

# Oracle Fusion Cloud Human Resources

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## **Administering Absences for Canada**

24B



Oracle Fusion Cloud Human Resources  
Administering Absences for Canada

24B

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# 1 Introduction

## Overview of Absence Management for Canada

Absence Management provides a means for accurate absence administration, tracking, reporting, and payroll calculations.

Canada supports these absence types:

- Vacation
- Sickness
- Maternity
- Other

The majority of the setup for the processing of absences is in the Absence Management area. Absence management and payroll are integrated. Payroll processing requires specific information, which is passed from the Absence Management application to payroll. It's only passed if it's configured to do so in the absence plan. The payroll process uses this information to calculate the absence payments.

In the absence plan, select the Payroll Integration and associate the absence element with the plan.

Absence management gives you the ability to manage various types of absences.

### High-Level Steps

This table outlines the high-level list of all the absence and payroll steps involved to configure and process absences.

| Procedure               | Setup Task       | Action   |
|-------------------------|------------------|--|
| Create Rate Definitions | Rate Definitions | Create rate definitions for calculating: <ul style="list-style-type: none"> <li>• Absence payment amounts for the employee</li> <li>• Accrual and liability balances</li> <li>• Salary reduction amounts</li> </ul>                  |
| Create Absence Elements | Elements         | Create an element with a primary earnings classification of Absences for each absence plan.<br><br>The absence element is created in payroll and creates the calculation components the Calculation Information Repository requires. |
| Create Derived Factors  | Derived Factors  | Create derived factors to define how to calculate certain eligibility criteria that change with time.  |

| Procedure                         | Setup Task                                  | Action  |
|-----------------------------------|---|---|
| Create Eligibility Profiles       | Eligibility Profiles                        | Create eligibility profiles to define criteria that determine whether a person qualifies for objects that you associate with the profile.   |
| Create Absence Plans              | Absence Plans                               | Create an absence plan, and ensure the following is defined for payroll: <ul style="list-style-type: none"> <li>Select the <b>Transfer absence payment information for payroll processing</b> check box.</li> <li>Select the element for the plan in the <b>Element</b> field.</li> </ul> |
| Create Absence Types              | Absence Types                               | Create absence types, and associate them to the absence plans.  |
| Enroll Employees in Absence Plans | Absence Plans                               | Enroll employees in the absence plan, if explicitly required.   |
| Process Accruals                  | Absences task in the Person Management area | Run the Accruals process, if the employee is enrolled in an accrual plan.   |

## Absence Calculation Cards

Ensure an absence calculation card is created for the employee, using either of these methods:

- Employee enters their absence through Employee Self-Service.
- You enter an absence using the Absence Records task.

The task:

- Creates the employee's absence calculation card.
- Links the absence plan to the calculation component on the person's calculation card.

## Payroll Processing

Once the information is transferred to payroll and the entries are generated, process the payroll that includes the absence entries. Then view the resulting absence balances on the person's SOE.

## Absence Balance Review

Once you have processed and archived payroll, the employee's absence and accrual balances are displayed on the employee's SOE, payslip, cheque advice, and reports.

For further info, see the document [Global HumanResources Cloud Implementing Absence Management on Oracle Cloud Help Center](#).



## Create Default ROE Mappings for Absence Events

Configure defaults for absence events for the Record of Employment (ROE) Reason. Define the default mappings at the Payroll Statutory Unit (PSU) level.

Once these mappings are configured, they are used by the ROE archive process to derive the ROE Reason. You don't have to create the Reporting Information card for the ROE, unless overrides are required.

Use the Manage Legal Entity HCM Information task located in the Setup and Maintenance area to create the default mappings. Setup this mapping in the Record of Employment Mappings section in the Payroll Statutory Unit Details region on the Legal Entity page:

- Absence secondary classifications -> Record of Employment Reason

Once configured, these mappings are used by the ROE archive process to derive the Record of Employment Reason.

If required, create a Reporting Information card to override this default ROE Reason configured for the PSU. If no calculation card is created with an override, the ROE Reason from the PSU is reported on the ROE.

## Overview of Absence Rate Definitions for Canada

Use rate definitions for different types of rate calculations including absence rates.

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

- Absence payment amounts for the employee
- Accrual and 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, use these rate definitions to determine the rate. Create these rate definitions before you define absence elements.

### *Related Topics*

- [Options for Creating Rate Definitions for Canada](#)
- [Overview of Rate Definitions](#)
- [Create Rate Definitions for Leave](#)

## 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](#)

## 2 Absence Elements

### Define Payroll Elements for Processing Absences for Canada

You define elements to calculate and process absence payments. Create an absence element for each absence plan that transfers absence payment information for payroll processing. When you create the plan, select the absence element to link it to the absence plan.

When you define an absence element, your responses to the element template questions determine which elements, balances, formulas, and calculation components the template generates.

Define an absence element, selecting a primary classification of Absence, and a secondary classification. Typically, the predefined values include vacation, maternity, sickness, and other. Use the Elements task in the Payroll or Setup and Maintenance areas.

Defining an absence element involves these tasks:

- Completing absence detail questions
- Completing absence payment questions
- Completing unpaid absence payment questions
- Completing tax processing, ROE, and accrual liability and balance payment questions
- Submitting the element
- Defining element eligibility records
- Defining cost distributions

### Complete Absence Detail Questions

The questions you complete in the Absence Details section determine which subsequent questions the template displays. You enter this information in the Absence Details section:

1. Specify the calculation units to use when reporting the absence, for example that's shown on the payslip, and statement of earnings. Typically, you select **Days** or **Hours** for your reports that correspond to the units for your absence plan.
2. When creating an absence element, select the **Work Units Calculation Rule** to calculate the absence rate.
3. Select the type of absence information you want to transfer to payroll. This is based on the type of absence management plan as given in this table.

| Absence Management Plan Type | Absence Information to Transfer | Examples   |
|------------------------------|---------------------------------|--|
| Accrual                      | Accrual Balances                | A vacation accrual plan that's not processed through payroll. The leave isn't shown separately on the statement of earnings. |

| Absence Management Plan Type  | Absence Information to Transfer | Examples  |
|-------------------------------|---------------------------------|---|
| Accrual Balances and Absences | Accrual Balances and Absences   | A vacation accrual plan that's processed through payroll. The leave is shown separately on the statement of earnings.     |
| Qualification                 | Qualification Absences          | A maternity plan that's processed through payroll. The leave is shown separately on the statement of earnings.            |
| No Entitlement                | No Entitlement Absences         | A no entitlement leave plan that's processed through payroll. The leave is shown separately on the statement of earnings. |

## Complete Absence Payment Questions

You can choose to reduce the employee's regular earnings by the full absence payment or a defined rate. This option is defined in the Absence Payments section of the absence element template. Select the appropriate option for salaried employees, as defined in this table.

| Question  | Steps  |
|---|--|
| Reduce regular earnings by absence payment        | Doesn't require a rate definition.   |
| Select rate to determine absence deduction amount | <p>Select this option if your absence payment:</p> <ul style="list-style-type: none"> <li>Is at a different rate than your salary reduction</li> </ul> <p>In this case, use the associated rate fields to select the rates to determine the absence deduction amount and rate to use in the absence calculation.</p> <ul style="list-style-type: none"> <li>You are processing unpaid absences</li> </ul> <p>In this case, refer the next section on how to configure an unpaid absence.</p> |

## Complete Unpaid Absence Payment Questions

When creating the element for an unpaid absence, select these options:

- Under the Absence Plan Details section, select **No Entitlement Absences**.

- Under the Absence Payments section, select **Select rate to determine absence deduction amount**. You must also leave the following rate fields blank:
  - Rate to Determine Absence Deduction Amount
  - Which rate should the absence payment calculation use?

If you don't select a rate, the payroll calculation automatically reduces the salary by the regular pay rate of the employee, thus causing an unpaid absence. The unpaid absence elements are then reported on the payslip and the statement of earnings.

- Under the Record of Employment section:
  - Select **Yes** for the option **Are there insurable hours associated with this element?**
  - Select **Yes** for the option **Should this element create a ROE event notification?**

## Complete Tax Processing, ROE, and Accrual Liability and Balance Payments Questions

The absence element template contains Canadian specific rules that are applicable for all the secondary classifications of absence elements. The additional questions include:

- Tax processing type for absence payments
- Record of Employment (ROE) options for employment insurance (EI) allocations and EI hours
- Option to designate a different tax method, EI allocation and EI hours for the final disbursement payments, if final payments are enabled
- Option to designate a different tax method, EI allocation and EI hours for the discretionary payments, if discretionary payments are enabled
- Option to create a ROE Notification event for the absence

The above options are described in this table.

| Element Template Section | Question  | Description   |
|--------------------------|---|---|
| Tax Processing           | What type of taxation applies to this element?                | Specifies the type of taxation for the absence payment.   |
| Record of Employment     | If this element is insurable, how are the earnings allocated? | Specifies how the EI earnings are allocated, by date earned or date paid. This is required for ROE processing and defaults to date earned.  |
| Record of Employment     | Are there insurable hours associated with this element?       | Specifies if there are EI hours associated with the element or not. This is required for ROE processing and defaults to Yes for the base absence element. However, it defaults to No for disbursement and final disbursement element. |
| Record of Employment     | Should this element create a ROE event notification?          | Specifies whether or not to create an event notification when a termination or unpaid leave of absence occurs for the employee.   |

| Element Template Section               | Question   | Description  |
|--|--|--|
| Accrual Liability and Balance Payments | Does this plan enable balance payments when enrollment ends? | <p>Creates the Final Disbursement shadow element, if the value selected is Yes. If No, the shadow element isn't created.</p> <p>When you select Yes for this question, you're presented with the additional options to specify the tax processing type, EI allocation and EI hours for the final disbursement payments.</p> <p>The default tax processing type is Nonperiodic, EI earnings allocation is date paid, and EI hours is No.</p>          |
| Accrual Liability and Balance Payments | Does this plan enable partial payment of balance?            | <p>Creates the Discretionary Disbursement shadow element, if the value selected is Yes. If No, the element isn't created.</p> <p>When you select Yes for this question, you're presented with the additional options to specify the tax processing type, EI allocation and EI hours for the discretionary disbursement payments.</p> <p>The default tax processing type is Nonperiodic, EI earnings allocation is date paid, and EI hours is No.</p> |

The questions in the ROE section, as given in this table, determine the options you can choose for the base absence elements.

## Submit the Element

When you submit the element, the template automatically configures a base pay element, balances, formulas, and calculation components.

The template also configures additional shadow elements, depending on the options selected in the template to transfer absence information, as shown in this table.

| Element Name   | Purpose   |
|--|---|
| <Absence Name>   | Absence element you associate with the absence plan.  |
| <Absence Name> Accrual<br><Absence Name> Accrual Calculator<br><Absence Name> Accrual Result             | Shadow elements: <ul style="list-style-type: none"> <li>Retrieves absence accrual information from Absence Management</li> <li>Processes liability</li> </ul>                       |
| <Absence Name> Entitlement<br><Absence Name> Entitlement Calculator<br><Absence Name> Entitlement Result | Shadow elements: <ul style="list-style-type: none"> <li>Retrieves absence accrual information from Absence Management</li> <li>Processes absence payments and deductions</li> </ul> |

| Element Name  | Purpose  |
|---|--|
| <Absence Name> Entitlement Retroactive  | Shadow element used to process absence payments and deductions in retroactive processing.  |
| <Absence Name> Discretionary Disbursement<br><Absence Name> Discretionary Disbursements Calculator<br><Absence Name> Discretionary Disbursements Result | Shadow elements: <ul style="list-style-type: none"> <li>Retrieves partial payment information from Absence Management</li> <li>Processes these disbursements</li> </ul>                                  |
| <Absence Name> Discretionary Disbursement Retroactive   | Shadow element used to process partial payment disbursements in retroactive processing.  |
| <Absence Name> Final Disbursement<br><Absence Name> Final Disbursement Calculator<br><Absence Name> Final Disbursement Result                           | Shadow elements: <ul style="list-style-type: none"> <li>Retrieves final payment information from Absence Management, such as upon employee termination</li> <li>Processes these disbursements</li> </ul> |
| <Absence Name> Final Disbursement Retroactive   | Shadow element used to process final payment disbursements in retroactive processing.  |

## Define Element Eligibility Records

Define element eligibility records for all the elements generated by the template, for example for the base element, the accrual and entitlement elements, discretionary and final disbursement elements. For example, for the element Vacation 1, you must create element eligibility as follows:

- <base element> (Vacation 1)
- <base element> accrual (Vacation 1 Accrual)
- <base element> entitlement (Vacation 1 Entitlement)

If you chose to create the final disbursement or discretionary elements, you must also create element eligibility for these shadow elements:

- <base element> discretionary disbursement (Vacation 1 Discretionary Disbursement )
- <base element> discretionary disbursement result (Vacation 1 Discretionary Disbursement Result)
- <base element> final disbursement (Vacation 1 Final Disbursement)
- <base element> final disbursement result (Vacation 1 Final Disbursement Result)

If you're processing retroactive payments, you must also create element eligibility for these retroactive shadow elements:

- <base element> entitlement retroactive (Vacation 1 Entitlement Retroactive )
- <base element> discretionary disbursement retroactive (Vacation 1 Discretionary Disbursement Retroactive)

- <base element> final disbursement retroactive (Vacation 1 Final Disbursement Retroactive)

For more information, refer to Configuring Absence Management for Canada guide on My Oracle Support.

## Define Costing Absence Elements

If your enterprise calculates cost distributions, specify 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

The costing process would cost the change in the liability balance since the last payroll period, debit the expense account and credit the liability account.

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

### *Related Topics*

- [Define Payroll Elements for an Absence Accrual Plan for Canada](#)

## Override Default Absence Element Value Definitions for Canada

Override the values initially configured during element creation for the tax method, Employment Insurance (EI) hours, and EI allocation. You override the values for any of the shadow elements created for entitlement, discretionary disbursement, and final disbursement.

The value definitions created for each shadow element is as given here.

### **Entitlement Element**

- <Element Name> Tax Processing Type
- <Element Name> EI Allocation
- <Element Name> EI Hours

### **Discretionary Disbursement Element**

- <Element Name> Disc Tax Processing Type
- <Element Name> Disc EI Allocation
- <Element Name> Disc EI Hours

### **Final Disbursement Element**

- <Element Name> Final Tax Processing Type
- <Element Name> Final EI Allocation



- <Element Name> Final EI Hours

Use the Calculation Value Definitions task to override these values that are stored as value definitions. The text values you can use to override the various types of value definitions are as given in this table.

**Value Definitions Override Values**

| Purpose             | Component   | Override Value |
|---------------------|-------------|----------------|
| Tax Processing Type | Regular     | R              |
|                     | Nonperiodic | N              |
|                     | Lump Sum    | L              |
| EI Allocation       | Date Earned | DATE_EARNED    |
|                     | Date Paid   | DATE_PAID      |
| EI Hours            | Yes         | Y              |
|                     | No          | N              |

Select the value definition name to edit, and make the change to the value definition. This overridden value is used during the payroll process, instead of the value initially configured at element creation.

## Create User-Defined Absence Secondary Classifications

If the predefined secondary classifications for absences don't meet your needs, create user-defined secondary classifications for the absence elements.

You can then use the new secondary classification to create default mappings for the Record of Employment Reasons for absences.

**Note:** You must also create the wage basis rules for the user-defined secondary classifications you create.

To create a new secondary classification for absence elements:

1. Select the **Element Classifications** task under Payroll.
2. Select a **Legislative Data Group** and click **Search**.
3. Select the **Absence** primary classification in the search results.
4. Select **Actions > Edit**.
5. In the Secondary Classifications section, select **Actions > Create**.
6. Enter the **Name** and **Start Date**.
7. Select a value for the **Year End Forms**.
8. Click **OK**, and then **Submit**.



# 3 Absence Plans

## Absence Plans for Canada

Create absence plans to define rules for accruing leave time and to determine how entitlements are provided to an employee during an absence period.

An absence plan determines:

- How entitlements are granted to the employee
- Who is eligible to participate in the plan
- How payments for the entitlements are calculated and paid

The plan captures and provides information to payroll to facilitate the payment of absences.

This table lists the different types of plans you can configure.

### ***Absence Plan Types for Canada***

| Plan Type      | Description   |
|----------------|---|
| Accrual        | Time earned by an employee on a periodic basis. This plan type is used for paid absences, such as vacation or sick time.  |
| No Entitlement | A plan that has neither accrual nor entitlements defined. This plan type is commonly used to track unpaid absences.   |
| Qualification  | Employee's entitlement time that is not earned, but granted to them on a periodic basis. These types of non-accrued plans are commonly used for entitlements other than vacation, such as maternity or sick time. |

Use the Absence Plans task to create absence plans.

There are no predefined absence plans in the application. When you create an absence plan, use the numerous options and additional setup within the plans themselves to configure plans to meet specific requirements. For example, you can specify accrual periods, whether employees are allowed to take vacation before it is accrued, specific termination rules, carryover rules, and so on.

- The unit of measure you define in the plan must match the unit of measure you define in the associated absence type. If the unit of measure differs, define the conversion formula and attach it to the absence type. This formula is applicable only if the unit of measure is hours or days for the absence type.

### **Participation**

Use the **Participation** tab to configure enrollment and termination rules for the plan. Decide when to enroll workers in the accrual plan. Indicate how to handle negative and positive balances where only plan enrollment ends, or both plan enrollment and employment ends.

- Use the **Enrollment Rules** fields to specify when to enroll workers in the plan.
- Use the **Balance Disposition Rules** to decide how you want to deal with balances and ongoing payments when employees are terminated or lose plan eligibility.
- The Transfer Rules section is enabled only if you select **Transfer positive balance** in the Balance Disposition section.
- Configure accrual plans so that when a worker is terminated or loses plan eligibility, the remaining balance can be optionally held for reinstatement upon rehire or return to plan eligibility.

Additionally, you must attach the eligibility profile to the plan.

### Accruals

Use the **Accruals** tab to configure accrual rules and limits for the absence plan.

- Use **Plan Limits** to define rules for the maximum leave time that workers can accrue.
- For **Year End Processing** you can define rollover and carryover limit rules.

### Entries and Balances

Specify what type of balance adjustment actions that HR specialists can access during absence administration.

To configure the payroll integration and pass the absence information to payroll, select the **Transfer absence payment information for payroll processing** option and assign the absence element created in payroll.

**Note:** If this isn't configured, the absence information isn't transferred to payroll for processing. For more information on how to configure absence plans, refer to Options to Define Accrual Plans topic on the Oracle Help Center.

## Absence Types for Canada

An absence type is a grouping of absences, such as illness or personal business that is used for reporting, accrual, and compensation calculations.

Absence types manage the appearance and processing of absence records and includes these factors:

- Who can enter or update the absence
- How the absence can be scheduled
- What information is captured
- Whether the absence is approved
- What plans apply to the type
- How reasons are used
- What supporting documentation is captured and maintained

Use the Absence Types task to create absence types. One absence plan may be associated with multiple absence types. There are several fields you set when you create your absence types.

### Type Attributes

Use the Type Attributes tab on the Create Absence Type page to define the general attributes and rules of the absence type.

- Select an absence **Pattern** if required. An absence pattern contains a predefined set of rules you use as a starting point when you create an absence type.
- Select the **Unit of Measurement** for the absence type. You can select either days or hours.
- Define **Duration Rules**. When you create an absence type, such as sick leave, you include rules to determine when users record or manage absence of that type. For example, you can restrict workers so that they can record absences only of a particular duration. An alert appears if the entered duration exceeds the maximum value.
- Define **Absence Record Maintenance** options to determine who can update an employee's absence information.
- Select the **Display balance in approval notification** check box in the General Attributes section to display the plan balance as of the absence end date in any generated notification.
- Configure absence types for employees with multiple assignments so that managers, administrators, and employees can enter absences that impact either all assignments or a specific assignment. Select the **Allow assignment selection at absence entry** check box in the Multiple Assignment Rules section to provide this option at absence entry.

When adding an absence, if you choose a specific assignment, the absence will impact only that particular assignment. But if you select the option **All** the absence will impact all the assignments active as of the absence start date.

### Plans and Reasons

Use the Plans and Reasons tab to link the absence plan and reasons for the absence type.

Absence reasons further refine the absence. If you have configured an absence reason, select them here for the scheduled absence plan. Absence reasons are independent of absence types. You can use the same reason for multiple absence types. When you create an absence type, you associate the valid reasons with the type.

Use the Absence Reasons task to create absence reasons.

### Display Features

Use the Display Features tab to configure display and processing features.

Decide which fields or functions you want to show or hide for specific user roles when they record or approve a specific absence type.

Based on the absence pattern that you select, all fields and rules have default values, which you can configure.

- Use the Primary Absence Details section to determine whether you want to show or hide these fields in the Supplemental Details section on the absence recording pages:
  - Reasons
  - Comments

- Attachments
- Configure the **Qualified Entitlements** rule to show or hide the Qualified Entitlements section on the absence recording pages for qualification plans. When workers schedule an absence related to a qualification absence plan, the Qualified Entitlements section displays payment percentages that apply during the absence period.
- Use the **Approval and Processing Rules** section to configure rules related to absence approvals and processing that are available to specific roles in the approval page. The daily and summary breakdown information is not transferred to payroll until the absence is approved.
- Configure the **Insufficient Balance Enforcement** rule to show or hide the Projected Balances section on the absence recording pages. When workers schedule an absence related to an accrual absence plan, an error message prevents workers from adding an absence if there is insufficient accrual balance.
- Use the **Dates and Duration** section to control the processing and display of the date-related fields that appear on the absence recording pages. This section covers the dates that are captured, calculated, and evaluated. The fields vary significantly by absence pattern.
- Use the Supplemental Absence Details section to control the display of additional fields that collect additional information and support absence processing.

## Create Derived Factors and Eligibility Profiles

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 Manage Derived Factors task to define these six different types of derived factors:

- Age
- Length of Service
- A combination of age and length of service
- Compensation
- Hours Worked
- Full-time Equivalent

## Absence Eligibility Profiles

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

An eligibility profile is a user-defined set of criteria used to determine whether a person qualifies for a benefits offering, variable rate or coverage, compensation plan, checklist task, or other object for which eligibility must be established.

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

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

### Categories of Criteria defined in an eligibility profile

| Category         | Description  |
|------------------|--|
| Personal         | Includes gender, person type, postal 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, such as gender, provide a fixed set of choices. The choices for other criteria, such as person type, are based on values defined in tables. You can define multiple criteria for a given criteria type.

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

## Employee Absence Records for Canada

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.

Enter absence records and perform absence transactions by any of these options:

- Managers can perform entries for their reports using the Absence Records task
- Absence administrators can perform the entry
- Employees can perform the entry using Self-Service, if you have allowed it

When an absence record is created for the employee, the absence information is automatically transferred to payroll. The absence calculation card is created, along with the components that hold the absence information.

#### Related Topics

- [Overview of Vacation Liability Processing for Canada](#)
- [Overview of Record of Employment](#)
- [Create the Reporting Information Calculation Card for Canada](#)

## Create Employee Absence Records for Canada

This topic explains the processes that are automatically initiated when an absence record is created for an employee.

## Absences Calculation Card

When an absence record is created for the employee, the absence information is automatically transferred to payroll. The Absences calculation card is created, along with the components that hold the absence information. The following information is made available to payroll.

- The summary record that contains information such as the start and end date of the absence, the absence rate, and the units.
- The daily breakdown record that shows the absence date and any factor to be applied, such as the percentage to use when calculating the absence payment.

**Note:** This occurs if the absence is approved and the option to transfer to payroll is configured on the absence plan.

The calculation card includes these components:

- Calculation components
- Entitlement record that displays the calculation values.
- Accrual calculation component with the unit accrued for the employee.

## Element Entries

The Absence Entitlement component creates element entries for the transaction to be processed in the payroll payroll.

## Record of Employment (ROE) Events

When an absence record is generated, the ROE event is created using the absence start date. This occurs only if:

- The ROE notification option on the absence element is set to create a Record of Employment Notification event for the absence.
- The absence element with this configuration is linked to the absence plan.

Define the default ROE events mappings at the Payroll Statutory Unit (PSU) level. Create a Reporting Information card to override this default ROE Reason configured for the PSU.

Once configured, these mappings are used by the ROE archive process to derive the ROE Reason.

## Vacation Liability Payments

Vacation liability is the minimum amount of vacation pay an employee is legislated to receive in a given year according to the provincial statutory requirements. You may compare actual vacation paid in a given year to this minimum and pay the difference at the end of the vacation year.

Processing vacation liability payments includes these tasks:

- Create an absence element with a secondary classification of Vacation that transfers absence payment information for payroll processing.
- Create an absence plan, and ensure the following is defined for payroll.
  - Select the **Transfer absence payment information for payroll processing** check box.
  - Select the element for the plan in the Element field to link it to the absence plan.



- Enrol employees in the absence plan.
- Create absence types, and associate them to the absence plans. Select Canada Vacation in the Legislative Grouping Code. Add the absence plans to the type.
- Create vacation liability rates based on absence plan, province (optional), and length of service.
- Create a vacation payout earnings element and assign the vacation payout element to the employee when the liability balance is to be paid.
- Select a vacation liability plan on the employee's calculation card. Enter a Vacation Service Date on the employee's calculation card to override the hire or rehire date for vacation liability calculations, if applicable.

When you create an absence record the vacation liability information is transferred to payroll for processing vacation liability payments.

## Processing Expedited Absences for Canada

Use the Expedited Payroll Processing feature to make immediate payments for absences that are submitted late on a time card.

This feature is only available for absence and time entries that are retroactively modified on a time card and marked for expedited processing.

This table lists the three fields on previously processed timecards that you can use for expedited processing. These fields also appear as input values on your retroactive element entries.

### ***Expedited Processing of Absences***

| Field                   | Description   |
|-------------------------|---|
| Expedited Payroll       | Select <b>Yes</b> to include absence changes in the expedited payroll processing.   |
| Override Payment Method | Select a payment method to override the default payment method only for this time card. Only payment methods of type <b>Cheque</b> are allowed.<br><br><b>Note:</b> This field displays only if you have set the Expedite Payroll option to <b>Yes</b> .  |
| Override Cheque Printer | Use this attribute to determine if the cheque for this time card must be printed at a different location. You must configure your cheque printing process to use this override.<br><br>For example, if you need to make a payment to the employee today, and the employee happens to be working in a different location, you can direct the cheque print to that alternate work location.<br><br>You must configure the list of printers within the HCM Common Lookup ORA_EXPEDITE_CHECK_PRINTER. |

## Expedited Payroll Processing

Run the Expedited Payroll Flow to process only those employees that have previously adjusted absence and time entries. Upon completion of the Load Timecard Batches process, the application transfers the expedited components into the time and absence calculation cards.

For more information on expedited payroll processing, refer the Expedited Payroll Flow topic on the Oracle Help Center.

# 4 Absence Accruals

## Define Payroll Elements for an Absence Accrual Plan for Canada

This example shows how you can define an absence element for a vacation accrual absence plan. Based on your setup decisions, this procedure configures these 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.

This table summarizes key decisions for this scenario.

| Decisions to Consider  | In This Example               |
|--|-------------------------------|
| What type of an absence are you transferring to payroll?             | Accrual balances and absences |
| 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       |
| Does your absence plan enable payment of partial accrual balances?   | Yes                           |
| Which rate should the partial disbursement payment use?              | Partial Disbursement Rate     |

| Decisions to Consider   | In This Example  |
|---|--|
| How do you want to reduce earnings for employees not requiring a time card? | Reduce regular earnings by absence payment   |
| What type of taxation applies to this element?                              | Regular  |
| If this element is insurable, how are the earnings allocated?               | Date Earned  |
| Are there insurable hours associated with this element?                     | Yes, only for the base absence element. It is No for the discretionary disbursement and final disbursement elements. |
| Should this element create a ROE event notification?                        | Yes, when a termination or unpaid leave of absence occurs for the employee.  |

## Before You Begin

Ensure that you configured a rate definition to determine the monetary value of a unit of absence, and depending on your enterprise, separate rates to calculate liability, discretionary disbursement, and final disbursement payments. You configure a rate definition using the Rate Definitions task in the Setup and Maintenance or Payroll area.

## How to Define an Absence Element

1. Use the **Elements** task from the Setup and Maintenance or the Payroll area,.
2. Click **Create**.
3. In the Create Element window, complete the fields as shown in this table.

| Field                           | Value  |
|---------------------------------|--|
| <b>Legislative Data Group</b>   | Select your legislative data group.  |
| <b>Primary Classification</b>   | Absences   |
| <b>Secondary Classification</b> | Select an appropriate value for your legislation, such as Vacation for this example. |
| <b>Category</b>                 | Absence  |

4. Click **Continue**.
5. On the Create Element: Basic Information page, complete the fields as shown in this table. Use default values for fields unless the steps specify other values.  
You can enter up to 50 characters for the element name. If you enter more than 50 characters, the application will automatically shorten the name.

| Field          | Value            |
|----------------|------------------|
| Name           | Vacation Payment |
| Reporting Name | Vacation Payment |
| Effective Date | 01/01/2010       |
| Input Currency | Canadian Dollar  |

6. In the Absence Plan Details section, complete the fields as shown in this table. Use default values for fields unless the steps specify other values.

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

7. Click **Next**.  
8. On the Create Elements: Additional Details page, in the Absence Payments section, complete this question:

| Field   | Value                                      |
|---|--|
| How do you want to reduce earnings for employees not requiring a time card? | Reduce regular earnings by absence payment |

9. On the Create Elements: Additional Details page, in the Accrual Liability and Balance Payments section, complete the fields as shown in this table. Use default values for fields unless the steps specify other values.

| Field  | Value          |
|--|----------------|
| Calculate absence liability?                             | Yes            |
| Which rate should the liability balance calculation use? | Liability rate |

| Field  | Value   |
|--|---|
|  | <p><b>Note:</b><br/>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?               | <p>Yes</p> <p><b>Note:</b><br/>The Final Disbursement element is created. If you select No, the Final Disbursement element isn't created.</p>                       |
| Which rate should the final balance payment calculation use?               | Final disbursement rate   |
| What type of taxation applies to balance payments when enrollment ends?    | Nonperiodic   |
| If the final payment element is insurable, how are the earnings allocated? | Date paid   |
| Are there insurable hours associated with the final payment element?       | No  |
| Does this plan enable partial payment of balance?                          | <p>Yes</p> <p><b>Note:</b><br/>The Discretionary Disbursement element is created. If you select No, the Discretionary Disbursement element isn't created.</p>       |
| Which rate should the discretionary disbursement use?                      | Discretionary disbursement rate   |
| What type of taxation applies to the partial payment of balances?          | Nonperiodic   |

| Field  | Value     |
|--|-----------|
| If the partial payment element is insurable, how are the earnings allocated? | Date paid |
| Are there insurable hours associated with the partial payment element?       | No        |

10. On the Create Elements: Additional Details page, in the Tax Processing section, complete the fields as shown in this table. Use default values for fields unless the steps specify other values.

| Field  | Value   |
|--|---------|
| What type of taxation applies to this element? | Regular |

11. On the Create Elements: Additional Details page, in the Record of Employment section, complete the fields as shown in this table. Use default values for fields unless the steps specify other values.

| Field   | Value   |
|---|---------|
| If this element is insurable, how are the earnings allocated? | Regular |
| Are there insurable hours associated with this element?       | Yes     |
| Should this element create a ROE notification?                | Yes     |

12. Click **Next**.  
 13. On the Create Element: Review page, review the information that you entered so far.  
 14. Click **Submit** to open the Element Summary page.

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

## How to Define Element Eligibility

1. In the Element Overview section of the Element Summary page, click the **Element Eligibility** node.
2. Click **Create Element Eligibility** from the Actions menu.
3. In the Element Eligibility section, enter Vacation Payment Open in the **Element Eligibility Name** text box. Leave the rest of the fields on the page blank.
4. Click **Submit**.

5. Click **Done**.
6. In the Elements page, search for the other elements prefixed with your absence element name.
7. Select each element in turn and repeat the steps on the Element Summary page to define eligibility for each element.

## Processing Absence Accruals for Canada

If an employee is enrolled in an accrual plan, you must run the accrual process. You should use the payroll period end date to run the accrual process.

The accrual process does the following:

- Calculate the accrual balance for each active enrollment
- Update plan balances
- Transfer the information to payroll

You can run the accrual process from the UI or run a batch process.

### Processing Accruals in the UI

Use the Absences task in Person Management to run the accrual process in the UI.

- Run the process for all active plans or only the selected plan.
- Use the **Withdraw accruals and balances** option to withdraw and update worker accrual balances and delete enrollments.
- Use the Calculate accruals and balances option to calculate accrual balances and update plan balances.

### Processing Accruals in Batch

You can also process accruals for multiple employees in a batch process using the **Calculate Accruals and Balances** batch process, which is accessed from the Schedule and Monitor Absence Processes task in the Absences area. Run this process at regular intervals, such as daily or weekly.

### Withdrawing Accruals in Batch

Withdraw and update employee accrual balances and delete enrollments using the **Withdraw Accruals and Balances** batch process. Run this process using the Schedule and Monitor Absence Processes task in the Absences area.

Run this process to correct existing accrual data. You can also run the process for individual enrollments.