence Management: Fast Formula Reference Guide (20656711) on My Oracle Support</li> </ul>
Create absence plans	<p>Create an absence plan, and select the absence element within the plan itself.</p> <p>Use the Absence Plans task.</p> <p>For further info, see Set Up Absence Plans for the US in the Help Center.</p>
Create absence types	<p>Create absence types, and associate your absence plans to them.</p> <p>Use the Absence Types task.</p> <p>For further info, see Set Up Absence Plans for the US in the Help Center.</p>
Enroll employees in absence plans	<p>Enroll employees in the absence plan.</p> <p>For further info, see Set Up Absence Plans for the US in the Help Center.</p>
Process accruals	<p>If an employee is enrolled in an accrual plan, you must run the accrual process.</p> <p>For further info, see Process and Administer Absences for the US in the Help Center.</p>
Create employee absence records	<p>Record an absence for the employee by performing one of the following:</p> <ul style="list-style-type: none"> <li>• Employee enters their absence through self-service</li> <li>• You enter an absence for an employee using the Absence Records task</li> </ul> <p>This transfers the absence info to the payroll process, assuming the absence is approved and the option to transfer info to payroll is configured. This:</p> <ol style="list-style-type: none"> <li>1. Creates or updates the absence calculation card.</li> <li>2. Links the absence plan to the calculation component on the person's calculation card.</li> </ol> <p>For further info, see Employee Absence Records for the US in the Help Center.</p>
Process payroll	<p>After you have transferred the info to payroll and generated the entries, you can process the payroll that includes the absence entries. Then view the resulting absence balances on the person's Statement of Earnings (SOE).</p>
View absence balances	<p>After you have processed and archived payroll, the employee's absence and accrual balances are displayed on their SOE, payslip, check advice, and reports.</p>



## Navigation

Use these tasks to configure objects for processing absences in payroll.

What you want to configure	What task you use	Where you find it
Rate definitions	Rate Definitions	Payroll
Absence elements	Elements	Payroll
Derived factors	Derived Factors	Absences
Eligibility profiles	Eligibility Profiles	Absences
Absence plans	Absence Plans	Absences
Absence types	Absence Types	Absences

### Related Topics

- [Absence Eligibility Profiles for the US](#)
- [Derived Factors for Absences](#)
- [Define Absence Elements for the US](#)
- [Employee Absence Records for the US](#)
- [Overview of Absence Rate Definitions for the US](#)
- [Process and Administer Absences for the US](#)
- [Set Up Absence Plans for the US](#)
- [Oracle Cloud Absence Management: Fast Formula Reference Guide](#)

## Overview of Absence Rate Definitions for the US

Rate definitions use payroll balances, element entry values, and values defined by criteria to help you calculate:

- Absence payment amounts
- Liability balances
- Salary reduction amounts

Use the Rate Definitions task to create rate definitions.

When a person's absence payment is at a different rate than their salary, you use rate definitions to determine the rate. Create these rate definitions before you define absence elements.

To do this:

1. Set up an element rate definition for each type of base salary subject to this payment.

These rate definitions are marked as base rates.

For further info, see [Rate Definitions for Absence Plans and Payments for the US](#) in the Help Center.

2. Set up a derived rate definition, and use the base rate as your contributor type.  
For further info, see the [Set Absence Payment Rates for the US](#) in the Help Center.

#### Related Topics

- [Overview of Absence Management for the US](#)
- [Rate Definitions for Absence Plans and Payments for the US](#)
- [Set Absence Payment Rates for the US](#)

## Rates Used to Calculate Absences in Payroll

You can specify a rate for use in calculating an absence in an absence plan or an absence element.

When processing absence entries in a payroll run, the formula associated with the absence element uses the Rate Converter global formula to convert rates. The formula checks for a rate in this sequence.

1. Absence plan
2. Absence element
3. Compensation salary element

### Absence Plan

In Oracle Fusion Absence Management, you can select a rate rule on the **Entries and Balances** tab of the **Create Absence Plan** page. The rate rule calculates the units passed to payroll when you record an absence. You can select rate rules for the absence payment, final disbursement, discretionary disbursement, and liability balance calculation.

For third-party absence providers, the application transfers the rate information and override rates in the HCM Data Loader file attached to the Load Absence Batch process.

### Absence Element

If you don't specify rates in the absence plan, you can specify a rate when you create the absence elements. The type of absence information determines the rates you can select. For example, for plans where you transfer accrual balances and absences, you can select different rates for these calculations.

- Absence payments
- Discretionary disbursement
- Final disbursement
- Liability balance rate

As best practice, specify a rate in either the plan or the element. If you specify in both, ensure the rate for the element is same as the rate you selected in the corresponding plan.

### Compensation Salary Element

If the formula doesn't find a rate specified in the plan or the element, it uses the compensation salary element.

When you associate a payroll element to a salary basis, you specify an input value that holds the base pay on a worker's element entry. The monetary amount or rate recorded in the element entry is the salary value in the worker's salary information held on the assignment. If you specify a rate, the formula uses this rate if it doesn't find one defined in the absence plan or absence element.

*Related Topics*

- [Define Payroll Elements to Process Absences](#)

## Rate Definitions for Absence Plans and Payments for the US

To pay a person during their absence, you need to find the rate for each unit of that period, such as days or hours. You use rate definitions to help you with this.

Use the Rate Definitions task.

Before you create the rate definitions, you should know:

- How rate definitions work with absence plans
- What types of absence payments support rate definitions

### How Rate Definitions Work with Absence Plans

To associate a rate definition with an absence plan:

1. Create the rate definition using the Rate Definitions task.  
For further info, see [Overview of Absence Rate Definitions for the US](#) in the Help Center.
2. Associate the rate definition with the absence plan on **Entries and Balances** on the Absence Plans task.

For example, to calculate payments of each time unit when you disburse an accrual balance for a terminated employee, create a rate definition using the Manage Rate Definitions task. Then, when you create an absence plan, you select the rate definition you created from the Final Disbursement Rate Rule list on **Entries and Balances**.

**Note:** Don't enter rate rules at the plan level if you have already defined them at the employment level. If you enter the rates at both the element and the plan levels, the rate at the plan level takes priority.

### What Types of Absence Payments Support Rate Definitions

When you're defining your absence element, the template invites you to associate rate definitions with the different element types it generates. If you choose not to select a rate definition, it uses the employee's salary rate.

When you choose this in the template	It creates this	This is what happens when you select a rate definition for it
Calculate absence liability?	<element name> Liability balance	Calculates the cost of a worker's accrual balance to determine employer liability.

When you choose this in the template	It creates this	This is what happens when you select a rate definition for it
		<p>For example, if the employee is terminated or loses eligibility for the absence plan, you can determine employer liability for worker time accruals for the rest of the accrual term.</p>
<p>Does this plan enable balance payments when enrollment ends?</p>	<p><b>&lt;element name&gt; Final Disbursement</b> indirect element</p>	<p>Calculates the payment of accruals when plan participation ends.</p> <p>For example, if the worker is terminated or loses eligibility for the absence plan, you can use a rate definition to calculate the final accrual balance. Create a rate definition that considers the worker's salary details and calculates the payment value for each unit of accrued time.</p>
<p>Does this plan enable partial payment of balance?</p>	<p><b>&lt;element name&gt; Discretionary Disbursement</b> indirect element</p>	<p>Calculates the payment when paying out part of an accrual balance.</p> <p>For example, if the worker is terminated or loses eligibility for the absence plan, you can disburse the remainder of the accrual balance. Create a rate definition that considers the worker's salary details and calculates the payment value for each unit of accrued time.</p>
<p>Which rate should the absence payment calculation use?</p>	<p>N/A</p>	<p>Calculates the payment during an accrual and qualification absence period.</p> <p>For a qualification absence plan, you can select this rate definition to calculate payment for a qualification absence period. When you create the qualification plan, you define qualification bands to specify the percentage of payment during an absence period.</p> <p>For example, you want to pay the worker 75% pay up to the first 90 days of the absence. You use a rate definition to define the calculation method to translate that percentage into an actual payment value.</p>
<p>Which rate determines the salary reduction amount?</p>	<p>N/A</p>	<p>Defines the rate at which the process reduces the person's regular salary.</p>

*Related Topics*

- [Overview of Absence Rate Definitions for the US](#)
- [Rate Definitions for Absence Plans and Payments for the US](#)
- [Set Absence Payment Rates for the US](#)

## Define Absence Elements for the US

To calculate and process absence payments, you need to define Absence elements.

When you define them, consider the following.

- What type of absence info do you want transferred to payroll
- What kinds of elements you can use
- How to define an absence element
- What indirect elements the template creates
- How you set element eligibility
- How you cost the element
- How you link the element to the absence plan

### How Absence Info Is Passed to Payroll

This describes what happens when you select a specific type of absence info to transfer to payroll.

Type of absence info	What it's for	Examples
Accrual Balances	Used for tracking purposes and maintain time-off balances for employees based on certain criteria.	Select this option for a vacation accrual plan that isn't processed through payroll. The Statement of Earnings (SOE) wouldn't include this leave.
Accrual Balances and Absences	Used tracking purposes to maintain time-off balances, but they have an absence payment component related to the accrual.	Select this option for a vacation accrual plan that's processed through payroll. The SOE would show this leave separately.
Qualification Absences	Typically triggered by an event, such as having a baby.	Select this option for a maternity plan that's processed through payroll. The SOE would show this leave separately.
No Entitlement Absences	Usually for tracking unpaid absences, and there is no accrual balance maintained.	Select this option for a no entitlement leave plan that's processed through payroll. The SOE would show this leave separately.

### What Kinds of Elements Can You Use

An absence plan can support these kinds of elements.

Element Type	Description
Basic Absence Earnings	This element is used for the regular payment of an absence, such as vacation or PTO time. Also use this for payment of longer periods of absences, such as a maternity leave or short-term disability.

Element Type	Description
Absence Discretionary Disbursement Earnings	Some absence plans support discretionary disbursement for unused absence balances. You can elect to pay the discretionary disbursement by answering <b>Yes</b> to the partial payment of balance question when creating your base absence element. Select which payment rate and which taxation method to use with this discretionary payment.
Absence Final Disbursement Earnings	Some absence plans permit final disbursements or pay out at employment termination. Elect to pay the final disbursement by answering <b>Yes</b> to the enable balance payments when enrollment ends question when creating your base absence element. Select which payment rate and which taxation method to use with this final payment.
Unpaid Absences	<p>When defining the element for any unpaid absence attached to an absence plan, select the following in the element template:</p> <ul style="list-style-type: none"> <li>• Select <b>No Entitlement Absence</b> when transferring absence info to payroll.</li> <li>• Select <b>Select rate to determine absence deduction amount</b></li> <li>• Leave the following rate fields blank. <ul style="list-style-type: none"> <li>○ Rate to Determine Absence Deduction Amount</li> <li>○ Which rate should the absence payment calculation use?</li> </ul> </li> </ul> <p>By leaving these blank on a No Entitlement Absence, the payroll process reduces the salary by the regular pay rate of the employee. This creates the unpaid absence. The unpaid earnings appear on the payslip and statement of earnings.</p>

## How You Define the Absence Element

The options you select when you define the absence element determine which indirect elements, balances, formulas, and calculation components the template generates.

For further info, see Define Payroll Elements for Processing Absences for the US in the Help Center.

To create an absence element:

1. From **My Client Groups**, click **Show More**.
2. In **Payroll**, click **Elements**.
3. Click **Create**.
4. Select a US legislative data group (LDG).
5. Select **Absences** as the primary classification.
6. Select a secondary classification based on the type of absence you're creating.
  - Maternity
  - Sickness
  - Vacation
  - Other
7. Click **Continue**.

8. Enter the following.

Field name	How you use it
Name	Name of the absence element.
Reporting Name	Name of the absence element as displayed on reports.
Description	Description of the absence element.
Effective Date	Effective date of the absence element.
Input Currency	Currency of the absence element.

9. Select the calculation units.

- Note:** If you select **Days**, and the absence payment for this element is subject to overtime rules, you must:
- a. Create a fast formula for conversion to hours.
  - b. Select the work units conversion rule related to these calculation units.

10. Select the types of absence info that you want transferred to payroll.

- o Accrual Balances
- o Accrual Balances and Absences
- o Qualification Absences
- o No Entitlement Absences

11. Click **Next**.

12. Enter the following additional details.

- a. Select the appropriate absence payment option for reducing regular earnings for salaried employees.

Payment option	How you use it
Reduce regular earnings by absence payment	Does not require a rate definition.
Select rate to determine absence deduction amount	<p>Select this option if your absence:</p> <ul style="list-style-type: none"> <li>- Is at a different payment rate than your salary reduction</li> </ul> <p>In this case, use the associated fields to select the rates to set the following for the absence calculation.</p> <ul style="list-style-type: none"> <li>o Absence deduction amount</li> </ul>

Payment option	How you use it
	<ul style="list-style-type: none"> <li>o Absence deduction rate</li> </ul> <p>For further info, see Set Absence Payment Rates for the US in the Help Center.</p> <ul style="list-style-type: none"> <li>- Is an unpaid absence</li> </ul> <p>In this case, you must configure that unpaid absence. For further info, see What Kinds of Elements Can You Use above.</p>

- b. Select the absence payment rate.  
Leave blank if you're using the base rate.
- c. Select how you want the absence payment to be taxed.
- d. Select whether to calculate the absence liability.  
If you select **Yes**, do one of the following.
  - Select the liability rate you defined through the Rate Definitions task.
  - Provide an empty value to use the rate calculation based on the basic salary.
- e. Select the appropriate balance payment options.

For this question	What you do
Does this plan enable balance payments when enrollment ends?	<ul style="list-style-type: none"> <li>i. Select <b>Yes</b> to configure a final disbursement element and to maintain balances for the disbursement hours and payments.</li> <li>ii. Select a rate to use for the calculation. Leave blank to use the basic salary rate.</li> <li>iii. Select the taxation method.</li> </ul>
Does this plan enable partial payment of balance?	<ul style="list-style-type: none"> <li>i. Select <b>Yes</b> to configure a discretionary disbursement element and to maintain balances for disbursement hours and payments.</li> <li>ii. Select a rate to use for the calculation. Leave blank to use the basic salary rate.</li> <li>iii. Select the taxation method.</li> </ul>

- f. Select whether this absence is subject to overtime calculations.
13. Click **Next**.
  14. Review the options you selected, and then click **Submit**.

When you define the absence element, the Elements task also creates the required indirect elements, balances, formulas, and calculation components.

If you have standard earnings and absence elements in the same payroll run that reduce regular earnings, the payroll calculation reduces earnings in this sequence.

1. Using absence element entries
2. Using any standard earnings elements that reduce regular earnings

The salary balance isn't reduced beyond 0.

## What Are the Indirect Elements for Absences

When you submit the element definition, the template creates a base and retroactive pay element, as well as related balances, formulas, and calculation components. It also creates related elements, such as results and calculator elements.



The template also creates additional elements, depending on the options selected in the template to transfer absence info, as shown here.

Element name	What they do
<Absence name>	This is the element you created for the absence plan.
<Absence Name> Accrual <Absence Name> Accrual Calculator <Absence Name> Accrual Results	These indirect elements: <ol style="list-style-type: none"><li>1. Get absence accrual info from Oracle Fusion Absence Management</li><li>2. Process liability</li></ol>
<Absence Name> Entitlement <Absence Name> Entitlement Calculator <Absence Name> Entitlement Results	These indirect elements: <ol style="list-style-type: none"><li>1. Get absence accrual info from Oracle Fusion Absence Management</li><li>2. Process absence payments and deductions</li></ol>
<Absence Name> Entitlement Retro	This indirect element processes absence payments and deductions during retroactive processing.
<Absence Name> Discretionary Disbursement <Absence Name> Discretionary Disbursement Calculator <Absence Name> Discretionary Disbursement Results	These indirect elements: <ol style="list-style-type: none"><li>1. Get partial payment info from Oracle Fusion Absence Management</li><li>2. Process these disbursements</li></ol>
<Absence Name> Discretionary Disbursement Retro	Indirect element used to process partial payment disbursements in retroactive processing.
<Absence Name> Final Disbursement <Absence Name> Final Disbursement Calculator <Absence Name> Final Disbursement Results	These indirect elements: <ol style="list-style-type: none"><li>1. Get final payment info from Oracle Fusion Absence Management, such as upon employee termination</li><li>2. Process these disbursements</li></ol>
<Absence Name> Final Disbursement Retro	This indirect element processes final payment disbursements during retroactive processing.

## How to Set Element Eligibility

You must create element eligibility for the base, accrual, retroactive, and entitlement elements. For the elements you define through the element template, do this during element definition. For the indirect elements automatically generated, use the Elements task.

1. Search for and select the appropriate element.
2. In **Element Overview**, select **Element Eligibility**.

3. Select **Create Element Eligibility** from the **Actions** menu.
4. Define the element eligibility.
5. Click **Submit and Done**.

## How to Cost Absence Elements

You must create costing element eligibility if you post absence payments to the general ledger. You must create costing element eligibility for these payment elements.

- Base absence entitlement, entitlement results, and entitlement retroactive elements
- Discretionary disbursement, disbursement result, and disbursement retroactive elements
- Final disbursement, disbursement result, and disbursement retroactive elements

Determine how to cost element eligibility records, including which type of costing to apply and which input value to cost. Determine which account numbers to specify for the cost account segments, such as the natural account, and which offset account balances the cost account.

For further info, see Global Human Resources Payroll Costing Guide (1918574.1) on My Oracle Support.

## How to Link to the Absence Plan

For the absence plan to share its absence payment info with the payroll process, you have to link it to your absence element.

When you create the plan:

1. Select the absence element in **Entries and Balances** on the Create Absence Plan page.
2. Select **Transfer absence payment info for payroll processing**.

### *Related Topics*

- [Define Payroll Elements for Processing Absences for the US](#)
- [Overview of Absence Management for the US](#)
- [Set Up Absence Plans for the US](#)
- [Global Human Resources Payroll Costing Guide](#)
- [Set Absence Payment Rates for the US](#)

## Derived Factors for Absences

Derived factors define how to calculate certain eligibility criteria whose values change over time, such as a person's age or length of service.

You add derived factors to eligibility profiles and then associate the profiles with objects that restrict eligibility.

Use the Derived Factors task to define these types of derived factors.

- Age
- Length of service
- Combination of age and length of service

- Compensation
- Hours worked
- Full-time equivalent

## Absence Eligibility Profiles for the US

An eligibility profile is a set of criteria that you define that determine whether a person qualifies for objects that you associate the profile with.

Use the criteria to determine whether a person qualifies for an offering. That offering could be:

- Benefits plan
- Compensation plan
- Checklist task
- Variable rate or coverage
- Other object

You can associate eligibility profiles with objects in a variety of business processes.

Criteria defined in an eligibility profile are divided into these categories.

Category	How you use it
Personal	Includes gender, person type, ZIP Code ranges, and other person-specific criteria.
Employment	Includes assignment status, hourly or salaried, job, grade, and other employment-specific criteria.
Derived factors	Includes age, compensation, length of service, hours worked, full-time equivalent, and a combination of age and length of service.
Other	Includes miscellaneous and user-defined criteria.
Related coverage	Includes criteria based on whether a person is covered by, eligible for, or enrolled in other benefits offerings.

Some criteria provide a fixed set of choices, such as gender. The choices for other criteria, are based on values defined in tables, such as person type. You can define multiple criteria for a given criteria type.

For example, define a "Floating Holiday" absence element. Create a profile that says only full-time employees are eligible and attach that profile to the floating holiday absence plan.

To configure the user-defined criteria, use the Eligibility Profiles task. For further info, see the document [Global Human Resources Cloud Implementing Absence Management on Oracle Cloud Help Center](#).

### Related Topics

- [Overview of Absence Management for the US](#)

# Set Up Absence Plans for the US

The absence plan helps the payroll process calculate absence payments by providing important eligibility and entitlement info.

This includes:

- How you create the plan
- How to share absence information with the payroll process
- How to enroll employees in the plan

## Create Absence Plans

Use the Absence Plan task to create absence plans.

Part of creating a plan involves defining your rules for accruals and entitlements, and there are multiple strategies involved. For further info, see [Global Human Resources Cloud Implementing Absence Management on Oracle Cloud Help Center](#).

**Note:** You must have the role of Human Resources Manager to perform these operations.

For further info, see the following in the Help Center:

- [Build Accrual Band Matrixes for the US](#)
- [Create Qualification Bands](#)
- [Define Absence Plans](#)
- [Create Absences for California Sick Pay Rates](#)

## Absence Plans

Absence plans determine the rules for defining eligibility, accruing leave time, and receiving payments during the absence period. You can select from the following.

Plan Type	Description
Accrual	Calculates time earned by an employee on a periodic basis, including maximum amounts of accrued time and maximum amounts of time that can be carried forward to the next term.
Agreement	Time agreed upon between the employer and employee in accordance with statutory rules.
Compensatory	A variation of an accrual plan where units worked form the basis of the accrual. You can offer this type of plan can be for work outside of a regular schedule instead of paying overtime.
No Entitlement	A plan doesn't have accrual or entitlements defined. Commonly used to track unpaid absences.

Plan Type	Description
Qualification	Employee's entitlement to time off isn't earned on a periodic basis but is granted to them. Commonly used for maternity, jury duty, military, and so on.

## Plan Rules

Plan rules define a person's eligibility for the plan, and the amount of time they receive.

Plan Rules	Description
Terms and Frequencies	<p>Identifies the period of time during which employees accrue time. Term types include:</p> <ul style="list-style-type: none"> <li>• Accrual Plans and No Entitlement Plans</li> </ul> <p>Calendar year:</p> <p>Accrual term starts on the month, day, and year you select and then restarts the next year on the same day</p> <p>Anniversary year:</p> <p>Accrual term starts on the hire date and then restarts on the employee's anniversary <li>• Qualification Plans</li> <p>Absence duration:</p> <p>Determines the duration of the plan.</p> <p>Calendar year:</p> <p>Accrual term starts on the month, day, and year you select and then restarts the next year on the same day</p> <p>Rolling backward:</p> <p>Calculates the absence entitlement based on the total duration of absences for a specific time period that precedes the absence start date.</p> <p>Rolling forward:</p> <ol style="list-style-type: none"> <li>a. Calculates absence entitlements based on the first date an employee's absence begins.</li> <li>b. Calculates the end date by adding the term duration to the start date.</li> </ol> </p>
Plan eligibility	Associates an eligibility profile to the plan to determine what workers are enrolled in that plan. An eligibility profile defines criteria used to determine whether a person qualifies for certain absence plans.
Enrollment and Termination	<p>Determines:</p> <ul style="list-style-type: none"> <li>• When to enroll an employee in the plan</li> <li>• When to unenroll a terminated employee</li> </ul>
Waiting periods	For an accrual plan, defines whether an employee accrues time only after a specified period.

Plan Rules	Description
Vesting periods	For an accrual plan, defines if an employee can use any accrued time after a specified period.
Plan limits	For an accrual plan, identifies the type of limits: <ul style="list-style-type: none"> <li>• Carryover Maximum amount of time an employee can carry over to the next cycle.</li> <li>• Ceiling Maximum amount of time an employee can accrue.</li> </ul>
Transferring Absence Information to Payroll	Payroll requires specific information to process absence payments. To process absence payments during payroll processing: <ol style="list-style-type: none"> <li>1. Use <b>Entries and Balances</b> on the Absence Plan task to configure your absence plan to pass the absence information to payroll.</li> <li>2. Select <b>Transfer absence payment information for payroll processing</b>.</li> <li>3. Select the absence element you defined previously during the Creating Absence Elements steps.</li> </ol>

## Share Absence Information with the Payroll Process

The payroll process requires specific information to process absence payments. To process absence payments during payroll processing, you must configure your absence plan to pass the absence information to payroll.

You do this with **Entries and Balances** on the Absence Plan task.

1. Select the **Transfer absence payment information for payroll processing** option.
2. Select the absence element you defined previously during the Creating Absence Elements steps.

## Enroll the Employees

You must enroll your employees in the absence plan before you can record their absences.

For Accrual, Agreement, Compensatory, and Qualification plans, if you created the plan before the employee being hired, the hiring process automatically enrolls them, assuming they meet the plans' requirements. If you created the plan after the employee was hired, you manually enroll them.

Use the Absences task to enroll employees in the absence plan or verify automatic enrollment into a plan.

### Related Topics

- [Overview of Absence Management for the US](#)
- [Process and Administer Absences for the US](#)
- [Build Accrual Band Matrixes for the US](#)
- [Create Qualification Bands](#)

# Absence Components for the US

Implementing the absence management policy of your enterprise involves answering these absence issues.

- What types of absences do you support?
- Do you want to use patterns to help you define your absence types?
- Do you want to organize your absence types into categories?
- What are the allowable reasons for taking an absence?
- Do you want to establish certification requirements for absence approval?

## Absence Types

Use the Absence Types task to create absence types. Absence types can include rules to determine when users record or manage an absence of that type.

There are several fields you set when you create your absence types.

Field name	What it does
Absence Pattern	An absence pattern contains a predefined set of rules you use as a starting point when you create an absence type.  For further info, see Absence Patterns below.
Unit of Measure	Choose whether this absence type is in measurements of Days or Hours.
Absence Rules	When you create an absence type, such as sick leave, you include rules to determine when the employee records or manages an absence of that type.  For example, you can create a rule where workers can record absences only of a particular duration. An alert appears if they set a duration that exceeds the maximum.
Select Maintenance options	<ul style="list-style-type: none"> <li>• You can choose to enable an absence type for time card entry.  For further info, see Enable Absences for Time Card Entries in the Help Center.</li> <li>• Select who can update an employee's absence info.</li> </ul>
Absence Plans	Associate your previously defined absence plans to your absence types.
Absence Reason	If you have defined absence reasons, you can select which reasons are valid for any particular absence type. For further info, see Absence Reasons below.
Display Features	Decide which fields or sections you want to show or hide for specific user roles when they record or approve a specific absence type.

## Absence Patterns

An absence pattern contains a predefined set of rules that you use as a starting point when you create an absence type. You can select one of the following predefined patterns.

- Illness or injury
- Childbirth or placement
- Generic absence

For example, use the Generic Absence pattern to create an absence type for scheduling vacation based on the time accrued according to an accrual plan.

The pattern you select determines:

1. What special fields appear on the absence type pages
2. The options available to display and process various aspects of absence recording

For example, the Childbirth or Placement pattern includes a field for selecting whether the absence type applies for childbirth or adoption placement.

## Absence Categories

You can choose to create absence categories to group absence types for reporting and analysis. For example, you can create an absence category called "Family Leave" and associate with it related absence types, such as maternity, paternity, and child care.

Use the Absence Categories task to create Absence Categories.

## Absence Reasons

When a worker schedules an absence, you can require that they provide a reason, such as out sick, doctor's appointment, and so on. Absence reasons are independent of absence types, so you can allow a reason to be valid for multiple absence types. When you create an absence type, you select the reasons appropriate to it.

Use the Absence Reasons task to create absence reasons. Use the Absence Types task to associate them with an absence type.

## Absence Certifications

You can choose to create certification requirements for absences. These absences would require documentation for authorization before approval. For example, in case of an absence due to illness, you could set up a requirement that workers must submit a doctor's certificate within a stipulated period of time. This ensures they receive full payment for the absence duration.

Use the Absence Certifications task to create absence certifications.

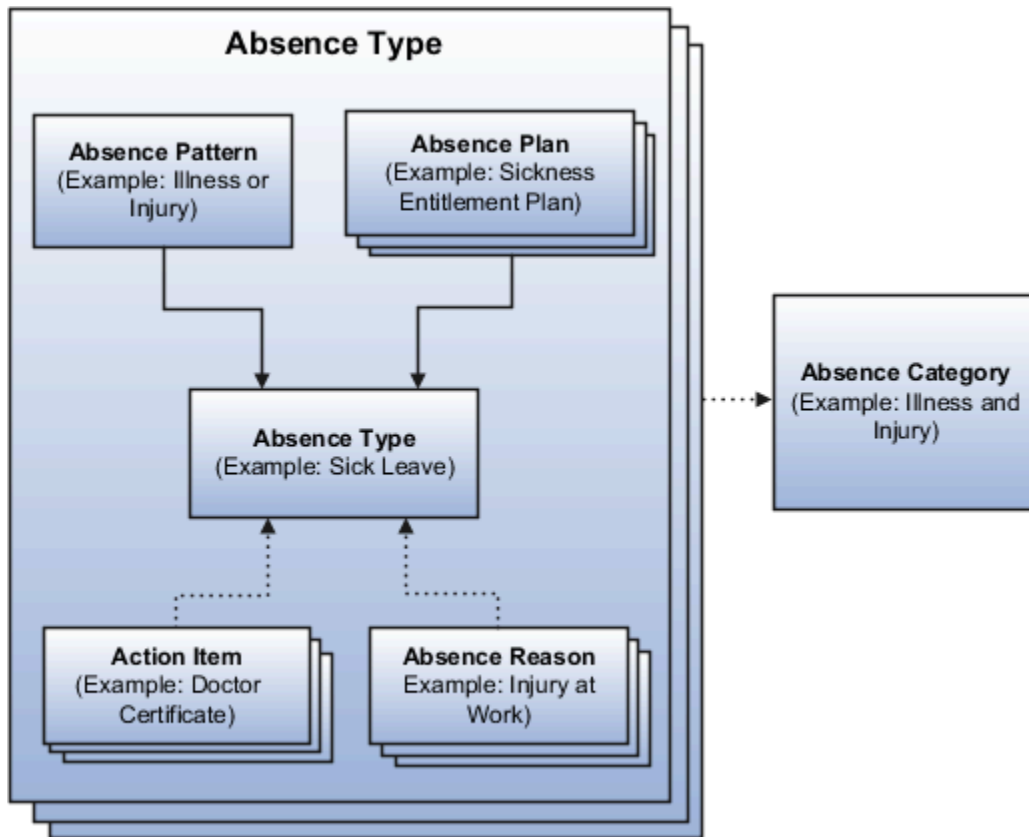
### *Related Topics*

- [How the Absence Management Components Work Together for the US](#)
- [Overview of Absence Management for the US](#)
- [Set Up Absence Plans for the US](#)
- [Enable Absences for Time Card Entries](#)



# How Absence Management Components Work Together for the US

Here's how the absence management components work together to create a cohesive absence management policy for your organization.



For these components	Do this
Absence Plans	Use the Absence Plans task to create absence plans.
Absence Types	Use the Absence Types task to define them.
Absence Patterns	Associate a predefined pattern with your absence type.
Absence Categories	Use the Absence Categories task to create absence categories and associate them with absence types.
Absence Reasons	Use the Absence Reasons task to create absence reasons.

For these components	Do this
Absence Certifications	Use the Certifications task to set up a requirement. Associate the requirement as an action item with an absence type, so that every absence associated with the absence type is subject to that requirement.

*Related Topics*

- [Absence Components for the US](#)
- [Overview of Absence Management for the US](#)
- [Set Up Absence Plans for the US](#)

## Employee Absence Records for the US

After creating the absence components required by your organization, including the elements, plans, and types, and confirming employee enrollment, you create absence records for the eligible employees.

What you're doing	What happens
Entering absence records	<p>To perform absence transactions:</p> <ul style="list-style-type: none"> <li>• Managers can perform entries for their reports using the Absence Records task</li> <li>• Absence administrators can perform the entry</li> <li>• The employee can perform the entry using Self-Service, if you have allowed it</li> </ul>
Creating Absences calculation cards	<p>When an absence record is entered, the task automatically creates the Absences calculation card, along with the components that hold the absence information. It makes the following info available for payroll processing.</p> <ul style="list-style-type: none"> <li>• Summary Record: <ul style="list-style-type: none"> <li>Contains absence information, such as: <ul style="list-style-type: none"> <li>○ Start and end date</li> <li>○ Absence rate</li> <li>○ Units</li> </ul> </li> </ul> </li> <li>• Daily Breakdown: <p>Provides the absence date and any factor to be applied, such as the percentage to use when calculating the absence payment.</p> <p>The Absence Entitlement component creates element entries so payroll can process the transaction.</p> </li> </ul> <p><b>Note:</b> This occurs when the absence was approved and the option to transfer to payroll was configured on the absence plan.</p>

*Related Topics*

- [Define Absence Elements for the US](#)
- [Overview of Absence Management for the US](#)
- [Process and Administer Absences for the US](#)



## 2 Examples

### Process and Administer Absences for the US

An Absence Administrator is responsible for:

1. Updating accrual plan enrollments
2. Calculating accruals and balances
3. Withdrawing accruals and balances

#### How You Update Accrual Plan Enrollments

You can update accrual plan enrollments for:

- New hires
- Termination
- Transfers

This process:

1. Determines a worker's plan eligibility.
2. Enrolls an eligible worker in an accrual plan.
3. Terminates the enrollment of ineligible workers.

To manage enrollments for individual employees:

1. From **My Client Groups**, click **Absences**.
2. Click **Absence Records**.
3. Navigate to **Plan Participation**.
4. Select **Enrollments and Adjustments**.
5. Click **Add Enrollment**.
6. Select the appropriate plan and start date.
7. Click **Submit**.

To manage enrollment for multiple workers:

1. From **My Client Groups**, click **Absences**.
2. Click **Schedule and Monitor Absence Processes**.
3. Run the Update Accrual Plan Enrollments batch process.
4. Set the following filters as needed.

Parameter	Description
Effective Date	Evaluates and updates plan enrollments that are effective on the specified date.
Person	Limits processing to the selected worker.

Parameter	Description
Business Unit	Limits processing to workers in the selected business unit.
Legal Employer	Limits processing to workers assigned to the selected legal employer.
Person Selection Rule	Limits processing to specific workers that you include in the person selection rule. Use the Person Selection formula type to include specific workers who meet special requirements for the absences batch process. You define the formula using the Fast Formulas task and select that formula in this field.
Absence Plan	Limits processing to enrollments for only the selected accrual plan. If you don't select an absence plan, you must select at least one of the following. <ul style="list-style-type: none"> <li>○ Person</li> <li>○ Business Unit</li> <li>○ Legal Employer</li> <li>○ Person Selection Rule</li> </ul>

5. Click **Submit**.

## How to Calculate Accruals and Balances

For accrual plans, after you have enrolled your employees in them, you run the Calculate Accruals and Balances process on individual employees or through a batch process.

This process:

1. Calculates the accrual balance for each active enrollment
2. Updates plan balances
3. For absence plans configured to do so, transfers the info to Oracle Fusion Global Payroll.

Enable this transfer by selecting **Transfer Absence Payment Information for Payroll Processing** on the Create Absence Plans page. If you don't select this option, the absence info isn't available for payroll processing.

To run this process on individual employees:

1. Start the Absence Records task.
2. Navigate to **Plan Participation**.
3. Select **Accruals**.
4. Select the appropriate option.
5. Enter an effective date, and select **Calculate accruals and balances**.
6. Click **Submit**.

To run this process for multiple employees:

1. Start the Schedule and Monitor Absence Processes.
2. Run the Calculate Accruals and Balances batch process.
3. Set the following filters as needed.

Parameter	Description
Effective Date	<p>Calculates the accrual balance for only those plans that are effective on the specified date.</p> <p>A plan enrollment must exist for the worker as of this date.</p> <p>If you leave <b>Absence Plan</b> empty, the process calculates the accrual balance for multiple plans with differing accrual periods on the effective date.</p> <p>If you select an absence plan, the process calculates the accrual balance for the accrual period of the selected plan as of the effective date.</p>
Person	<p>Limits processing to the selected worker.</p> <ul style="list-style-type: none"> <li>○ Select a person but not an absence plan           <p>The process calculates the accrual balance for all plans actively enrolled by the worker.</p> </li> <li>○ Select a person and an absence plan           <p>The process calculates the accrual balance for only the selected plan if the worker is actively enrolled.</p> </li> </ul>
Business Unit	<p>Limits processing to workers in the selected business unit.</p>
Legal Employer	<p>Limits processing to workers assigned to the selected legal employer.</p>
Person Selection Rule	<p>Limits processing to specific workers that you include in the person selection rule. Use the Person Selection formula type to include specific workers who meet special requirements for the absences batch process. You define the formula using the Fast Formulas task and select that formula in this field.</p>
Payroll	<p>Limits processing to workers assigned to the selected payroll.</p>
Payroll Relationship Group	<p>Limits processing to workers with payroll employment records included in the selected group.</p> <p>Define payroll relationship groups to run the process for a group of people within a payroll or a group of people in multiple payrolls.</p>
Changes Since Last Run	<p>Limits processing to workers with either payroll or assignment updates or corrections since the last process run.</p> <p>If you select:</p>

Parameter	Description
	<ul style="list-style-type: none"> <li>○ <b>Payroll events since last run</b> The payroll process calculates the accrual balance for workers whose payroll records have changed since the last processing run.  For example, a worker schedules 5 days absence on January 25, and you run the process on January 26. Due to an emergency, the worker returns to work on January 29, after an absence of only 4 days. The worker updates the absence record to reflect an absence of 4 days instead of 5. If you schedule the process again on February 1 and select <b>Payroll events since last run</b>, it generates the updated accrual balance for the worker.</li> <li>○ <b>HR Assignment changes since last run</b> The process calculates the accrual balance for workers whose assignment record last updated date is later than the last scheduled run.  For example, the last scheduled run was on January 1 and you update a worker's assignment on January 2. If you schedule the process again on January 3 and select <b>HR Assignment changes since last run</b>, it generates the updated accrual balance for the worker.</li> </ul>
Legislative Data Group	Limits processing to a group of one or more absence types that are associated with the legislative group that you select.
Absence Plan	<p>Limits processing to calculating accrual balances for only the selected accrual plan. When you select this field, <b>Repeating Period</b> appears.</p> <p>If you don't select an absence plan, you must select at least one of these parameters.</p> <ul style="list-style-type: none"> <li>○ Legislation</li> <li>○ Business Unit</li> <li>○ Person Selection Rule</li> <li>○ Person</li> <li>○ Payroll</li> <li>○ Payroll Relationship Group</li> <li>○ Changes Only</li> </ul> <p>The process calculates accrual balances for each worker selected by the other parameters.</p>
Repeating Period	Limits processing to the selected accrual period for the selected plan. This field appears only when you select a value in <b>Absence Plan</b> .

4. Click **Submit**.

## How to Withdraw Accruals and Balances

There might be cases where:

- An employee becomes ineligible to participate in an accrual plan due to a status change
- An employee was set up with an incorrect plan



You can resolve this by:

- Manually withdrawing and updating worker accrual balances
- Deleting enrollments

To make these corrections:

1. Start the Withdraw Accruals and Balances process.
2. Enter the following as needed.

Parameter	Description
Effective Date	Withdraws the accrual balance for only those plans that are effective on the specified date.
Processing Option	Limits processing to the following processing options. <ul style="list-style-type: none"> <li>○ Withdraw accruals and balances</li> <li>○ Enrollment deletion</li> </ul>
Person	Limits processing to the selected worker.
Legal Employer	Limits processing to workers assigned to the selected legal employer.
Person Selection Rule	Limits processing to specific workers that you include in the person selection rule. Use the Person Selection formula type to include specific workers who meet special requirements for the absences batch process. You define the formula using the Fast Formulas task and select that formula in this field.
Payroll	Limits processing to workers assigned to the selected payroll.
Payroll Relationship Group	Limits processing to workers with payroll employment records included in the selected group.  Define payroll relationship groups to run the process for a group of people within a payroll or a group of people in multiple payrolls.
Legislative Data Group	Processes only those absence types that are associated with the legislative data group you select.
Absence Plan	Withdraws accrual balance for only the selected accrual plan.

### Related Topics

- [Employee Absence Records for the US](#)
- [How the Absence Management Components Work Together for the US](#)
- [Overview of Absence Management for the US](#)
- [Set Up Absence Plans for the US](#)

## Set Absence Payment Rates for the US

In situations where you want the payment to be different than regular salary, you can select a different rate for the salary reduction amount than the payment amount.

In this example, you want to calculate an hourly employee's absence rate when that rate is different from their base rate. The employee has an hourly wage of \$20, and you want to pay them an absence rate of 75% of the base (\$15).

### Set an Absence Payment Rate of 75 Percent

In this example, you want to pay sick pay to your salaried nonexempt employees at 75% of the normal rate.

1. Define an Element rate definition, and mark this rate definition as a base rate.
  - a. Start the Rate Definitions task.
  - b. Click **Create**.
  - c. Select the **Element** category.
  - d. Enter an effective date, such as 2010-01-01.
  - e. Select your US legislative data group (LDG).
  - f. Select **Amount** as the storage type.
  - g. For the **Element Name**, select an appropriate salary element.

Eligible elements are:

- Standard Earnings primary classification
- Have Regular secondary classification
- Attached to a salary basis

- h. Click **OK**.
- i. Enter the following basic info.

Field name	What you enter
Name	Name of the rate definition
Short Name	Short name of the rate definition
Base Rate	Select the box

Field name	What you enter
Periodicity	Annually
Periodicity Conversion Formula	Standard Rate Annualized
Currency	US Dollar

j. Click **Submit**.

The task automatically creates the rate contributor, including a default periodicity.

k. Ensure this periodicity matches the rate definition's periodicity (for this example, annually).

2. Define a Derived rate definition.

This rate definition will have a Base Rate contributor type, which uses the Element rate definition you defined in the previous step.

- a. Start the Rate Definitions task.
- b. Click **Create**.
- c. Select the **Derived Rate** category.
- d. Enter an effective date, such as 2010-01-01.
- e. Select your US LDG.
- f. Click **OK**.
- g. Enter the basic info.

Field	Value
Name	Name of the rate definition
Short Name	Short name of the rate definition
Periodicity	Annually
Periodicity Conversion Formula	Standard Rate Annualized
Currency	US Dollar

Field	Value

- h. In **Rate Contributors**, click **Create**.
- i. Select the **Base Rate** contributor type.
- j. Click **OK**.
- k. Enter the following.

Field	Value
Add or Subtract	Add
Employment Level	Payroll Assignment
Periodicity	Annually
Factor Rule	Value
Factor Value	0.75

- l. Click **Save and Continue**.
- m. Click **Submit**.

For further info, see Overview of Absence Rate Definitions for the US in the Help Center.

- 3. During absence element definition:
  - a. For **How do you want to reduce earnings for employees not requiring a time card**, choose **Select rate to determine absence deduction amount**.
  - b. For the **Rate to Determine Absence Deduction Amount**, leave this field blank. By leaving this field blank, the payroll calculation automatically reduces the salary by the regular pay rate.
  - c. For **Which rate should the absence payment calculation use**, select the derived sick pay rate you configured previously (75% rate).

For further info, see Define Absence Elements for the US in the Help Center.

*Related Topics*

- [Define Absence Elements for the US](#)
- [Overview of Absence Management for the US](#)
- [Overview of Absence Rate Definitions for the US](#)

## Build Accrual Band Matrixes for the US

An accrual band is a grouping of calculated accruals based on common criteria within each group.

Use an accrual band matrix to build criteria using various factors, such as length of service, location, or grade.

To build your absence plan accrual band matrix:

1. From **My Client Groups**, click **Show More**.
2. In **Compensation**, click **Derived Factors**.
3. Click the appropriate tab, depending on what you're trying to do.
4. Click **Create**.

Some examples are:

- Creating bands based on length of service
- Creating bands based on location
- Creating a date-effective accrual matrix based on grade bands

### Create Bands Based on Length of Service

In this example, you want to create two accrual bands based on worker length of service.

Band sequence	Length of service	Accrual rate	Maximum carryover	Ceiling
1	Fewer than 5 years	15	15	45
2	Greater than or equal to 5 years	20	15	60

To create the bands:

1. Define a "Fewer than 5 Years" band.
  - a. Start the Derived Factors task.
  - b. Click **Length of Service**.
  - c. Click **Create**.
  - d. Name your factor "Fewer than 5 years".
  - e. Select the **Years** unit of measure.
  - f. Select the following range of values.
    - Greater than or Equal to Length of Service = 0
    - Fewer than Length of Service = 5
  - g. Select **Date of Hire** as the period start date rule.
  - h. Select **As of event date** as the determination rule.
2. Repeat these steps for the "Greater than or equal to 5 years" band. Use 5 and blank for the value ranges.
3. Define an Accrual absence plan.

- a. From **My Client Groups**, click **Show More**.
  - b. In **Absences**, click **Absence Plans**.
  - c. Click **Create**.
  - d. Enter your effective date, and select an **Accrual** plan type.
  - e. Click **Continue**.
  - f. Set up your general info on **Plan Attributes**.
  - g. Click **Accrual**.
  - h. Select the **Matrix** accrual definition.
  - i. Change the ceiling rule and carryover rule to **Include in Matrix**.
4. Add the first band to the plan.
- a. In **Accrual Matrix**, click **Create**.
  - b. Enter 1 for the sequence.
  - c. Start the Expression Builder.
  - d. Click **Derived**.
  - e. Expand **Length of Service**, and select **Fewer than 5 years**.
  - f. Copy the content preview line into **Expression**.
  - g. Click **OK**.
  - h. Enter 15 for the accrual rate.
  - i. Enter 45 for the ceiling.
  - j. Enter 15 for the carryover limit.
5. Repeat for the second band, using the appropriate values.
- o Sequence: 2
  - o Expression Builder: Greater than or equal to 5 years
  - o Accrual Rate: 20
  - o Ceiling: 60
  - o Carryover limit: 15
6. Save your work.

## Create Bands Based on Location and Length of Service

In this example, you want to create accrual bands of varying length of service for workers who belong to specific geographic locations.

Band sequence	Location	Length of service	Accrual rate	Maximum carryover	Ceiling
1	California	Fewer than 5 years	15	15	45
2	California	Greater than or equal to 5 years	20	15	60
3	New York	Fewer than 5 years	10	10	30
4	New York	Greater than or equal to 5 years	15	15	45

Band sequence	Location	Length of service	Accrual rate	Maximum carryover	Ceiling

To create the bands:

1. Create the "California Fewer than 5 Years" band.
  - a. Start the Manage Derived Factors task.
  - b. Click **Length of Service**.
  - c. Click **Create**.
  - d. Name your factor "California Fewer than 5 Years".
  - e. Select the **Years** unit of measure.
  - f. Select the following range of values.
    - Greater than or Equal to Length of Service = 0
    - Fewer than Length of Service = 5
  - g. Select the **Date of Hire** period start date rule.
  - h. Select the **As of event date** determination rule.
2. Repeat these steps using the appropriate values from the table above to define the other bands.
  - o California Length of service less than 5 years
  - o California Length of service greater than or equal to 5 years
  - o New York Length of service less than 3 years
  - o New York Length of service greater than or equal to 3 years
3. Define an Accrual absence plan.
  - a. Start the Manage Absence Plans task.
  - b. Click **Create**.
  - c. Enter your effective date, and select an **Accrual** plan type.
  - d. Click **Continue**.
  - e. Set up your general info on **Plan Attributes**.
  - f. Click **Accrual**.
  - g. Select the **Matrix** accrual definition.
  - h. Change the ceiling rule and carryover rule to **Include in Matrix**.
4. Add the first band to the plan.
  - a. In **Accrual Matrix**, click **Create**.
  - b. Enter 1 for the sequence.
  - c. Start the Expression Builder.
  - d. Click **Entities**.
  - e. Expand **Person**, and select **Location**.
  - f. Copy the content preview line into **Expression**.

Your expression should look like:

```
Expression:
[Person.Location]="California" AND
[LengthOfService.Californialessthan5years]
```

- g. Click **OK**.
  - h. Enter 15 for the accrual rate.
  - i. Enter 45 for the ceiling.
  - j. Enter 15 for the carryover limit.
5. Repeat these steps for the remaining bands, using the appropriate values from the chart above.

## Create a Date-Effective Accrual Matrix Based on Grade Bands

In this example, your enterprise wants to change its leave policies every year in accordance with government regulations.

Band sequence	Effective start date	Grade range	Accrual rate	Maximum carryover	Ceiling
1	April 1, 2014	A1 - A3	15	15	45
2	April 1, 2014	A4-A6	20	15	60
3	April 1, 2015	A1 - A3	20	20	30
4	April 1, 2015	A4-A6	25	15	40

To create the matrix:

1. Start the Manage Absence Plans task.
2. Click **Create**.
3. Specify an effective date of April 1, 2014, and select an **Accrual** plan type.
4. Click **Continue**.
5. Set up your general info on **Plan Attributes**.
6. Click **Accrual**.
7. Select the **Matrix** accrual definition.
8. Change the ceiling rule and carryover rule to **Include in Matrix**.
9. In **Accrual Matrix**, click **Create**.
10. Create band 1 and band 2 using the following expressions.

Band sequence	Expression
1	[Person.Grade] >= "A1" AND [Person.Grade] <= "A3"  The person.grade attribute is on the Entities tab in the Expression Builder dialog box
2	[Person.Grade] >= "A4" AND [Person.Grade] <= "A6"

11. Enter the appropriate values for the **Accrual Rate** and **Ceiling and Carryover Limit**.
12. Save your work.
13. Set the session effective date to April 1, 2015.
14. Create band 3 and band 4, using the same expressions that you used for band 1 and band 2:



Band sequence	Expression
3	[Person.Grade] >= "A1" AND [Person.Grade] <= "A3"
4	[Person.Grade] >= "A4" AND [Person.Grade] <= "A6"

15. Enter the appropriate values for the **Accrual Rate** and **Ceiling and Carryover Limit**.
16. Save your work.

*Related Topics*

- [Derived Factors for Absences](#)
- [Overview of Absence Management for the US](#)

## Create Qualification Bands

You use qualification bands to determine the payment percentages that workers receive for specific time periods during a long leave of absence.

Use employment criteria such as length of service, grades, and other factors to filter workers.

The following examples show the various types of bands you can define in the Qualification Band Matrix.

- Single payment band for multiple length-of-service ranges
- Multiple payment bands for a grade range
- Payment bands for multiple lengths of service and grade ranges

To build your absence plan qualification band matrix:

1. From **My Client Groups**, click **Show More**.
2. In **Absences**, click **Derived Factors**.
3. Click the appropriate tab, depending on what you're trying to do.
4. Click **Create**.

### Create Single Payment Band for Multiple Length-of-Service Ranges

In this example, you want to create a single payment band for workers who have completed the following years of service.

Years of service	Percentage of pay	Days of absences
5-10	75	10
11-20	75	20

To create the bands:

1. Define a "5 to 10 Years" band.
  - a. Start the Derived Factors task.
  - b. Select **Length of Service**.
  - c. Click **Create**.
  - d. Name your factor "5 to 10 Years".
  - e. Select the **Years** unit of measure.
  - f. Select the following range of values.
    - Greater than or Equal to Length of Service = 5
    - Fewer than Length of Service = 11
  - g. Select **Date of Hire** as the period start date rule.
  - h. Select **As of event date** as the determination rule.
2. Repeat these steps to define a "11 to 20 Years" band, using 11 and 21 for the range values.
3. Define the absence plan.
  - a. From **My Client Groups**, click **Show More**.
  - b. In **Absences**, click **Absence Plans**.
  - c. Click **Create**.
  - d. Enter the beginning of the plan date as the effective date.
  - e. Select **Qualification** as your plan type.
  - f. Click **Continue**.
  - g. In **Plan Attributes**, enter the following.

Field label	What you enter
Plan	Name of your plan, such as "Medical Leave Plan"
Legislative Data Group	Your legislative data group (LDG)
Status	Active
Plan UOM	Days
Type	Rolling Forward
Start Rule	Absence Start Date
Term Duration	30
Term Duration UOM	Days

- h. Click **Entitlements**.
- i. Select the **Matrix** entitlement definition.
- 4. Add the first band to the plan.
  - a. In **Qualification Band Matrix**, click **Add**.
  - b. Enter **1** for the sequence.
  - c. Start the Expression Builder.
  - d. Click **Derived**.
  - e. Expand **Length of Service**, and select **5 to 10 Years**.
  - f. Copy the content preview line into **Expression**.
  - g. Click **OK**.
- 5. Repeat for the second band, using the appropriate values.
  - o Sequence: 2
  - o Expression Builder: 11 to 20 Years
- 6. For each band you created in **Qualification Band Matrix**, create band details in **Qualification Details**.
  - a. Place the cursor on the band matrix sequence you want to update.
  - b. In **Qualification Details**, click **Add**.
  - c. In the table, enter the band details.

Band sequence	Detail name	Duration	Payment percentage
1	75% up to 10 days of absence	10	75
2	75% up to 20 days of absence	20	75

This table shows the band details you must create for Bands 1 and 2. Band 1 is for workers that have completed between 5 and 10 years of service. Band 2 is for workers that have completed between 11 and 20 years of service.

- d. Repeat for the next band matrix sequence.

## Create Multiple Payment Bands for a Grade Range

In this example, you want all workers who belong to grade A1 and above to receive.

- 100% of pay for up to 10 days of leave
- 75% of pay for up to a further 15 days of leave

The following table shows the band info you create using the Expression Builder in **Qualification Band Matrix**.

Band sequence	Expression
1	<p><code>[Person.Grade] &gt;= "A1"</code></p> <p>The <b>Person.Grade</b> attribute is on <b>Entities</b> in the Expression Builder.</p>

To create the bands:

1. From **My Client Groups**, click **Show More**.
2. In **Absences**, click **Absence Plans**.
3. Click **Create**.
4. Enter an effective date.
5. Select **Qualification** as your plan type.
6. Click **Continue**.
7. Set up your general info in **Plan Attributes**.

Field label	What you enter
Plan	Name of your plan, such as "Medical Leave Plan"
Legislative Data Group	Select your LDG
Status	Active
Plan UOM	Days
Type	Rolling Forward
Start Rule	Absence Start Date
Term Duration	2
Term Duration UOM	Days

8. Select **Entitlements**.
9. Select the **Matrix** entitlement definition.
10. In **Qualification Band Matrix**, click **Add**.
11. For the first band, enter the following.
  - a. Enter 1 for the sequence.
  - b. Start the Expression Builder.
  - c. Click **Entities**.
  - d. Expand **Person**, and select **Grade**.
  - e. Copy the content preview line into **Expression**.
  - f. Next to this expression, enter = "A1".

Your expression should look like:

**Expression:**  
[Person.Grade] = "A1"

- g. Click **OK**.
12. For each band you created in **Qualification Band Matrix**, create band details in **Qualification Details**.
  - a. Place the cursor on the band matrix sequence you want to update.
  - b. In **Qualification Details**, click **Add**.
  - c. In the table, enter the following band details.

Band sequence	Detail name	Duration	Payment percentage
1	100 percent pay up to 10 days of absence	10	100
2	75 percent pay for the next 15 days	15	75

This table shows the band details you must create for Bands 1 and 2.

- d. Repeat for the next band matrix sequence.

## Create Payment Bands for Multiple Length-of-Service and Grade Ranges

In this example, you want to establish the following length-of-service and pay grade relationship for your workers.

Length of service	Grade	Payment percentage
Fewer than 5 years	N/A	To be eligible for: <ul style="list-style-type: none"> <li>• 75 percent of pay for up to 10 days of absence</li> <li>• 50 percent of pay for a further 15 days of absence</li> </ul>
Greater than or equal to 5 years	A1	To be eligible for: <ul style="list-style-type: none"> <li>• Full pay up to 10 days of absence</li> <li>• 75 percent of pay for a further 15 days of absence</li> </ul>

To create the bands:

1. Define a "Fewer than 5 Years" derived factor.
  - a. From **My Client Groups**, click **Show More**.
  - b. In **Absences**, click **Derived Factors**.
  - c. Click **Length of Service**.
  - d. Click **Create**.
  - e. Name your factor "Fewer than 5 Years".
  - f. Select the **Years** unit of measure.
  - g. Select the following range of values.

- Greater than or Equal to Length of Service = 0
  - Fewer than Length of Service = 5
  - h. Select **Date of Hire** as the period start date rule.
  - i. Select **As of event date** as the determination rule.
2. Repeat these steps to define a "Greater than 5 Years" band, using 5 and blank for the range values.
  3. Define the absence plan.
    - a. Start the Absence Plans task.
    - b. Click **Create**.
    - c. Enter the effective date.
    - d. Select the **Qualification** plan type.
    - e. Click **Continue**.
    - f. Set up your general info on **Plan Attributes**.

Field label	What you enter
Plan	Name of your plan, such as Medical Leave Plan
Legislative Data Group	Select your LDG
Status	Active
Plan UOM	Days
Type	Rolling Forward
Start Rule	Absence Start Date
Term Duration	25
Term Duration UOM	Days

- g. Click **Entitlements**.
  - h. Select the **Matrix** entitlement definition.
4. Add the first band to the plan.
    - a. In **Qualification Band Matrix**, click **Add**.
    - b. Enter 1 for the sequence.
    - c. Start the Expression Builder.
    - d. Select **Derived**.
    - e. Expand **Length of Service**, and select **Fewer than 5 Years**.
    - f. Copy the content preview line into **Expression**.

- g. Click **OK**.
- 5. Repeat for the second band, using the appropriate values.
  - a. Enter 1 for the sequence.
  - b. Start the Expression Builder.
  - c. Select **Derived**.
  - d. Expand **Length of Service**, and select **Greater than 5 Years**.
  - e. Copy the content preview line into **Expression**.
  - f. Next to this expression, enter **AND**.
  - g. Select **Entities**.
  - h. Expand **Person**, and select **Grade**.
  - i. Copy the content preview line into **Expression**.
  - j. Next to this expression, enter = "A1".

Your expression should look like:

**Expression:**  
[LengthOfService.Greaterthan5years] AND [Person.Grade] = "A1"

- k. Click **OK**.

The following table shows the band details you create for Band 1 in the Qualification Details section.

Band sequence	Detail name	Duration	Payment percentage
1	75 percent pay up to 10 days of absence	10	75
2	50 percent pay for the next 15 days	15	50

The following table shows the band details you create for Band 2 in the Qualification Details section.

Band sequence	Detail name	Duration	Payment percentage
1	100 percent pay up to 10 days of absence	10	100
2	75 percent pay for the next 15 days	15	75

# Define Payroll Elements for Processing Absences for the US

To calculate and process absence payments, you need to define Absence elements.

Defining an Absence element involves:

1. Defining the element
2. Completing the absence detail questions
3. Completing the accrual liability and balance payment questions
4. Completing the absence payment questions
5. Submitting the element
6. Defining element eligibility records and cost distributions

For further info, see Define Absence Elements for the US in the Help Center.

## Define an Absence Element

Use the Elements task. Select the Absence primary classification and one of these secondary classifications.

- Maternity
- Sickness
- Vacation
- Other

## Complete the Absence Detail Questions

The questions in **Absence Details** of the element template help determine the more detailed questions it asks later.

1. Enter the calculation units to use when reporting the absence, such as on the payslip and statement of earnings.  
Typically, select **Days** or **Hours** for reports that correspond to the units for your absence plan.
2. Select the work units conversion rule to calculate the absence rate.
3. Select the absence info to transfer to payroll based on the type of absence management plan.

This type of plan	Transfers this kind of info
Accrual	Accrual Balances
Accrual, Leave Donation, Compensatory	Accrual Balances and Absences
Qualification	Qualification Absences



This type of plan	Transfers this kind of info
No Entitlement	No Entitlement Absences

## Complete the Accrual Liability and Balance Payment Questions

If you're going to transfer accrual balances, complete these questions.

Question	Steps
Calculate absence liability?	<ol style="list-style-type: none"> <li>1. Select <b>Yes</b> if you calculate liability.</li> <li>2. Select a liability rate.</li> </ol> <p>Leave blank if the liability rate is the same as the absence payment rate.</p> <p>Usually the rate is the same as the absence payment rate. You might select a different rate when estimating liability for billing purposes.</p>
Does this plan enable balance payments when enrollment ends?	<ol style="list-style-type: none"> <li>1. Select <b>Yes</b> to configure a final disbursement element and to maintain balances for the disbursement hours and payments.</li> <li>2. Optionally, select a rate to use for the calculation.</li> <li>3. Select the tax method to use for the final disbursement.</li> </ol>
Does this plan enable partial payment of balance?	<ol style="list-style-type: none"> <li>1. Select <b>Yes</b> to configure a discretionary disbursement element and to maintain balances for disbursement hours and payments.</li> <li>2. Optionally, select a rate to use for the calculation.</li> <li>3. Select the tax method to use for the discretionary disbursement.</li> </ol>

## Complete the Absence Payment Questions

Answer these questions on how you want to handle the absence payments.

1. Select a method to reduce regular earnings if:
  - o Employees don't complete a time card
  - o You don't use time card entries as a basis for calculating pay

Value name	What it does
Reduce regular earnings by absence payment	Reduces regular earnings by the absence payment. The employee is paid the same gross amount as their regular salary.
Select rate to determine absence deduction amount	Identifies when the employee isn't due to be paid for the absence at the same rate as their regular earnings. In this case, the regular earning is reduced by 100% of the regular earnings. However, the absence payment rate would be a different rate, such as 50%.

2. Select the tax method to use for the absence payment.

**3.** Optionally, select a rate to calculate the absence payment.

If you have standard earnings and absence elements in the same payroll run that reduce regular earnings, the payroll calculation reduces earnings in this sequence.

1. Using absence element entries
2. Using any standard earnings elements that reduce regular earnings

The salary balance isn't reduced beyond 0.

## Submit the Element

When you're finished with the questions, you submit the element. The template automatically configures a base pay element, balances, formulas, and calculation components.

It also configures indirect elements, depending on the options selected in the template to transfer absence info.

When transferring this info	For these options	It creates these indirect elements
Accrual Balances	<ul style="list-style-type: none"> <li>• Discretionary Disbursements</li> <li>• Final Disbursements</li> </ul>	<ul style="list-style-type: none"> <li>• Accrual</li> <li>• Discretionary Disbursement</li> <li>• Final Disbursement</li> </ul>
Accrual Balances and Absences	<ul style="list-style-type: none"> <li>• Discretionary Disbursements</li> <li>• Final Disbursements</li> </ul>	<ul style="list-style-type: none"> <li>• Accrual</li> <li>• Entitlement</li> <li>• Discretionary Disbursement</li> <li>• Final Disbursement</li> </ul>
Qualification Absences	none	Entitlement
No Entitlement Absences	none	Entitlement

## Define Element Eligibility Records and Cost Distributions

Define element eligibility records for all the elements generated by the template, such as for your accrual, entitlement, discretionary and final disbursement elements.

If your enterprise calculates cost distributions, provide costing info for all the element eligibility records.

For example, for an accrual element:

1. Define element eligibility records for the accrual, accrual results, accrual retroactive, and accrual retroactive results elements.
2. Specify costing for the accrual results and retroactive results elements.

The costing process costs the change in the liability balance since the last payroll period, debits the expense account, and credits the liability account.

*Related Topics*

- [Define Absence Elements for the US](#)
- [Rates Used to Calculate Absences in Payroll](#)
- [Element Costing Options](#)
- [Define Payroll Elements for an Absence Accrual Plan for the US](#)
- [Import Absence Entries to Payroll](#)

## Define Payroll Elements for an Absence Accrual Plan for the US

In this example, you want to define an absence element for a vacation accrual absence plan.

Based on your setup decisions, this procedure configures the following additional elements.

- Accrual element to process absence liability amounts
- Entitlement element to process payments for absence during vacation
- Discretionary Disbursement element to process disbursement of partial time accruals
- Final Disbursement element to process accrual disbursement when the absence plan enrollment ends

The name of the element is prefixed to each additional element.

Here's a list of the key decisions you make for this scenario.

Decision to consider	What you will use
What type of an absence are you transferring to payroll?	Accrual balances
Who is eligible to receive this element?	All workers
What units do you want to use for reporting calculations?	Days
Do you want the element to calculate absence liability?	Yes
Which rate should the calculate absence liability use?	Liability Rate
Does your absence plan enable balance payments when enrollment ends?	Yes
Which rate should the final disbursement payment use?	Final Disbursement Rate

Decision to consider	What you will use
Does your absence plan enable payment of partial accrual balances?	Yes
Which rate should the partial disbursement payment use?	Partial Disbursement Rate
How do you want to calculate deductions for paid absences for employees not requiring a time card? <ul style="list-style-type: none"> <li>Reduce regular earnings by the amount of the absence payment so that the worker doesn't get paid twice?</li> <li>Select a rate to determine the absence deduction amount?</li> </ul>	Reduce regular earnings by absence payment

## Prerequisites

Before you begin, make sure you configured a rate definition to determine the monetary value of a unit of absence.

Depending on your enterprise, configure separate rates to calculate liability, discretionary disbursement, and final disbursement payments. You configure a rate definition using the Rate Definitions task.

## Define an Absence Element

- From **My Client Groups**, click **Show More**.
- In **Payroll**, click **Elements**.
- Click **Create**.
- Complete the following fields.

Field name	What you enter
<b>Legislative Data Group</b>	Select your US legislative data group.
<b>Primary Classification</b>	Absences
<b>Secondary Classification</b>	Select an appropriate value for your legislation, such as <b>Vacation</b> .
<b>Category</b>	Absence

- Click **Continue**.

6. Complete the following.

Field name	What you enter
Name	Vacation Payment
Reporting Name	Vacation Payment

7. In **Absence Plan Details**, complete the following.

Field name	What you enter
What type of absence information do you want transferred to payroll?	Accrual Balances and Absences
What calculation units are used for reporting?	Days

8. Click **Next**.

9. In **Accrual Liability and Balance Payments**, complete the following.

Field name	What you enter
Calculate absence liability?	Yes
Which rate should the liability balance calculation use?	Leave blank  <b>Note:</b> The payroll process uses the employee's regular salary rate for the liability calculation.
Does this plan enable balance payments when enrollment ends?	Yes
Which rate should the final balance payment calculation use?	Final disbursement rate
How do you want the payout amount to be taxed?	Regular

Field name	What you enter
Does this plan enable partial payment of the balance?	Yes
Which rate should the discretionary disbursement use?	Discretionary disbursement rate
Which taxation method should the discretionary disbursement payment use?	Regular

10. In **Absence Payments**, complete the following.

Field name	What you enter
How do you want to reduce earnings for employees not requiring a time card?	Reduce regular earnings by absence payment.
Which rate should the absence payment calculation use?	Absence payment

11. Click **Next**.
12. Review the info you entered so far.
13. Click **Submit** to open the Element Summary page.

The template generates all the related elements, balances, and formulas.

## Define Element Eligibility

1. In **Element Overview** of the Element Summary page, select **Element Eligibility**.
2. Select **Create Element Eligibility** from **Actions**.
3. In **Element Eligibility**, enter `Vacation Payment Open` as the **Element Eligibility Name**.

Leave the rest of the fields on the page blank.

4. Click **Submit**.
5. Click **Done**.
6. Search for the other elements prefixed with your absence element name.
7. Select each element in turn and repeat these steps on the Element Summary page to define eligibility for each element.

### Related Topics

- [Overview of Absence Management for the US](#)
- [Process and Administer Absences for the US](#)
- [Set Up Absence Plans for the US](#)

## Define Absence Plans for the US

In this example, you want to define absence plans of various types.

### Prerequisites

Before you begin, you must have defined:

- Vacation Absence and Maternity Absence elements  
For further info, see [Define Absence Elements for the US](#) in the Help Center.
- Eligibility profile that restricts the plan to just full-time employees  
For further info, see [Global Human Resources Cloud Implementing Absence Management](#) on the Help Center.
- Derived factors for the following lengths of service
  - Length of service fewer than 5 years
  - Length of service greater than or equal to 5 years

For further info, see the following.

- [Absence Eligibility Profiles for the US](#)
- [Derived Factors for Absences](#)

### Overview

This topic describes how you define:

1. A vacation accrual plan
2. A maternity qualification plan

## Create a Vacation Accrual Plan

In this example, you're creating an absence accrual plan where:

- After a 1-month waiting period from hire date, the employees in Grades A and B earn 2 days of vacation time incrementally every 2 months with:
  - 20-day ceiling
  - 5-day carryover limit
  - 5-day negative balance permission

These absences are paid at the regular salary rate.

- After a 1-month waiting period from hire date, the employees in Grades C and D earn 1 day of vacation time incrementally every 2 months with:
  - 20-day ceiling
  - 2-day carryover limit
  - 5-day negative balance permission

These absences are paid at the regular salary rate.

- This plan has no discretionary payouts, but it does have a final payout rule paid at the employee's normal pay rate for terminations.

To create this plan:

1. From **My Client Groups**, click **Show More**.
2. In **Absences**, click **Absence Plans**.
3. Click **Create**.
4. In **Create Absence Plan**, enter the following.

Field label	What you enter
Legislation	Your US legislation
Plan Type	Accrual

5. Click **Continue**.
6. On **Create Absence Plan**, enter the following.

Field label	What you enter
Plan	Vacation
Legislative Data Group	Your US legislative data group
Status	Active
Plan UOM	Days
Type	Anniversary year
Anniversary Event Rule	Hire Date

7. Click **Save**.



8. Select **Participation**, and enter the following.

Field label	What you enter
Waiting Period UOM	Months
Duration	1

9. Click **Save**.

10. Select **Accruals**, and enter the following.

Field label	What you enter
Accrual Method	Incremental
Accrual Frequency Source	Person primary frequency
Accrual Vesting Rule	Elapsed period
Duration	2
UOM	Months
Ceiling Rule	Flat amount
Ceiling	20
Carryover Rule	Include in matrix
Negative balance allowed	Select
Negative Balance Limit	5

11. In **Accrual Matrix**, create the following accrual bands.

Band sequence	Expression	Accrual rate	Carryover limit
1	([Person.Grade] = "A") OR ([Person.Grade] = "B")	2	5

Band sequence	Expression	Accrual rate	Carryover limit
2	([Person.Grade] = "C") OR ([Person.Grade] = "D")	1	2

12. Click **Save**.
13. Select **Entries and Balances**, and enter the following.

Field label	When you enter
Transfer absence payment information for payroll processing	Select
Element	Select your Vacation element

14. Review the info you entered in all the tabs.
15. Click **Save and Close**.

## Create a Maternity Qualification Plan

In this example, you're creating an Absence Qualification Plan where:

- All full-time employees that have been employed for 6 months or longer are eligible.
- Employees with fewer than 5 years of service are entitled to:
  - a. 8 weeks of pay at 90% salary
  - b. Followed by 16 weeks of pay at 50% salary
- Employees with equal to or greater than 5 years of service are entitled:
  - a. 8 weeks of pay at 100% salary
  - b. Followed by 16 weeks of pay at 75% salary

To create this plan:

1. Start the Absence Plans task.
2. Click **Create**.
3. In **Create Absence Plan**, enter the following.

Field label	What you enter
Legislation	Your US legislation
Plan Type	Qualification

4. Click **Continue**.
5. On **Create Absence Plan**, enter the following.

Field label	What you enter
Plan	Maternity
Legislative Data Group	Your US legislative data group
Status	Active
Plan UOM	Weeks
Type	Rolling backward
Term Duration	6
Term Duration UOM	Months
Start Rule	Absence Start Date
Overlap Rule	Include

6. Click **Save**.
7. Select **Participation**, and enter the following.

Field label	What you enter
On Loss of Plan Eligibility Only, Terminate Entitlement	Select
Eligibility	Add your eligibility profile

8. Click **Save**.
9. Select **Entitlements**.
10. In **Entitlement Attributes**, select **Matrix**.
11. Define the first qualification band matrix.
  - a. In **Qualification Band Matrix**, click **Add**.
  - b. In **Sequence**, enter 1.

- c. Click **Expression Builder**.
  - d. In **Derived**, expand **Length of Service** and select **LengthOfService\_LessThan5**.
  - e. Copy the content preview line into **Expression**, and click **OK**.
  - f. In **Create Absence Plan**, click **Save**.
12. Define the second qualification band matrix.
- a. In **Qualification Band Matrix**, click **Add**.
  - b. In **Sequence**, enter 2.
  - c. Click **Expression Builder**.
  - d. In **Derived**, expand **Length of Service** and select **LengthOfService\_EqualToorGreaterThan5**.
  - e. Copy the content preview line into **Expression**, and click **OK**.
  - f. In **Create Absence Plan**, click **Save**.
13. In **Qualification Band Matrix**, select the **LengthOfService\_LessThan5** row.
14. In **Qualification Details**, enter the following.

Band sequence	Detail name	Duration	Payment percentage
1	8 weeks at 90 percent pay	8	90
2	16 weeks at 50 percent pay	16	50

15. In **Qualification Band Matrix**, select the **LengthOfService\_EqualToorGreaterThan5** row.
16. In **Qualification Details**, enter the following.

Band sequence	Detail name	Duration	Payment percentage
1	8 weeks at full pay	8	100
2	16 weeks at 75 percent pay	16	75

17. Click **Save**.
18. Select **Entries and Balances**.
19. Enter the following:

Field label	What you enter
Absence Payment Rate Rule	Select your Maternity Leave rate definition
Transfer absence payment information for payroll processing	Select
Element	Select your Maternity Absence element

20. Review the info you entered in all the tabs.
21. Click **Save and Close**.

*Related Topics*

- [Absence Eligibility Profiles for the US](#)
- [Define Absence Elements for the US](#)
- [Derived Factors for Absences](#)

## Create Absences for California Sick Pay Rates

Eligible paid commission or piece-rate employees in California must have their commission or piece rate factored into their base salary rate.

For these employees, the payroll process calculates their sick pay rates differently than their base salary rate.

To find their sick pay rate, the payroll process:

1. Determines the 90 days of employment before the absence, based on the date earned.

It does this using the "Relationship 90 Earned Days to Date" balance dimension you attach to the related balances.

See the following steps for details.

2. Finds the full pay periods that include that date range.
3. For those pay periods, it finds the employees':
  - o Regular earnings
  - o Commissions
  - o Piece-rate earnings

4. Based on those earnings and hours worked, it determines the pay rate.

In this example, you want to configure absences for the following scenario.

- A California employee reports a sick day on 5/10/17.

This makes the 90-day date range for earnings calculations to be for the period beginning 1/29/17 to the period ending 5/6/17.

- The employee earns a regular base rate of \$31.25 per hour and works 40 hours per week.
- The employee is eligible for monthly commissions.
- The employer runs biweekly payroll.
- During this 90-day period, the employee accrues the following earnings.

Period ending earned date	Earnings type	Earnings amount	Earnings hours
2/11/17	Regular	2500	80

Period ending earned date	Earnings type	Earnings amount	Earnings hours
	Commission	1000	N/A
2/25/17	Regular	2500	80
3/11/17	Regular	2500	80
	Commission	3000	N/A
3/25/17	Regular	2500	80
4/8/17	Regular	2500	80
	Commission	2500	N/A
4/22/17	Regular	2500	80
5/6/17	Regular	2500	80
	Commission	4000	N/A
Total		28000	560

Based on these values, the sick pay rate would be \$50 per hour.

To correctly calculate this employee's earnings:

1. Define the earnings balance.
2. Define the hours balance.
3. Define the rate definition.
4. Create the absence element.
5. Define the absence plan, and ensure the employee is enrolled.
6. Run payroll.

## Define the Earnings Balance

Define an earnings balance to capture all earnings you want included in the sick pay rate calculation.

1. From **My Client Groups**, click **Show More**.
2. In **Payroll**, click **Balance Definitions**.
3. Click **Create**.
4. Select your US legislative data group (LDG), and click **Continue**.
5. Define an earnings balance.

Field label	What you enter
Name	Rolling 90 Days Earnings Balance
Balance Category	Standard Earnings
Unit of Measure	Money

6. Save your work.
  7. Restart the task, query your balance, and navigate to the balance dimension train stop.
  8. Set the start date of the absence plan as the effective as-of date.
  9. Click **Select and Add** from the **Actions** menu.
  10. Search for and select the "Relationship 90 Earned Days to Date" dimension.
  11. Click **Apply** and **Done**.
  12. Click **Submit**.
  13. In **Balance Feeds by Classification**, click **Add Row**.
  14. Add the following classifications.
    - o Regular
    - o Shift
    - o Awards and Prizes
    - o Bonus
    - o Commission
- Select **Add** for each.
15. Click **Submit**.
  16. Click **Done**.

## Define the Hours Balance

Define an hours balance to capture all earnings hours you want included in the sick pay rate calculation.

1. Start the Balance Definitions task.
2. Click **Create**.
3. Select your US LDG, and click **Continue**.
4. Define an earnings balance.

Field label	What you enter
Name	Rolling 90 Days Hours Balance
Balance Category	Total Standard Earnings
Unit of Measure	Hours in decimal format, 3 places

Field label	What you enter

5. Save your work.
6. Restart the task, query your balance, and navigate to the balance dimension.
7. Set the start date of the absence plan as the effective as-of date.
8. Click **Select and Add** from the **Actions** menu.
9. Click **Submit**.
10. In **Balance Feeds by Element**, click **Create**.
11. Add the following elements.
  - o Regular Salary Earnings Results
  - o Paid Time-Off Earnings Results
  - o Holiday Earnings Results

For each, be sure to select the **Hours Calculated** input value and select **Add**.

12. Click **Submit**.
13. Click **Done**.

## Define the Rate Definition

Create a rate definition that derives the sick pay rate by dividing the previously defined earnings balance by the previously defined hours balance:

1. From **My Client Groups**, click **Show More**.
2. In **Payroll**, click **Rate Definitions**.
3. Click **Create**.
4. Select the **Derived Rate** category and your US LDG.
5. Click **OK**.
6. Enter the following values.

Field label	What you enter
Name	Commission Sick Pay Rate
Short Name	COMMSICKPAY
Employment Level	Payroll Assignment
Status	Active
Periodicity	Hourly
Periodicity Conversion Formula	Assignment Working Hours Rate Annualized



Field label	What you enter
Currency	US Dollar

7. In **Rate Contributors**, click **Create**.
8. Select the **Balance** contributor type, and click **OK**.
9. Enter the following values.

Field label	What you enter
Add or Subtract	Add
Reference Date	Previous Payroll Period End
Balance Name	Rolling 90 Days Earnings Balance  <b>Note:</b> This is the balance you created in the Define the Earnings Balance section
Balance Dimension	Relationship 90 Earned Days to Date
Periodicity	Delete the default value
Divisional Balance	Rolling 90 Days Hours Balance  <b>Note:</b> This is the balance you created in the Define the Hours Balance section.

10. Click **Save** and **Continue**.
11. Select **Contributor Rules**.
12. For **Contributor Total Periodicity**, select **Hourly**.
13. Click **Submit**.

## Define the Absence Element

Create an absence element that uses your rate definition to pay the correct sick pay rate to your applicable employees.

1. From **My Client Groups**, click **Show More**.
2. In **Payroll**, click **Elements**.
3. Click **Create**.
4. Select your US LDG.

5. Select the **Absences** primary classification and **Sickness** secondary classification.
6. Click **Continue**.
7. In the element template, enter the following.

Field label	What you enter
Name	CA Commission Sick Pay
Reporting Name	CA Commission Sick Pay
What calculation units are used for reporting?	Hours
Work Units Conversion Rule	Periodic Work Schedule Rate Annualized
What type of absence information do you want transferred to payroll?	Accrual Balances and Absences

8. Click **Next**.
9. Enter the following.

Field label	What you enter
How do you want to reduce earnings for employees not requiring a time card?	Select rate to determine absence deduction amount pay.
Rate to Determine Absence Deduction Amount	Leave blank.  <b>Note:</b> This reduces the salary by the base rate.
Which rate should the absence payment calculation use?	Commission Sick Pay Rate  <b>Note:</b> This is the rate you defined earlier in this example.
How do you want Absence Payment to be taxed?	Regular

Field label	What you enter
Calculate absence liability?	Yes
Which rate should the liability balance calculation use?	Commission Sick Pay Rat  <b>Note:</b> This is the rate you defined earlier in this example
Does this plan enable balance payments when enrollment ends?	No
Does this plan enable partial payment of balance	No
Should this element be included in the earnings calculation of the FLSA overtime base rate?	No
Should this element be included in the hours calculation of the FLSA overtime base rate/	No

10. Click **Next**.
11. Click **Submit**.
12. Create element eligibility for the base and indirect elements.
13. Click **Done**.

## Define the Absence Plan

Define an absence plan that includes the employees' commissions or piece rate in their sick pay rate calculations.

1. From **My Client Groups**, click **Show More**.
2. In **Absences**, click **Absence Plans**.
3. Create a plan with the following values on the **Entries and Balances** tab.

Field label	What you enter
Transfer absence payment information for payroll processing	Select
Element	CA Commission Sick Pay

For further info, see [Set Up Absence Plans for the US](#) in the Help Center.

4. Enroll the employee.

When the employee reports an illness-related absence, the payroll process calculates the sick pay rate based on the correct pay rate.

## Run Payroll

When you run the payroll process:

1. The rate definition divides the applicable earnings by the applicable hours. This derives the sick pay rate.
2. The process divides the applicable earnings of \$28,000 by the applicable hours of 560.
3. The process pays the sick pay at the \$50 per hour rate.

### Related Topics

- [Overview of Absence Management for the US](#)
- [Set Up Absence Plans for the US](#)

## Enable Absences for Time Card Entries

In this example, you want to enable your absences for time card entry, so that your employees can easily record absences on their time cards.

This involves:

1. Enabling the absence for time card entry through the Absence Types task.
2. Setting up two time card layout components to include payroll entries and absence entries.
3. Setting up a layout set, and attaching the two new layout components.
4. Creating a time card profile, and adding the new layout.
5. Attaching the new profile to your workers.

## Enable Absences for Time Card Entry

Enable your absence for use in time cards.

1. From **My Client Groups**, click **Show More**.
2. In **Absences**, click **Absence Types**.
3. On **Type Attributes**, select **Enable for time card entry**.

## Set Up Time Card Layout Components for Payroll and Absence Entries

You must set up two layout components to include payroll and absence entries. These layout components are used in a layout set.

1. Sign in as a user with time and labor privileges.
2. From **My Client Groups**, click **Show More**.
3. In **Time**, click **Time Entry Layout Components**.
4. Click **Create**.
5. Enter the following.

Field name	What you enter
Layout component type	Single attribute time card field
Name	ABC_Company_Payroll_Time_Layout
Time Attribute	Payroll Time Type
Filtered Data Source for Time Entry	List of Payroll Time Types for User
Unfiltered data source for setup tasks	List of Payroll Time Types for Administrator
Population Method for New Entry	No default value
Display Type	Smart Choice List
Display Name	Payroll Time Type
Required on the Time Card	No

6. Click **Add Filters**, and enter the following.

Filter variable	Filter input attribute
pAssignmentId	Assignment
pEffectiveDate	Start Time

7. Click **OK**, then **Next**, then **Next**, and then **Save and Close**.

8. Click **Create** to create a second layout, and complete these fields.

Field name	What you enter
Layout component type	Single attribute time card field
Name	ABC_Company_Absence_Time_Layout
Time Attribute	Absence Management Type

Field name	What you enter
Filtered Data Source for Time Entry	List of Absence Types for User
Unfiltered data source for setup tasks	List of Absence Types for Administrator
Population Method for New Entry	No default value
Display Type	Smart Choice List
Display Name	Absence Time Type
Required on the Time Card	No

9. Click **Add Filters**, and enter the following.

Filter variable	Filter input attribute
pAssignmentId	Assignment
pEffectiveDate	Start Time

10. Click **OK**, then **Next**, then **Next**, and then **Save and Close**.

## Create a Layout Set and Attach the New Components

Use the Layout Sets task to attach the components.

1. From **My Client Groups**, click **Show More**.
2. In **Time**, click **Layout Sets**.
3. Click **Create**.
4. Select **Payroll**.
5. Click **Generate Layout Set**.
6. Name your layout set, such as **ABC Company Timecard Layout**.
7. Click **Configure Layout** for the Time Entry Layout.
8. Click **Edit Layout**.
9. In **Time Card Matrix**, do the following.
  - a. Delete the Payroll Time Entry line.
  - b. Add the ABC Company Payroll Time Layout.
  - c. Add the ABC Company Absence Time Layout.
  - d. Click **Save and Close**.

10. Click **Save and Close**.

## Create a Time Card Profile

From the Worker Time Entry Profiles task:

1. Click **Create**.
2. Name your profile, such as **ABC Company Time Entry Profile**.
3. Enter an appropriate effective date.
4. For **Layout Set**, select the layout you created in the previous section.
5. On **Worker View**, select all action items you want enabled for your employees.
6. On **View**, select all action items you want enabled for your managers.
7. Click **Next**, then **Next**, then **Next**, and then **Save and Close**.

## Attach the New Profile to Your Workers

From the Worker Time Entry Profiles task:

1. Click **Troubleshoot**.
2. Search for and select an employee.
3. Click **Assign Profile to Person**.
4. Select the profile that you created in the previous section.
5. Click **OK** and then **Save and Close**.

### *Related Topics*

- [Overview of Absence Management for the US](#)
- [Set Up Absence Plans for the US](#)

